PROFESSIONAL ACCOUNTANT'S PERSPECTIVE OF SKILLS REQUIRED TO MOVE INTO MANAGEMENT POSITION

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DECLARATION

I, Kgapola Mmaledimo Prudence declare that **"Professional Accountant's perspective of skills required to move into management position"** is my own work; that all sources used or quoted have been indicated and acknowledged by means of complete references, and that this dissertation was not previously submitted by me or any other person for degree purposes at this or any other university.

SIGNATURE **DATE**

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ABSTRACT

In South Africa skills shortage is a predicament and so is the shortage of professional accountants. Another issue at hand is how educational institutions do not provide studies to equip students with the necessary skills to obtain entry level employment after they graduate. The markets and business environments changing almost every day and so do the skills set required by professional accountants. The purpose of the study is to assist professional accountants in defining the skills required for management positions and to enable them to plan their careers better. For this purpose the research method was a non-experimental design. A cross-sectional survey was used because the study was aimed to study several groups of individuals at one point in time. The majority of participants were registered at SAICA or CIMA.

From the study the following was identified as the biggest shortcomings (gaps) between development during work and what is needed in a management position:

- Intellectual skills, especially analytical thinking, decision-making and problem-solving.

- Technical skills in other areas especially broader economic and business skills, financial management, governance, mathematical skills, risk management and strategic skills.

- Personal skills, especially anticipating and adapting to change, benchmarking, ethics, lifelong learning, marketing, prioritising, seeing the bigger picture, self-management, striving to add value and taking initiative.

- Business skills, especially mentoring, interacting with diverse people, leading effective meetings, listing and reading effectively, managing others, motivating others negotiating and communication.

This study will benefit professional accountants in planning their careers and such involvements would result in more skilled professional accountants who will be better prepared to take on management positions. It can also assist professional bodies to better plan for CPD training.

Key words: Professional accountant, career advancement, accountancy careers, continued professional development, management skills, managers

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LIST OF ABBREVIATIONS

SAICA	South African Institute of Chartered Accountants
JSE	Johannesburg stock exchange
CIMA	Chartered Institute of Management Accountants
CPD	Continuous Professional development
IFAC	International Federation of Accountants
IES	International Education Standards
CGMA	Chartered Global Management Accountants
CPAs	Certified Public Accountant
AAT	Association of Accounting Technicians
CEO	Chief Executive Officer
CFO	Chief Financial Officer

CHAPTER 1
INTRODUCTION AND BACKGROUND TO THE STUDY

1.1 INTRODUCTION

1.1.1 The skills need in South Africa

The national development plan is a document that sets out the overall strategies of a country. This in turn assists government in properly planning for future events. South Africa requires a skilled labour force to improve development. These skills include engineering, information technology professionals, forensic specialists, detectives, planners, **accountants**, prosecutors, curriculum advisors, sufficient doctors, nurses and health care professionals in different sectors to provide quality healthcare, researchers and innovators to play an important role in generating new products and provide innovative ways to produce existing products more cost-effectively and efficiently, as well as the delivery of public services. Furthermore the management capabilities of senior staff working in a difficult organisational, political and social environment need to be addressed (Government notice no 15, 2015) & (National development plan, 2030).

1.1.2 Accountants as business leaders

Two-thirds of top business leaders of highly-ranked listed company CEOs are chartered accountants (SAICA, 2014a). This is a clear indication that top businesses value the financial skills and knowledge of professional accountants in business.

The CEO of the South African Institute of Chartered Accountants (SAICA), Dr Terence Nombembe stated that SAICA has surveyed all the companies listed on the JSE and that there were 4 035 directorships in all, of which 1 025 (23,8%) are held by chartered accountants in South Africa (SAICA, 2014a). According to SAICA (2014a) chartered accountants constitute 74,3% of CFOs positions or financial directors and 21% of CEOs or management. Almost two-thirds of the companies run by chartered accountants are in fact in the top 200, which also suggests that accountants are better than most at managing companies.

It is therefore evident that there is a need for accountants and especially for accountants as business leaders. Yet, according to the literature it appears that current accounting education does not meet this need.

1.1.3 The accounting education challenge

The issue of the shortage of accountants is not new to the accounting profession, but the problem is nowhere near to being solved. In 2009 South Africa was in need of up to 22,000 qualified accountants (Innocenti, 2009). That was six years ago. The five per cent annual increase to the profession indicate that those large differences are most likely more prominent today. It is apparent that this limited growth rate is not sufficient to address the current skills shortage (Accountancy SA, 2014).

The need for more professional accountants is not the only challenge accounting educators face. The other issue that educators and the professional bodies encounter is the need to ensure that accounting courses equip graduates with the required skills to add value to the company and the profession (Jackling & De Lange, 2008).

As a result of the setting and dynamics of the universal business environment, the skills set needed of professional accountants looking to add value has changed (Jackling & De Lange, 2008). There seems to be a gap between the skills that graduates have at entry level, from what they were taught at university, to what employers require from them when they enter the workplace. Employers require various skills, skills which graduates openly pointed out were not properly taught at university (Jackling & De Lange, 2008).

1.1.4 Skills required

Various studies have been conducted on the skills required from accountants. In a paper by Arthur Andersen (1989) (Cited by De Villers, 2010), the abilities for success in the accounting profession are recognised and categorised into the following five categories: communication skills, intellectual skills, knowledge of the public sphere, organisational and business knowledge and interpersonal skills.

Another study (De Villiers, 2010) indicated that there are the two conceptual domains of skills for business graduates and professionals at all levels:

1.1.4.1 Cognitive intelligences (dealing with information, intelligence)

Technical skills: task-setting skills, decision-making, strategic thinking, planning, problem-solving cognitive skills, monitoring, disseminating, controlling, analytical, coordination, resource allocation skills and functional expertise. Authors also refer to these skills as “Technical skills” (De Villiers, 2010).

1.1.4.2 Emotional intelligence competencies (intra and inter-personal abilities)

Soft skills: people, staffing, co-ordinating, negotiating, diversity sensitivity, social complexity, social judgment interaction, networking, supervision, social responsibility, ethics, moral values and integrity, flexibility and adaptability, corporate culture, influence, communication, leadership and self-management (De Villiers, 2010).

A study by Kavanagh and Drennan (2008) determined that the professional skills that employers expect accounting graduates to have when entering the job market. They ranked analytical/problem-solving skills as the highest, with “real-life experience or business awareness” second and basic accounting knowledge and skills, third. Soft skills made up the rest of the top ten ranked skills.

The ability of a graduate to work productively as an individual, or as a member of a group, forms a vital part of the graduate’s skills profile (Rozien and Jepson, 1985 (Cited by Gammie et al., 2002). On a national level the ability of a graduate to take responsibility and portray leadership potential is a common skill required by employers (Gammie *et al.*, 2002). When students were asked what skills they thought they require before entering the job market, the response was: interviewing skills, career planning, verbal communication skills and business writing skills (Gammie *et al.*, 2002).

Mohamed (2003) regards the following as some of the skills that employers require in entry level graduates:

- Skills for global markets: The fast increase in globalisation trends and improvements in information technology has made it essential for a business graduate, specially accounting graduates, to persevere in the global market.
- Communication skills: Communication skills are regarded as a must for all successful entry level accounting professionals.

- Computer skills: Knowledge of basic technology not only makes the graduate creative in the workplace but also help them to adapt to the new working environment.
- Analytical and intellectual skills: As an accounting graduate one should be able to gather the correct information, analyse problems using common sense and apply the problem-solving procedures to real business challenges.
- Multi-disciplinary and inter-disciplinary skills: The professional accountant should have an understanding of the social, cultural and psychological forces that may affect the business and the political forces influencing the standard settings. This enables the professional accountant to solve various issues in various situations.
- A multitude of skills that are required from professional accountants at entry level were identified from the previous discussions. Professional bodies tried to address these skill requirements by way of introducing a set of competencies that new entrants into the workplace need to have mastered. In a study conducted by the Charted Institute of Management Accountants (CIMA), the importance of vocational skills in accounting education were determined. These skills include communication skills, interpersonal skills and problem-solving skills (Montano *et al*., 2001). Paisey and Paisey (2010) also agree that the most sought after skills identified are communication skills, both verbal and written, computing/information technology skills, critical thinking, problem-solving skills and the ability to extract and analyse information. Due to the dynamic environment in which professional accountants work, it is important for employers of management accountants, because the ability level of these skills allows the employer to analyse and set priorities for the future development of the individual (Montano *et al.,* 2001).

According to the SAICA competency framework (2014b) the competencies related to the chartered accountant as a responsible leader with professional accounting background include pervasive qualities and skills that are fully integrated with specific competencies. In the following section these pervasive qualities and skills and what they entail in the workplace are discussed.

1.1.4.3 Pervasive qualities and skills

Soft skills or pervasive skills can be defined as the “interpersonal, human, people or behavioural skills needed to apply technical skills and knowledge in the workplace” (Weber *et al.,* 2009 (Cited by De Villiers, 2010).

Pervasive skills include:

1) Ethical behaviour and professionalism

- Uses an ethical reasoning process
- Protects the public interest
- Acts competently with honesty and integrity
- Performs work competently and with due care
- Maintains objectivity and independence
- Avoids conflict of interest
- Protects the confidentiality of information
- Maintains and enhances the profession’s reputation
- Adheres to laws, professional standards and policies and the rules of professional conduct when exercising professional judgement

Whether qualified or highly experienced, all chartered accountants have an obligation to maintain ethical principles and to behave in a professional manner. Acting with integrity is vital to the profession’s commitment to excellence (SAICA, 2014b).

2) Personal attributes includes

This includes the chartered accountant’s ability to portray individual characteristics that are important to fulfil the commitment of being leaders who improve decision-making and organisational performance.

3) Professional skills

Certain skills are important for the professional success of chartered accountants. These skills include the gathering of information, analysis, evaluation and combination of information and ideas such as problem-solving and decision-making skills; communication and management skills, and expertise in technology.

Yet, there is still an apparent lack of focus on the soft skills demanded by employers (De Villiers, 2010). There therefore exists a skill gap already at entry level.

Due to the quick changes in the market place and technology, it is has become increasingly important that graduates and young people in business constantly stay up to date with changes. Graduates also have a responsibility to ensure that they improve their skills. This is elaborated on later.

Researchers agree that soft skills not only differentiate exceptional leaders and managers, but can also be associated with strong professional performance at all levels (De Villiers, 2010). Having mastered the various soft skills, this should therefore assist the professional accountant in the competitive recruitment market.

1.1.5 The competitive recruitment market

The level of competiveness in the graduate recruitment market is escalating and will probably continue to do so because of the increased mobility of graduates who are willing and able to go wherever the opportunities are best (Andrews & Higson, 2008).

The pursuit towards career advancement is also usually perplexing because promotion itself is unclear and sometimes based on individuals' subjective evaluation (Munjuri, 2011). In particular, career advancement has been affected by the developments in the workplace that introduced new employment practices (Munjuri, 2011). These developments include: company restructuring, early retirement, buyouts and the growing use of short-term contracts which have caused employees think that career opportunities will no longer exist (Leung and Chang, 2002).

It can be concluded that career information improves career advancement prospects in that it provides human resources personnel with the understanding of the employee's skills and abilities that are important factors for job selection and training decisions (Munjuri, 2011). If employees have more information about what career prospects are available, they can take the necessary steps to secure a specific position. Such information could for example include which skills are needed for a specific position. Edem (1999) argues that career advancement prospects, if made known to new employees, can help the employee to meet their development needs and goals as well as achieving their optimal potential.

This is also an important factor for analysing career success. Career success can be defined in terms of objective and subjective dimensions (Judge and Bertz, 1994; Judge *et al.*, 1995). Objective career success comprises visible employment accomplishments

that can be valued, for example pay and promotion rate. (Stumpf & London, 1982). In contrast, subjective career success has been defined as “an individual’s feelings of achievement and satisfaction with his or her career” (Judge *et al.*, 1995). Based on this definition, one subjective guide of career success can be a personal confirmation of career satisfaction, with aspects including career advancement, salary growth, and professional development (Greenhaus *et al.*, 1990). Career advancement is therefore a key objective for numerous employees and is a contributing element that helps to improve the satisfaction of the individual’s particular work life (Munjuri, 2011).

The environment of managerial activities provide a constant stream of learning opportunities and inspires the compiling of a plan for meeting individual development needs (Jones & Fear,1994). McBeath (1994) (Cited by Jones & Fear, 1994) maintains that development plans should exist for every manager and including those at board level.

If employees or prospective employees are made aware of what is available in the job market and what is required of them, they can equip themselves to secure a certain position. Once they are in that position, they need to find ways to better themselves by improving their skills and knowledge which is where career advancement and career success comes into play. Due to changes in the workplace an employee needs to find ways around this. In order to advance in their careers, professional accountants would need continuous professional development (CPD) to stay up to date and improve their skills. In the coming section the importance of continuous professional development in the accountancy profession is discussed.

1.1.6 CPD

The Macmillan dictionary for Advance Learners (2007) defines professional development as “the process of obtaining skills and qualifications and experiences that will allow you to make progress in your career”. The International Federation of Accountants (IFAC) refers to continues professional development as the process that allows professional accountants to perform their duties competently through education and development which also enhances and improves their abilities. Madden and Mitchell (1993) define continuous professional development as “the maintenance and enhancement of the knowledge, expertise and competence of professionals throughout their careers according to a plan formulated with regard to the needs of the

professional, the employee, the profession and society". It can be concluded that CPD is a process in which in an individual improves themselves by acquiring the necessary skills and knowledge to be better at their jobs.

According to IFAC (2010) all professional accountants are required to maintain and enhance their professional competence, which is vital to their professional obligations and work environment. This requirement relates to all professional accountants whether they are involved in traditional accounting or other areas of the field.

Jones and Fear (1994) describe the purpose of all the CPD as a means to enhance performance in the workplace. Welsh and Woodward (1989) (Cited by Jones and Fear, 1994) further describe CPD as an "activity which helps to maintain and improve professional competence". Mumford, 1993 (Cited by Jones and Fear, 1994) notes that development requirements can arise from present performance or those presumed necessary for another job.

Being a professional accountant entering the industry can be challenging and once such a professional accountant is in the market they therefore need to find ways to stay relevant and up to date with the changing market and this is where professional development comes into play. In a professional environment, CPD has become an essential and lifelong process to create a skills portfolio that is appropriate for current requirements and flexible enough to adapt (Watkins, 1999). It is also rapidly being perceived as an important factor for ensuring that members stay relevant and uphold their professional competence (Jones & Fear, 1994). It would therefore also be the correct avenue to address further skills developments.

1.2 PROBLEM STATEMENT

South Africa has a dire skills shortage on all levels. The literature imply that professional accountants often take on management positions. According to Matlwa from SAICA (2011) more businesses are gradually gaining confidence in the countries most pursued qualification, with regard to the knowledge and expertise that they have to offer. Many research studies (Subramaniam, 2003; Montana, *et al.*, 2001; De Villers, 2010; Kavanagh & Drennan, 2008; Paisay *et al.*, 2007) have been conducted about the competencies at the point of entry or completion of the professional accountancy qualification. There is, however, limited research conducted on competencies required

of professional accountants for career advancement. Some outdated research have analysed the effects of individual qualities or behavioural styles on career success (Ferris & Judge, 1991; Judge & Bretz, 1994; Whitely, *et al.*, 1991). The development of professional accountants as managers can be done proactively if the skill requirements are built into CPD programmes. The range of skills specifically required (technical and soft) of professional accountants taking on management positions are however unknown. Therefore the research question for this study is, what are the range of skills specifically required (technical and soft) of professional accountants to move into management positions?

The study aims to contribute valuable information to be used in developing CPD training programmes and postgraduate study initiatives especially focused on the preparation of professional accountants to take on management positions. Such interventions would result in better skilled professional accountants prepared to take on management positions and therefore contributing to their personal growth, the organisation and the economy as a whole. In a developing country such as South Africa, with skills shortages in many spheres, including at management level, this research is long overdue.

1.3 OBJECTIVES OF THE STUDY

1.3.1 Primary Objectives

The exploratory study aims to assist professional accountants in defining the skills required for management positions.

1.3.2 Secondary Objectives

In order to achieve the primary objective, the following theoretical and empirical objectives are formulated for the study:

- To establish the need for professional accountants to develop specific skills to take up the role of a manager.
- To establish the perceived skill set professional accountants ought to have when moving into management positions.
- To make recommendations as to the continued professional development (CPD) training necessary to prepare professional accountants to step into management positions in entities.

1.4 RESEARCH DESIGN AND METHODOLOGY

The study comprises a literature review and an empirical study. To achieve the objectives of the study, both published and unpublished literature are examined. Quantitative research, using a survey, are used for the empirical aspects of the study.

1.4.1 Literature Review

Secondary data sources include relevant textbooks, published books, reference work, journal articles, newspaper articles and the Internet.

The literature study addresses the following (not an all-encompassing list):

- The accounting education requirements of professional bodies such as SAICA, CIMA and IFAC.
- Previous research on CPD for accountants, both locally and abroad.
- Media reports regarding problems and challenges South African accounting graduates face.

1.4.2 Empirical Study

The empirical aspects of this study comprise the following methodology dimensions:

1.4.2.1 Target Population

The research population was as follows: Professional accountants registered in South Africa:

- SAICA 35 000 members (SAICA, 2014a)
- SAIPA 6 000 members (SAIPA, 2014)
- CIMA 227 000 members(worldwide)* (CIMA,2014a)
- ACCA 170 000 members (worldwide*) (ACCA ,2015)

**The numbers in South Africa are expected to be less than that of SAIPA*

1.4.2.2 Sampling Frame

Professional accountants in South Africa registered with at least CIMA, SAIPA, SAICA or ACCA.

1.4.2.3 Sample Method

A non-probability sample, using convenience sampling, was used.

Non-probability sampling represents a group of sampling techniques used by researchers where the odds of selecting a particular individual are unknown because the researcher does not know the population (Adams et al., 2014; Blumberg et al., 2008. Adams et al., (2014) also adds that in the non-probability paradigm each unit in a sample frame does not have an equal chance of being selected.

A convenience sample is simply where the respondents that are selected for inclusion in the sample are the easiest to access (Blumberg et al., 2008).

1.4.2.4 Sample Size

There is an approximate population of 50 000 professional accountants in South Africa. The suggested sample size is between 268 and 382 within a margin that provide a 90% to 95% confidence level (SurveyMonkey, 2015).

1.4.2.5 Measuring Instrument and Data Collection Method

So far no existing questionnaire has been identified. A new questionnaire was developed based on the information gathered from the literature study. The proposed questionnaire was discussed with a statistician and experienced researchers.

1.4.3 Statistical Analysis

The captured data was analysed using the Statistical Package for Social Sciences (SPSS), Version 22.0 for Windows. The following statistical methods were used on the empirical data sets:

- Reliability and validity analysis
- Descriptive analysis
- Significance tests

1.5 ETHICAL CONSIDERATIONS

No vulnerable group of people are included in the sample. Participation in the research was voluntary. No results of a single individual is made available and responses of individuals were treated as confidential.

1.6 CHAPTER LAYOUT

This study comprises the following chapters:

Chapter 1: Introduction and background to the study

In this chapter an introduction is given and a discussion of the problems accounting graduates face at entry level and what employees require from them. It also discusses the skills needed for one to be promoted from lower levels to management positions and the need for continuous professional development. The objectives and problem statement of the study are also discussed

Chapter 2: Literature review

In this chapter all the information found from the literature study are analysed and the findings on the need for professional accountants to develop specific skills to take up the role of a manager and the skill set professional accountants ought to have when entering the profession.

Chapter 3: Research design and methodology

A comprehensive overview of the research design and methodology is provided. The development of the measuring instrument is also discussed.

Chapter 4: Results and findings

In this chapter results and findings from the empirical review are provided along with further explanations.

Chapter 5: Conclusions and Recommendations

This chapter contains an overview of the main results and the conclusions from each chapter as well as a discussion of the recommendations.

CHAPTER 2
LITERATURE REVIEW

2.1 INTRODUCTION

It is discussed in the previous chapter that there is a gap between the skills that graduates have when they leave university to what employers require of them at entry level in the workplace. Furthermore, it is conferred in the previous chapter that in order for professional accountants to progress in their careers they need to develop their skills even further, through continuous professional development (CPD).

The purpose of this chapter is to find out more, specifically from literature, what the need for professional accountants are to develop specific skills in order to take up the role of a manager, the skill set professional accountants ought to have when entering the profession and what the general skills required from managers are. This chapter addresses the following secondary objectives:

- To establish the perceived skill set professional accountants ought to have when entering the profession (Section 2.2 and 2.3).
- To establish the perceived skill set professional accountants ought to have when taking on management positions (Section 2.4).

In order to make recommendations for the continued professional development (CPD) training necessary to prepare professional accountants to step into management positions in entities, this chapter also focuses on CPD in the accounting profession (Section 2.5).

2.2 SKILLS REQUIRED WHEN ENTERING THE PROFESSION

Mason *et al.* (2009) indicated that success within the graduate labour market is typically well-defined as a graduate securing employment in jobs that will make proper use of the skills and knowledge that have been established in the duration of their studies. According to CIMA (2014b), the world is undergoing an employability crisis. Companies have job opportunities but many young people do not have the necessary skills to gain employment.

It can be concluded that having the proper qualification is therefore not all that is important to secure a job, it entails more than that. Brown and Hesketh[1] (cited by Tomlinson, 2008) notes that one of the challenges graduates face is to obtain an added advantage within a competitive labour market where employers are placing less emphasis on an individual's academic records. Furthermore, in a study by Tomlinson (2008), he concluded that more students are beginning to notice the importance of having soft skills as they appear to be gradually training themselves to increase employability with social and personal credentials, and are trying to make these fit into the ever so changing demands of recruiters.

2.2.1 A focus on soft skills

In the previous chapter it is mentioned that basic knowledge of accounting and skills is not the most highly ranked skills that employers require. Analytical/problem-solving skill is regarded more highly according to Kavanagh and Drennan (2008). It also indicated that employers require certain soft skills that are also known as transferable skills or pervasive skills. These skills include various general skills like communication skills, writing skills, interpersonal skills, critical judgement and analytical skills (Ballantine & McCourt Larres, 2007).

According to McDonald (2007) good communication skills have also been one of the most essential soft skills that graduates should have at entry level in accounting, finance and audit according to. Communication skills and interpersonal skills are the skills that are highly required skills that employers need from graduates (Ballantine, 2009; Boyce *et al*., 2010; Gray & Murray, 2011). Other generic skills, also referred to as soft skills, are the array of general educational skills that are not "domain or practice-specific". These include conceptual or analytical, interpersonal skills, critical skills, visual, oral, judgement and synthesis skills (Boyce *et al*., 2010). Kavanagh and Drennan (2008) also mention that even though employers still require entry level employees to possess a respectable level of accounting skills, they also require graduates to have "business awareness and knowledge" of terms of the "real world".

[1] Secondary source was used because the primary source could not be found.

It is clear that recruiters are searching for a wider range of skills and qualities in accounting graduates to sustain a competitive edge regardless of the fact that majority of countries are being confronted with a shortage of skills in this area, according to Birrell[2] (cited by Kavanagh & Drennan, 2008).

2.2.2 Accounting education not meeting the needs

The altering nature of work in accountancy commands an educational change (Boyce et al., 2010). Students and practitioners report that the majority of the important non-technical and professional skills are not being adequately taught in accounting university courses (Kavanagh & Drennan, 2008):

> *"The workforce demands skills from college graduates that are more often acquired from informal learning experiences than in universities" (NMC Horizon Report, 2013).*

Informal learning is considered as learning that occurs outside a classroom setting, in other words practical experience. According to Cross (2007) informal learning results in the desired outcome because it is subjective, the student is responsible and is in charge. Employers however have certain expectations of entry level employees, which include communication skills and critical thinking skills, skills which are often improved through informal education (NMC Horizon Report, 2013).

As in many other countries, universities of the United Kingdom have been under pressure to provide graduates with more than just traditional academic skills represented in a degree and subject discipline (Mason *et al*., 2009). They define employability skills as communication skills, numeracy, information technology and learning how to learn at a higher level (Mason *et al.,* 2009). It is advocated that proper work experience and the involvement of employers in the design of the degree course and delivery have a strong effect on the capability of a graduate to secure a job in graduate level employment (Mason *et al.,* 2009).

[2] Secondary source was used because the primary source could not be found.

In contradiction, Boyce et al (2010) states that it is important that accounting educators take accountability for the progress of the student's generic (soft) skills in unification with discipline specific skills. Boyce et al. (2010) also notes that accounting education guidelines must be applicable to all accounting graduates, whether it is their work lives, their social or personal or political lives. A number of educators and employers suggest that academic institutions should not have to take on the entire obligation of developing "workplace-ready" communication skills in graduates, because the relationship between workplace requirements and classroom teachings are not necessarily that simple (Gray & Murray, 2011). Universities should however lay the foundation for a lasting commitment by graduates to education and professional development (West, 1998).

Research has further indicated that the basic learning style of accounting students is not appropriate for the acquisition of generic skills (Boyce et al, 2010). This is, however, not the focus of this study. It can therefore be confirmed that accounting education is currently not meeting the needs of delivering graduates with the necessary soft skill attributes.

2.2.3 Professional accounting body guidelines and required competencies

Professional accounting bodies aim to address the critique mentioned above by preparing competency frameworks and syllabi to assist tertiary institutions. CIMA (2014b) note that education enhances employability but there can be a gap between the priorities of an academic and the skills that graduates require for employment. It is in this sense understandable that professional accounting bodies introduce soft skills (also referred as generic or pervasive skills) to the set of competencies required from graduates and qualified accountants to assist educational providers in planning curriculums. The soft skill requirements of some of the major bodies are elaborated on in the next sections.

2.2.3.1 Skill requirements: International Federation of Accountants

In order for professional accountants to demonstrate competence, skills are part of the set of capabilities required from them. These capabilities consist of knowledge, skills, professional values, ethics and attitudes. Having the appropriate skills allows the

professional accountant to effectively utilise the knowledge that they have obtained through general education (IFAC, 2010).

In order to function effectively as a professional accountant the International Education Standards have put in place a mix of appropriate skills to ensure that the contenders for membership with International Federation of Accountants (IFAC) are well equipped. This allows them to progress in a gradually more complex and demanding environment (IFAC, 2010).

According to the International Education Standard 3 (IES3) the following are professional skills that a professional accountant ought to have and they are categorised in five main categories namely (IFAC, 2010):

- Intellectual skills
- Technical and functional skills
- Personal skills
- Interpersonal and communication skills
- Organisational and business management skills

In the following sections the professional skills as set out by IFAC (2010) and what they entail are discussed in more detail.

Intellectual skills

These are the skills that allow a professional accountant to be a problem-solver, good decision maker and practice good judgement in complicated organisational situations. The required intellectual skills include the following:

- The ability to acquire, organise and comprehend information from handwritten, print and electronic sources.
- The ability to inquire, do research, think logical and analytical, reason and analyse critically.
- The ability to identify and solve unstructured difficulties that may exist in unfamiliar settings.

Technical and functional skills

Technical and functional skills comprise general skills in addition to skills specific to accountancy. They include:

- Numeracy (mathematical and statistical applications) and IT proficiency
- Decision modelling and risk analysis
- Measurement
- Reporting
- Compliance with legislative and regulatory requirements

Personal skills

These skills add to the attributes and behaviour of the professional accountant. Improving these skills promote personal learning and individual development. These consist of the following:

- Self-management
- Initiative, influence and self-learning
- The ability to choose and allocate priorities with limited resources
- The ability to arrange work and to meet tight deadlines
- The ability to anticipate and adapt to change
- The ability to bearing in mind the consequences of professional values ethics and attitudes in decision-making
- Professional scepticism

Interpersonal and communication skills

Interpersonal and communication skills allow a professional accountant to work in a team to achieve a common goal that benefits the company, obtain and transfer information, make reasonable judgements and make informed decisions. The factors of interpersonal and communication skills entail the ability to:

- work with others in a consultative process;

- withstand and resolve conflict;
- work in teams;
- work with culturally and intellectually diverse people;
- negotiate acceptable solutions and agreements in professional situations;
- work effectively in a multicultural setting;
- present, discuss, report and defend views effectively through formal, informal, written and spoken communication;
- listen and read effectively, and
- be sensitive to cultural and language differences.

Organisational and business management skills

These skills have become even more important to professional accountants. They play an added active part in the daily management of organisations. As a result, it is vital that professional accountants understand every aspect of how the company operates. Organisational and business management skills comprise:

- Strategic planning, project management, management of people and resources, and decision-making
- The ability to organise and delegate tasks
- The ability to motivate and develop people
- Leadership
- Professional judgment and discernment

2.2.3.2 Skill requirement: Chartered Institute of Management Accountant

Below is a diagram (Figure 2.1) that illustrates the employability skills that Chartered Institute of Management Accountant (CIMA) deems vital for graduates to have at entry level in the workplace.

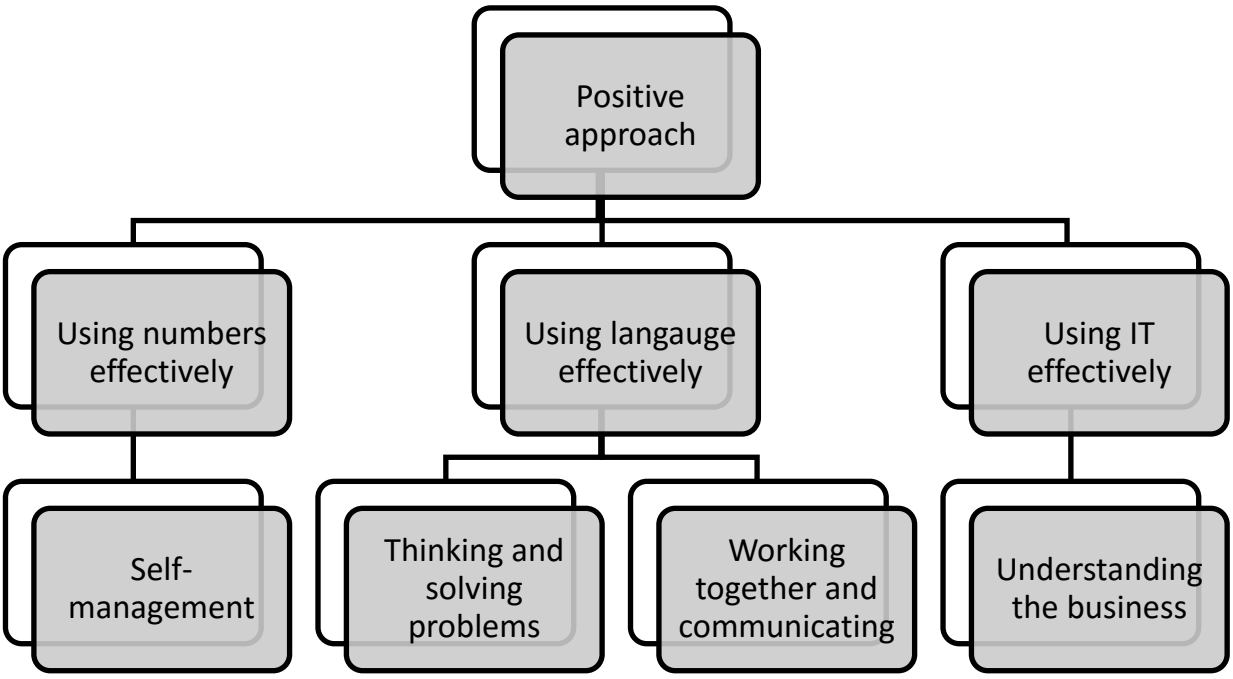

Figure 2.1: Employability skills (Source: UKCES, 2009) adapted

In the diagram it is clear that the starting point of everything is having a positive approach to things. In order to be successful in accountancy one has to have the ability to work with numbers because that is mostly what accounting is about. As a professional accountant good language use should be a priority as it was noted that communication skills (oral or written) is a top requirement in accountancy and it is also associated with being a good problem-solver. In accounting, especially when conducting audits, computers are used as a means for the auditor to gain access to the entities information, for example when the auditor needs a sample list or when performing substantive procedures.

The Chartered Global Management Accountant (CGMA) is the global designation for management accountants. It is driven by the assets and know-how of both the American Institute of CPAs (AICPA) and CIMA. The CGMA competency framework consists of four skills namely technical skills, business skills, people's skills and leadership skills. This skill set are supported by ethics, integrity and professionalism (CGMA, 2014).

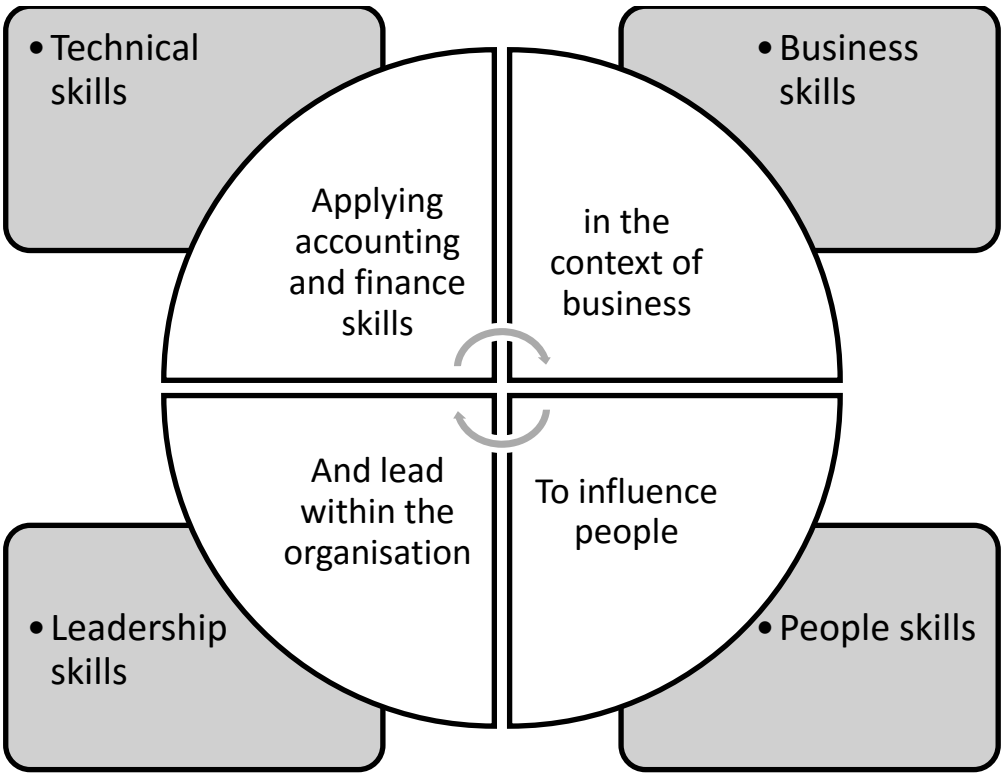

Figure 2.2: CGMA Competency Framework (Source: CGMA 2014) adapted

A discussion of what the skills entail according to the CGMA framework follows:

People skills:

- Influence

  The ability to make an impact on individuals, relationships, process and products, meanwhile leading the business in the direction of both local and international deals.

- Negotiation and decision-making

  The talent of being able to use the correct 'influential skills' to obtain positive results and make decisions that are in line with the strategic objectives of the company.

- Communication

  The skill to express and interpret financial and non-financial information in a constructive manner to all levels of the company, internally and externally.

- Collaboration and partnering

  This is one's ability to create an association and partnership by showing integrity to add value to the organisation.

Leadership skills

- Team building

  The ability to encourage others to work together and share ideas that are in line with the business strategy and goals.

- Coaching and mentoring

  This is the expertise to give advice and train others on how to conduct themselves in order to grow and be successful by achieving the best outcomes.

- Driving performance

  The ability to carry out, implement and supervise performance management processes in such a manner as to achieve a desired outcome.

- Motivating and inspiring

  The skill that allows one to create a work environment where the employees are influenced valued and motivated.

- Change management

  The ability to identify the necessity for change and encouraging new ways of thinking that is in line with the company's financial goals and objectives.

Business skills:

- Strategy

  The process of gaining a clear understanding of the company and its industry, and getting an idea of its future plans, indicate why it is in existence , who is their target market and what do their shareholders expect of them.

- Market and regulatory environment

  This is where steps are taken to gain an understanding of the market and the industry in which the company conducts business, as well as the opportunities and risks involved while complying with the regulatory regulations.

- Process management

  The process of making plans and observing structured activities that create a specific product or service.

- Business relations

  The task of managing and determining both internal and external associations to meet the companies' objectives.

- Project management

  Every project is unique, therefore every aspect of it must be included. Having proper knowledge and the necessary resources to their disposal will ensure that deadlines are met, quality work is delivered and in a cost-effective manner.

- Macro-economic analysis

  The steps taken to understand and explain the effects that external components have on the business, they include: market trends, cultural needs, shareholders and consumers.

Technical skills:

Financial accounting and reporting

- Professional accounting standards

  This is where the business is required to conduct business and to do so according to the professional accounting standards.

- Transactional accounting and closing processes

  This is where a series of actions such as recording, reconciling and adjusting transactions are done according to the professional accounting standards.

- Financial reporting and compliance

  In order to ensure the accuracy and integrity of financials statements, the compiler must do so using the correct accounting standards. The financial statements must be appropriate for both internal and external use.

Cost accounting and management

- Cost accounting

  When making a decision in a business various variables have to be taken into account, in cost accounting the capturing of costs and their related drivers in the production process, analysis of these is important in decision-making.

- Cost management

  In order for a business to provide support for the implementation of the company strategies they have to plan, analyse and manage cost.

Business planning

- Planning, forecasting and budgeting

  This is where a series of actions such as evaluation and quantifying of a strategic plan for a certain period of time. This may involve taking into account sales volumes and revenues, expenses, asset and liabilities including non-financial metrics.

- Capital expenditure and investment evaluation

  These are the procedures used to assess investments that are in line with company strategies, are affordable and bring acceptable returns.

Management reporting and analysis

- Financial analysis

  Financial analysis entails scrutinising financial statements and the corresponding data to provide management and those concerned with information about the financial performance of the business over a period of time and comparing it with those of other companies.

- Management reporting

  This involves providing quality management information by discussing and reporting on the status of the company's assets, liabilities and equity position.

- Performance management

  In order to ensure that the company meets its goals, it is important that certain activities take place, such as measuring and monitoring performance.

- Variance analysis

  The process of utilising statistics to identify variances and the main cause and formulating solutions.

- Benchmarking

  This is where one evaluates company procedures and performance by comparison with the standards of other companies in the industry.

Corporate financing and treasury management

- Cash management

  This is where certain steps are taken to determine how to meet the company's monetary needs, which on the other hand managing clients, suppliers and investor's needs to ascertain the optimal financing of working capital

- Mergers and acquisitions

  The process of combining financial statements of two companies in a group, and acquiring other companies.

- Treasury and policies and treasury risk management

  This is the exercise of applying policies, analysing and managing risks related to the company's investments, collections and funding activities.

- Business valuation

  The task of calculating a rough estimate of the value a business unit has in the market place.

- Corporate funding

  The process of creating funds to execute the goals of the business.

Risk management and internal audit control

- Risk management policies and procedures

  The procedures made to understand and apply company policies to manage financial and non-financial risks that the company may be vulnerable to.

- Risk identification and assessment

  This is the process of identifying and examining the risk components that could have a negative effect on the implementation of company strategies.

- Risk response and reporting

  The process of creating and implementing procedures to reduce the adverse effect that a company may be exposed to, as well as disclosing the risk factors to external and internal shareholders.

- Internal control

  These are the procedures put in place by the company to assure the integrity of operations, accounting and financial practice.

- Internal audit

  This is an exercise that is conducted to get an idea of the effectiveness of the business operations; this involves examining, analysing and form an independent opinion.

Accounting information system

- Information system environment

  This process entails developing an IT environment and gain an understanding of the co-inciting relationships among the various components and systems, as well as the workflow of data through the system.

- Accounting applications

  This is basically structuring and outlining the accounting systems according to the policies and guidelines provided.

- Technology developments and IT solutions

  This is where the company will take up new and ungraded solutions and combine them to enable the company to meet its objective.

Tax strategy, planning and compliance

- Taxation law

  Tax laws are put in place to ensure that companies understand and conduct business in accordance to the statutory, regulatory and common-law that are applicable to their business.

- Tax return preparation and review

  This is the task of reviewing and formulating tax returns based on the applicable business tax rules, as well as income, property, consumption and value added tax.

- Tax accounting

  The task of capturing financial records for tax purposes as given by taxation laws.

- Tax audit

  An exercise conducted to evaluate the company's tax returns and position to ensure that they are in compliance with the relevant laws.

- Tax planning

  The process of examining the financial plan of the company for tax consequences, including international tax and transfer pricing.

2.2.3.3 Skill requirements: South African Institute of Chartered Accountants (SAICA)

According to the SAICA's competency framework (2014b) the competencies related to the CA(SA) as a responsible leader with a history of professional accounting entail specific technical competencies and pervasive skills. The following section elaborates on the pervasive skills and competencies (SAICA, 2014b):

Pervasive qualities and skills

Pervasive skills include:

1) Ethical behaviour and professionalism

This includes aspects such as to:

- Reason ethically
- Protect the public interest
- Act competently with honesty and integrity
- Perform work competently and with due care
- Maintain objectivity and independence
- Avoid conflict of interest
- Protect the confidentiality of information
- Maintain and enhances the profession's reputation
- Adhere to laws, professional standards and policies and the rules of professional conduct when exercising professional judgement

Whether qualified or highly experienced, all chartered accountants have an obligation to maintain ethical principles and to behave in a professional manner. Acting with integrity is vital to the profession's commitment to excellence (SAICA, 2014b).

2) Personal attributes

This includes the chartered accountant's ability to raise individual characteristics that are important to fulfil the commitment of being leaders that improve decision-making and organisational performance. The personal attributes entail the following:

- Self-management
- Responsible leadership
- Handling change
- Committed to learning
- Good time - management skills
- Sustaining and exhibiting competencies and is aware of their limits.
- Add value to the organisation in an innovative way.

3) Professional skills

Certain factors are important for the professional success of chartered accountants. These factors include the gathering of information, analysis, evaluation and combination of information and ideas such as problem-solving and decision-making skills; communication and management skills, and expertise in technology.

Professional skills entail the following attributes:

- Recognising how the national and international environment influences a CA's role.
- Gathering information and obtain accurate and relevant information.
- Analysing and interprets information and ideas critically.
- Communicating information efficiently and effectively.
- Being able to lead and facilitate.
- Understanding how IT affects a CA's day-to-day routines and duties.
- Considering and applying legal acts.

Some of these skills differ from one governing body to another as to which category they identify. For example, good communication skills for some of the governing bodies have been categorised as a professional skill and decision-making skills are regarded

as organisation and business management skills while for others it is an intellectual skill. Leadership skills for others it is a professional skill, for some it's a business management skill. The following table is a summary of the most commonly mentioned skills by the various governing bodies.

Table 2.1: Most commonly mentioned skills by the various governing bodies

	IFAC	CIMA	SAICA
Intellectual skills			
Analytical thinking	√	√	√
Decision-making	√	√	√
Information gathering	√		√
Problem-solving	√	√	√
Benchmarking		√	√
Technical and functional skills			
Auditing skills		√	
Broader economic and business skills		√	
Cost accounting skills		√	
Financial management skill		√	
Financial reporting skills	√	√	√
Governance skills	√	√	√
IT skills	√	√	√
Mathematical/statistical skills	√	√	√
Risk management skills	√	√	
Strategic skills	√	√	
Taxation skills		√	
Personal skills			
Anticipating and adapting to change	√	√	√
Ethical consideration	√		√
Lifelong learning	√	√	√
Marketing/sales skills		√	
Prioritise	√	√	
Seeing the bigger picture		√	√
Self-management	√	√	√

	IFAC	CIMA	SAICA
Striving to add value		√	√
Taking initiative	√		√
Time management	√	√	√
Professional scepticism	√	√	√
Interpersonal & communication skills			
Coaching and mentoring		√	
Interacting with diverse people	√	√	
Lead meetings effectively		√	√
Listening and reading effectively	√	√	√
Manage and supervise others		√	√
Motivating others	√	√	
Negotiation	√	√	
Oral communication and presentation	√	√	√
Working in teams	√	√	√
Written communication	√	√	√
Business management skills			
Aligning own and entity goals		√	
Being decisive	√	√	√
Delegating	√	√	
Organising	√	√	√
Professional judgement	√	√	√
Strategic and project planning/management	√	√	
Leadership	√	√	√
Collaborating and partnering		√	

Source: Authors summary

2.3 SOFT SKILL REQUIREMENTS

In the next sections some of the most frequently required skills are elaborated upon.

2.3.1 Communication skills

In a study by Gray and Murray (2011), 27 individuals were asked questions regarding communication skills. Listening skills were ranked highest by accounting employers with regard to oral communication, with formal presentation skills being considered least important. It was also noted that many accountancy job adverts regularly request that applicants should have both oral and written communication skills (Gray & Murray, 2011). In another study Morgan (1997) attempted to determine the importance of communication skills required of graduates from the perception of practitioners and educators. The study divided communication skills into two components namely written communication and oral communication. The importance of these two components of communication skills and the reasons why these are required are discussed in the section that follows (Morgan, 1997).

2.3.1.1 Written communication

Written communication as a skill for graduates is important for the following activities. These activities are mentioned in order of importance.

- Writing of work documents
- Routine formal reports
- One-off formal reports
- Business letters
- Internal memoranda

These are some of the reason why educators and practitioners perceive the above activities as vital for a graduate to have:

- Ideas can be recorded clearly and kept in an orderly manner
- They can provide supporting sources for the conclusions that they make and provide sound arguments where necessary
- Correct use of spelling, grammar and punctuations
- Reading effectively with understanding

- They can effectively make use of methods and formats to ensure that information is relevant and complete.

2.3.1.2 Oral communication

Oral communication can take place in one of the following ways in one-on-one communication, communication in meetings or formal presentations.

In terms of the **one-on-one communication**, listening as a skill is ranked number one because this skill provides the ability to understand verbal and non-verbal information from other individuals, and the ability to ensure that the right interpretation is made by providing a conclusion of what was said and provide feedback.

In the context of a meeting employees should show:

- The ability to identify and prepare the necessary information relevant for that particular meeting.
- The ability to ask relevant questions so that they can test the perspective and assumptions being made
- Willingness to draw others into a discussion
- Taking on non-verbal styles of communication which allows them to promote commitment and agreement, for example listening attentively and maintaining eye contact.

In the context of formal presentations employees should show:

- The ability to explain the aim of the presentation and the structure thereof.
- The ability to adopt different presentation styles that are appropriate to the listener and the audience.
- The ability to engage with listeners by asking questions and changing the presentation in response to their feedback.

2.3.2 Decision-making

Pettinger (2001) reasons that decision-making is an essential part of all supervisory and managerial activities. All managers have an obligation to be able to make decisions

effectively and to be able to understand the procedures that are involved in implementing them. It is further noted that at which ever level that a decision needs to be made, there are certain basic considerations that have to be made to ensure that the process is successful.

The levels in which decisions are made are as follows:

- Strategic and policy level
- Operational and project level
- Group and divisional level
- Levels that are concerned with the daily administration and maintenance of a group, individual and department activities.

The following section analyses the elements involved in effective decision-making (Pettinger, 2001).

2.3.2.1 Problem or issue definition

This is regarded as the starting point in decision-making. This is where the problem is identified and the effects and results of this course of action can be established and understood. If this step is not followed correctly it may lead to misunderstandings, loss of resources and time wasted.

2.3.2.2 Process determination

This is the step where all interest parties need to be notified and acknowledged, because if a certain group of individuals who carry influence in the business are not consulted about changes that may take place, the results may not be good. This varies according to the environment, culture or the involved department.

2.3.2.3 Time scale

Time is an important factor to consider when it comes to decision-making, because of the quality and amount of information that can be gathered and analysed. The longer the time scale the better the chance of obtaining adequate information but this could

also mean increase in costs. On other hand quick decisions may result into hidden extras at the implementation stage.

2.3.2.4 Information gathering

It is mentioned that very limited decisions are made with impeccable information. The more complete the information which the decision is based on, the more effective the decision will be. Both quality and quantity of information are needed, understanding, reviewing and evaluating the information gathered is vital. Some situations may require specialised and expert knowledge, therefore managers find themselves having to put themselves in the hands of that individual.

2.3.2.5 The alternatives

In various situations there are always the option of not doing anything. The results of this decision must be evaluated. Possible opportunities may reveal themselves and certain matters such as costs, profits, cost of benefit and losses may accrue or begin to become apparent.

2.3.2.6 Implementation

This is where one put everything into action. This is where all the results of the previous stages are implemented. It is important that the reasons for the decisions made are understood. The decisions are likely to have future consequences and should also be concluded.

2.3.3 Problem-solving

At the heart of all managerial and supervisory actions lies the ability to solve problems. The reason for this is that operational and functional effectiveness has to be sustained in order for resources and efforts to be directed at the aims and objectives of the particular department, business or division (Pettinger, 2001).

According to Pettinger (2001) the basis for problem-solving entails three key features and they are an important in this regard. These include:

2.3.3.1 Information gathering

This is where one gathers as much information in the best possible time allowed. It also includes information for specialists, witnesses, databases and all those involved in the matter.

2.3.3.2 Information assessment, analysis and evaluation

This is the part where all the information is gathered and sorted into different categories and levels of importance. Identifying key factors and creating the order in which the matter at hand will be adressed.

2.3.3.3 Face-to-face

All situations should either be resolved or established face-to-face, and supported by a written document. The only exception to the rule is where management of some customer complaints can be resolved by refund or replacement. In some cases this can be taken care of over the telephone.

In the following section, the requirements for a professional accountant to develop specific skills to take up the role of a management are discussed.

2.4 SKILLS REQUIRED OF MANAGERS

Having the relevant skills can also give professional accountants an added advantage in the job market and are beneficial throughout an individual's professional career (IFAC, 2010). In order for one to be successful in the future accounting, finance and auditing environment, governing bodies have stated that practitioners need a broad range of skills. While well-developed financial and technological skills remain important, strong interpersonal or soft skills are becoming even more crucial for the success of a professional accountant (McDonald, 2007).

According to Ghillyer (2009) a career manager or a professional manager did not exist up until the 1930s. A professional manager can be defined as "a career person who does not necessarily have controlling interest in the company for which he or she works". They are responsible for the following three groups; employees, stakeholders and general public (Ghillyer, 2009).

Ghillyer (2009) notes that in order to be a successful manager one needs to understand the significance of balancing several skills.

2.4.1 What are management skills?

Managerial skills are defined as expert technical knowledge in a particular job that managers are required to have to be able to perform their roles and duties and by knowledge and education these individuals can do so with the necessary skills (Javadin *et al.,* 2010). Katz (1974) defines managerial skills as a manager's capability to modify information and knowledge in to practice and day-to-day situations.

Whetten and Cameron (2010) evaluate some of the characteristics that would best define management skills as follows:

- Management skills are behavioural

  In other words these are the skills that entail a set of actions by the individual that lead to certain results. They are not basic nor are they based on the person style or personal attributes.

- Management skills are controllable

  The skills can be practiced, shown, enhanced or restrained by the individual. The execution of these skills is entirely based and controlled by the individual.

- Management skills are developed

  Performance can be enhanced through proper feedback and practice.

- Management skills are interrelated and overlapping

  The skills are not that obvious to see, because it is not repetitive behaviour and it is a challenge to just demonstrate one skills skill from the other.

- Management skills are sometimes considered to be conflicting or paradoxical

  The skills are not entirely based on a particular aspect of the individual. They are neither hard-driving nor are they soft and human. They vary and sometimes appear incompatible.

Management skills seem to go hand in hand with leadership. Whetten and Cameron (2010) note that there is a great amount of evidence that proof that skilful management,

especially those that indicate that a key indicator of organisational success is good management of individuals in an organisation, is important. Schoemaker *et al.,* (2013) regard a good leader as someone who is strategic, flexible and resolute, persistent and persevere when facing setbacks and can also respond strategically.

2.4.2 Identified management skills

In the following section a discussion of some of the skills that Schoemaker *et al.,* (2013) deem to be essential for a leader to have is given.

- Anticipate

  This is the ability to identify any ambiguous threats and opportunities that may affect the organisation.

- Challenge

  This is the ability to think differently and strategically, not following the norm and challenging people's assumptions and encouraging debate.

- Interpret

  Being able to not only hear what is being said, but to be able to understand, thoroughly analyse information and seek new insight.

- Decide

  In times of uncertainty, as a leader one is subjected to some tough decision-making and they often have to be made quickly.

- Align

  Many times in business there is conflict between what managements wants and what shareholders wants, therefore as a leader of the organisation one has to find a way to bridge the gap. For one to be successful in this regard, they must rely on good communication, regular engagement and trust building.

- Learn

  In most instances where a project or business venture fails in an organisation, management see it better to reprimand than to learn from the mistakes. As an

individual who is the focal point of the business the manager needs to be able to learn from both successful and unsuccessful ventures.

Katz (1974) proposes that effective management lays on three basic developable skills. These skills may be improved independently even though they are interrelated. These skills are: technical skills, conceptual skills and human skills. In the following sections the skills are elaborated on.

- Technical skills

  According to Ghillyer (2009) technical skills entail the ability to perform the "mechanics" of their particular job. These are the skills that a manager is required to have in order to train others in that specific department.

  Katz (1974) on the other hand states that technical skills suggest an understanding of a particular kind of activity, particularly one that involves methods, processes, procedures or techniques. It entails specialised knowledge, analytical skills within that field, and competence in the utilisation of the tools and techniques of that particular discipline.

- Human skills

  Human skills are the individual's ability to not only lead the team but to build a cooperative work environment where the team works together as a group. An individual with well-developed human skills is aware of what is happening around them within the organisation. They are aware of their own attitudes, beliefs, and assumptions about other people and are able to see the worth of the restrictions that exist. They have the ability to accept other people's opinions and are able to understand what other people's words and behaviours mean. On the same note as an administrator they are able to communicate with others in a manner that they can understand. Such an individual ensures that the working environment is conducive for everyone and that there is mutual respect and not fear. They make it their goal to ensure that their subordinates are involved in the planning and process of any aspect that directly affects them and is sensitive to their needs as well.

  The skills that mangers need to be able to understand and work with other individuals entail activities such as creating partnerships with other organisations, solving problems and conducting interviews (Ghillyer, 2009).

- Conceptual skills

  Conceptual skills entail the ability to see things from a broader perspective. This is the reason why the success of a decision is subject to the conceptual skills of the individual who makes the decision and puts it into action. It also entails identifying how a variety of functions within the business depend on one another and how any change can affect others. Recognising the connection among these functions and the significant elements in any circumstance, as the administrator one should then be able to act in a manner which will improve the welfare of the business as a whole. Ghillyer (2009) regards conceptual skills entail understanding how the parts of the business relate affect one another and the business as a whole. Managerial activities that need conceptual skills are planning, decision-making and organising.

CIMA conducted its own research in the future management accountancy profession and developed finance competencies that will set out the skills required in the future for the various roles in finance at different levels of management (CIMA, 2014b). These are set out in Table 2.2.

Table 2.2: Competencies required

Core accounting and finance skills	Business acumen	People skills	Leadership skills
Financial accounting and reporting	Strategy	Influence	Team building
Cost accounting and management	Marketing environment	Negotiation	Coaching and mentoring
Planning and control	Process management	Decision making	Driving performance
Management reporting and analysis	Business relations	Communication	Motivating and inspiring
Corporate finance	Project management	Collaboration and partnering	Change management
Treasury management	Regulatory management		
Risk management and internal control	Macro-economic analysis		
Taxation			
Accounting information systems			

Source: (CIMA, 2014b)

2.4.3 Leadership skills

More businesses move away from the use of the administrative systems and more towards the empowerment of individuals and groups. They anticipate more of their supervisors and managers with regard to acknowledging and exercising authority. In simple terms they expect more “leadership functions” from their supervisors and managers (Pettinger, 2001).

The following is a list of traits and characteristics of a successful leader. However they were found to be applicable in a majority of the situations (Pettinger, 2001).

- Inspiration

  This is the ability to motivate people to get involved in the proposed project.

- Communication

  The ability to exchange information with all those involved, and to be able to do so in a language that all those on the receiving end are able to understand.

- Decision-making

  This is the capability to make the correct decision at any given time, to be accountable for them and recognise the consequences of those actions.

- Commitment

  This is when a person put the interest of the company, the individuals concerned, before their own.

- Concern for staff

  This is about treating everybody equally, with the same amount of respect, trust and confidence and commitment.

- Quality

  This is ensuring that with every project or situation, everything that one does is done to the highest quality possible, as well as in a professional manner.

- Personal and professional integrity

  This is one's managerial approach as an individual, the manner in which one act as a manager.

- Positive attitudes

  These are values and morals that are upheld by the managers, transferred to the staff and all the other involved.

- Mutuality and dependency

  These are characteristics that are vital if trust and integrity are to be created in the work environment.

Just like graduates, employers require much of managers and all those in managerial positions. It is clear from previous discussion that there are a variety of skills that are required of them. Communication skills are a priority, because as a manager one has to be able to convey their message across to others. As an individual the manager cannot

do everything by themselves, in many instances they have to delegate. Hence the importance for communication skills, because if the subordinates or fellow colleges do not understand what are required of them, it may lead to mass destruction, which also relates to people skills, if one cannot communicate with others in a proper manner, this can result in lack of respect towards someone in a managerial position.

Below are some of the most frequently mentioned skills that are required of those in management positions.

Table 2.3: Most frequently mentioned skills required for management positions

	CIMA	Pettinger	Other (*The rest of the author mention)
Intellectual skills			
Analytical thinking	√	√	√
Decision-making	√	√	√
Information gathering			√
Problem-solving	√		√
Technical and functional skills			
Broader economic and business skills	√		√
Cost accounting skills	√		
Financial management skill	√		
Financial reporting skills	√		
Governance skills			
Risk management skills	√		
Strategy skills	√		
Taxation skills	√		
Personal skills			
Anticipating and adapting to change	√		√
Ethical consideration	√		
Lifelong learning	√		√
Prioritise		√	
Seeing the bigger picture		√	√
Self-management	√		√

	CIMA	Pettinger	Other (*The rest of the author mention)
Taking initiative	√		
Interpersonal and communication skills			
Coaching and mentoring	√	√	
Interacting with diverse people		√	√
Lead meetings effectively			√
Listening and reading effectively		√	
Manage and supervise others			√
Motivating others	√	√	√
Negotiation	√	√	
Oral communication and presentation	√	√	√
Working in teams	√	√	
Written communication	√	√	√
Business management skills			
Aligning own and entity goals		√	√
Being decisive	√	√	
Organising	√	√	√
Professional judgement	√	√	
Strategic and project planning/management	√		

Source: Authors summary

* Other authors include: Ghillyer (2009), Katz(1974), Schoemaker et al(2013), Whetten and Cameron (2010)

2.5 CONTINUOUS PROFESSIONAL DEVELOPMENT

In the vigorous and challenging economic environment, a professional accountant needs to uphold competence and knowledge of current developments, which, as a result, allows them to equip themselves with the required skills and care (De Lange *et al*., 2013). One way of doing so is by professional development (CPD). O'Sullivan (2008) notes that there are several explanations of continuous CPD, most of them emphasise a planned and systematic process, identifying that, through increased

professional performance this should benefit individuals and organisations. CPD therefore has various definitions. Some of the definitions include:

- The Macmillan dictionary for advanced learners (2007) defines professional development as “the process of obtaining skills and qualifications and experiences that will allow you to make progress in your career”.
- The International Federation of Accountants (IFAC) (2010) refers to CPD as the process that allows professional accountants to perform their duties competently through education and development which also enhances and improves their abilities.
- Madden and Mitchell (1993)(cited by Jones & Fear, 1994) CPD as “the maintenance and enhancement of the knowledge, expertise and competence of professionals throughout their careers according to a plan formulated with regard to the needs of the professional, the employee, the profession and society”.
- According to the SAICA, CPD policy (2012) CPD is “the systematic maintenance, improvement and broadening of knowledge and skills, and the development of personal qualities necessary for execution of professional and technical duties throughout the individual’s working life”.
- Furthermore CPD is the learning and development that occurs after the completion of the initial professional development by ways which a professional accountant can sustain and improve the competencies that will allow them to continue to perform their duties competently (SAICA, 2012).
- According to CIMA, CPD is an output-based policy which is applicable to every member. This development is focused on the learning activities that are applicable to their subsequent learning outcomes and to them as individuals (CIMA, 2015).

It can be concluded that CPD is a process in which individuals improve themselves by acquiring the necessary skills and knowledge to be better at their jobs.

One of the reasons why CPD has become a compulsory activity is because it is a requirement according to IFAC’s IES7. Berg (2007) states that an individual cannot be regarded as professional accountant except when they are dedicated to maintaining and developing competence. It is not only good business to request professional

accountants to develop professionally but it also allow them to better serve the company and their clients. In the next sections the different requirements of several professional accounting bodies are examined.

2.5.1 IFAC

For IFAC (2010) there are different measurement approaches to assess the effectiveness of learning and development. The three approaches include the input measures (it is concentrated on the investment made in education and development), the process measures (this approach emphases the delivery of development and learning) and the output measures (which is reliant on whether the professional accountant has established the specified competence).

When choosing an approach, the following characteristics have to be taken into consideration according to IFAC (2010):

- Validity: Determine what is required to be measured.
- Reliability: Determine whether the process provides the same outcomes under the same set of circumstances.
- Cost effectiveness: Determine whether the benefit outweigh the cost of measuring.

2.5.2 SAICA

Similar to IFAC, SAICA uses three approaches. The first being the input-based approach, which requires that members complete a minimum of 120 hours of the relevant professional development activities during a three year cycle, of which 60 hours must be verifiable and a minimum of 20 hours of learning, which can be verifiable or non-verifiable, but it must completed during each of the three years.

The following is a list of the items that CPD provides continuous development on (SAICA, 2012):

a. professional knowledge;

b. professional skills;

c. professional values, ethics and attitudes; and

d. competence achieved during Initial Professional Development.

This in turn, allows professional accountants and associates to perform their roles efficiently within the professional environment. Other than through education, practical experience and training, CPD also includes various activities such as coaching, networking, observing, mentoring and the self-directed and other unstructured means of development (SAICA, 2012).

According to SAICA there are three different approaches that allow the individual to see how CPD can be achieved and measured (SAICA, 2012).

2.5.2.1 An output-based approach

This approach requires members to validate, in the form of outcomes that they have established and maintained professional competence. In other words members have to provide proof of what they have done.

The following is a list of the measurement approaches that members need to indicate if they choose this process (SAICA, 2012).

- **Reflect on and plan**

  These are the learning needs that are related to the roles that the members are responsibility for (i.e. what members need to know and be able to do; knowledge gap; skills needed).

- **Learning action**

  These are the learning activities that are embarked on in order to meet the required competencies that need to be developed or maintained.

- **Evaluation**

  This is where the effectiveness of learning activities began, one has to take into consideration whether the objectives recognised in the plan have been successful and whether or not any further actions or educational activities are necessary.

- **Declare**

  On a yearly basis the output-based measurement approach has been supervised and therefore the competency requests for members and specific duties have been established and sustained for the year that is under evaluation.

2.5.2.2 An input-based approach

This approach creates a minimum set of knowledgeable exercises using methods that can help members with educational activities by means of which members can develop and sustain their competence (SAICA, 2012). If members choose to use the input-based approach they are required to complete the following:

- A minimum of 120 hours of relevant professional development activity during a three year rolling cycle, of which —
- a minimum of 60 (of the above 120 hours) hours must be verifiable; and
- a minimum of 20 hours of learning (verifiable/non-verifiable) must be completed during each of the three years.

This approach measure outcomes in terms of hours that are spent on relevant learning activities. A learning activity that does not represent a full hour must be recorded as a part, for example 15 minutes will be written as 0.25.

The input-based approach “serves as a proxy” for measurement of professional development and maintenance, because it is to measure and verify.

2.5.2.3 A combination approach

This final approach on the list the combination approach combine elements of the input-based approach and the output-based approach by providing the amount of learning that is needed and providing the requirements for indicating the outcomes that have been achieved (SAICA, 2012).

2.5.3 CIMA

CIMA does not have prescribed number of hours or units, all that is required is that members remain professionally knowledgeable and advance in their career. They also

require members to keep record of their development for a three year rolling period. CIMA has a continuous professional development scheme for its members. This scheme does not require the member to complete a certain amount of hours or units but entail that the individuals do as much as they need to remain professionally competent and to progress in their careers (CIMA, 2012).

The scheme is said to be designed to provide the individuals with an organised means to improve the knowledge and skills that they need for their day-to-day duties as professionals in the business and to keep record of their progress. CIMA uses a professional development cycle to help its members to get the most from their "developmental activities".

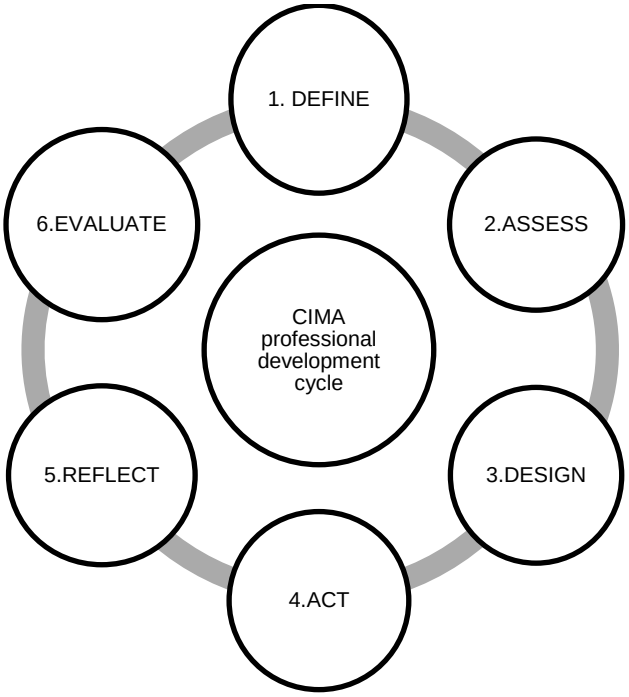

Figure 2.3: CIMA's professional development cycle

Source: CIMA, 2012

The following is a discussion of what the CIMA professional cycle entails (CIMA, 2012).

- **Define**

  Identifying what entities such as your employers and others expect in the current and anticipated role.

- **Assess**

  Find the knowledge and skills gap that is required to progress in the particular career.

- **Design and Act**

  Select and carry out the development activities that are in line with the individuals' developmental needs.

- **Reflect**

  Go back and record the results of each "developmental activity".

- **Evaluate**

  Cross reference one's progress against the goals that were set when the year commenced. The remaining developmental activities can be carried over to the following cycle.

CIMA members have been asked to document their "developmental activities", this needs to be done for a three year period, because CIMA takes a random sample each year and audits the members.

According to CIMA the CPD must be relevant to the individual's developmental needs. These are some of the suggested activities (CIMA, 2012):

- Work-based learning
- Project work
- Academic and professional qualifications
- Internal and external training courses
- Conferences and events
- Local CIMA events
- Reading technical reports and journals
- Technical briefings
- Online training/e-learning

- Coaching and mentoring/being mentored
- Delivering training and development
- Research
- Secondments
- Observation and feedback
- Discussion forums

2.5.4 South African Institute of Professional Accountant

South African Institute of Professional Accountant (SAIPA) members are required to complete 120 hours over a three year period. Sixty of the 120 hours must be structured CPD activities. According to the SAIPA the subsequent classifications of members are required to complete a minimum of 120 CPD hours over a period of three years (SAIPA, 2008).

1. Full members: Practicing
2. Full members: Commerce and Industry
3. Full members: Overseas/Absent
4. Associate members: Accounting Technicians

Trainee accountants are not required to fulfil the CPD requirements as given, because they can still get by with just attending the seminars proved by SAIPA or any other relevant training providers. Since 2008 when CPD became compulsory, the governing body has made it compulsory for all its members to attend at least one half-day (4.5 hours) session per topic.

Members are also required to complete at least 60 hours of the above-mentioned 120 hours by means of structured CPD. As individuals have the choice of which topics are relevant to them, provided that they meet the required number of CPD hours over a three year period. The members are required to submit a schedule of 20 structured and unstructured hours for each of one year of the three year cycle (SAIPA, 2008).

The following is a list of the items that SAIPA deems to be structured and unstructured CPD for its members (SAIPA, 2008).

2.5.4.1 Structured CPD

Structured CPD includes activities such as:

- Attendance at conferences or seminars
- Attendance at regional meetings (provided that a learning activity takes place)
- Company (in-house) organised training courses
- CPD-courses offered by SAIPA or other recognised professional bodies
- Further education courses presented by educational institutions (which may lead to a qualification)
- Service on technical meetings
- Short courses offered by commercial training providers
- Working as a lecturer, instructor or discussion leader on a structured course (repeated presentations of the same course should not be considered for this purpose)
- Workshops
- Writing technical articles, papers or books
- Complete questionnaires on MCAtv broadcast seminars

2.5.4.2 Unstructured CPD

Unstructured CPD includes activities such as:

- Hands-on IT experience which involves new learning
- Planned reading of specific articles in the financial press
- Project work
- Reading relevant articles in *The Professional Accountant* or in the journals of recognised professional bodies
- Regional committee work which develops transferable skills

- Technical discussions with colleagues
- Visits to other regions/organisations

2.5.5 Association of Accounting Technicians

Associate of Accounting Technicians (AAT(SA)) partnered with the South African Institute of Chartered Accountants (SAICA) and they are on a mission to provide education, development, regulation and support to accounting technicians in South Africa (AAT(SA), 2008). Members of AAT have to complete a CPD cycle twice a year. The cycle consist of four stages, these stages are listed and explained below. When an accountant has completed their cycle they have to assess their career needs and create a new cycle plan.

The cycle's four stages are as follows:

1. Assessing ones continuous needs — this is the step in the process where the individual undertakes the activities that will help the individual keep their skills fresh in their current role. What their career aspirations and current role should be considered when creating the plan.
2. Continuous professional development goal — in this stage of the process, this is where one has to clearly indicate what they want to achieve. To achieve those goals one needs to assess the needs of each goal.
3. Plan — this is the stage where one chooses the learning needs required achieving their continuous development goals and the completion dates should also be set out. Prioritising ones work by recognising necessities is key to a successful plan.
4. Evaluating whether the activities meet the needs — this is the last stage of the process when the activities have been completed. One has to cross reference the activities list to against each of the learning needs. Here the individual needs to consider whether they have fully met their goals or, not at all or partly. If at any point there is a partly or not at all response given, then one will need to carry them forward to the next CPD plan.

The Association of Accounting Technicians South Africa has created a format to assist the accounting technician to manage and keep record of their progress.

2.5.6 South African Institute of Business Accountants

According to Southern African Institute for Business Accountants (SAIBA, 2009), CPD "is a mark of professionalism". They also state that business accountants who invests in their own growth are aware of the legislation changes in the profession, which in turn will equip them well for those changes.

The SAIBA-board adopted a new continuous development policy in 2009. According to the policy the continuous development requirements differ between members and licenses, designation and holders of practicing certificates. They have a deadline of no later than 31 July each year. The CPD is measured in units, one unit equals one hour. Members with the Business Accountant designation are required to obtain at least 20 units per annum, any continuous development activity that is acceptable and relevant to their work. The members with the Business Accounting designation who are in practice (holders of a practicing certificate), must obtain at least 40 units per annum of the acceptable continuous professional development learning activities.

SAIBA's continuous professional development policy requires that members should complete at least 62,5% of units of verifiable nature, the remaining can be non-verifiable. A unit is classified as a verifiable if a member can provide proof that they are involved in an acceptable continuous professional learning activity. Units cannot be carried over to the following year (SAIBA, 2009).

All the members that are in possession of a practicing licence certificate or designation issued by SAIBA are required to maintain competence in the specialised areas of their practice and obtain an appropriate amount of CPD units in those areas.

Members who work 770 hours or less over the course of a calendar year, do not have to comply with the requests that the unit scheme has provided. These members only need to provide evidence that reveal that they have carried out the CPD that is applicable and sufficient for their role.

The following is a list of what SAIBA deems as verifiable and non-verifiable learning activities for CPD (SAIBA, 2009).

2.5.6.1 Verifiable learning activities:

- Approved/prescribed conferences, seminars, workshops or similar structured discussion forums offered by SAIBA or any other accredited and recognised professional body.
- Watching an approved/prescribed technical DVD in a group situation, i.e. two or more individuals.
- Reading accredited articles of TAXtalk, Accountancy SA and Business Brief which are specifically marked as verifiable for CPD purposes.
- Studies leading to formal assessments, for example a national diploma qualification.
- Research and lecture preparation — this may include lecture preparation, presentation, research for publication or articles in the members own name (including relevant reading) for a new piece of work to be undertaken and supported by the institute.

2.5.6.2 Non-verifiable learning activities:

- The reading of daily financial and business newspapers and journals, for example Business Day, Finweek, etc.

“CPD is basically a process of improving one’s skills, because at entry point one is already required to have certain skills. As a result of this, there are procedures that have been put in place by the various governing bodies to ensure that accountants maintain their professional competence and remain relevant in their respective careers. This can be done through various activities such lecturing, seminars, workshops, conferences, teaching and online courses” (SAIBA, 2009).

Seeing that skills development is an important factor in a professional accountant’s career and professional development is a means to ensure that this happens. Those in management or striving to be in a management position can use the various learning activities put in place to improve their skills. For some people completing their PhD or doing a project may be the most suitable route for them and for some who do not fancy theory and studying so much this may not be such a good option. Therefore events like workshops and conferences maybe a better option for them because there one gets to

interact with other people. As an individual one can consider various options and decide what will be a suitable route for them on their road to success.

It can be concluded from previous discussions that CPD is quite important for the career success of an individual in accountancy.

2.6 CONCLUSION

In this chapter the conclusion can be drawn that there is a skills gap and that having outstanding educational background is not enough for an accountant to secure employment and in order to have a competitive edge in an already competitive job market, one needs to have practical experiences to be able to cope with real world situations. Some researchers reason that the responsibility of insuring that graduates have the necessary skills is that of educators. Others reason it should be a shared responsibility of both the employer and educator.

The one particular skill that is mentioned as a must for graduates is communication skills because in every aspect of their job they need to able to communicate whether verbal (making presentations, consultations with clients) or written (writing reports, business letters).

Communication is also vital when delegating because when work is being distributed the receiver needs to clearly understand what work has been allocated to whom, and what it entails so that deadlines can be met and resources can be utilised sufficiently.

As an employee or member of a certain professional body the person has an obligation to uphold certain standards. In accountancy there are various professional bodies that each have competency frameworks that members have to adhere to. These competencies ensure that employers get the best out of their biggest asset (human capital) and it allows the individual to stay relevant and up to date. It also helps an accountant to grow as an individual and in the corporate hierarchy.

Getting the job and advancing in one’s career in a management position is not all that is involved. CPD addresses at how professional accountants can sustain and improve or maintain their skills. All professional bodies have made it mandatory to maintain a certain degree of professional competence. Each have policies on how their members

should keep record of their development. It is safe to say that once the individual has obtained their desired position, the is job never done, because from the point of entry and at every level of their career one always has to find ways to improve oneself till the point of retirement. Accountants can also make use of these CPD activities to prepare them for management positions.

CHAPTER 3
RESEARCH METHODOLOGY

3.1 INTRODUCTION

In the previous chapter literature is analysed to determine what skills are needed of professional accountants and more specific the skills needed to take on management positions. In this chapter the research methodology of the study is discussed under the following headings:

- What is research?
- Paradigms
- Quantitative vs qualitative
- Research design
- Study population and sample
- Validity and reliability
- Measuring instrument

3.2 WHAT IS RESEARCH?

Research is a process that involves the gathering of scientific knowledge by means of a variety of objective procedures and methods (Welman *et al*., 2005). The word “objective” indicates that these procedures and methods are not dependent on personal feelings or opinions (Welman *et al*., 2005).

With the description given above the following are some of the definitions that further define what research is.

- Dane (2010) defines research as a “critical process for asking and attempting to answer questions about the world”. Dane (2010) mentions that from time to time asking and attempting to answer questions entials conducting an interview, sometimes a questionnaire or an experiment.
- Leedy and Ormrod (2014) on the other hand define research as “a systematic process of collecting, analysing, and interpreting information (data) in order to

increase our understanding of a phenomenon about which we are interested or concerned".

- The Macmillan dictionary for advanced learners (2007) defines research as "the detailed study of something in order to discover new facts, especially in a university or scientific institution".

It is clear from definitions above that research is mostly concerned with uncovering new facts and answering a question which is known as the research question. This is done by collecting, analysing and interpreting information. It can furthermore be noted that research is conducted by using various methods that involve going through past and present studies to draw conclusions on present developments or as a means to create new ideas.

Weirich *et al*. (2008) categorise research into two components namely theoretical research an applied research. Theoretical research examines questions that seem to be interesting to the researcher but the research may have limited or no practical application at that point in time. It has also been mentioned that theoretical research is an individual's attempt to gain new insight on a particular topic.

Applied research on the other hand scrutinises an issue that is of utmost importance (Weirich *et al.*, 2008). The first type of applied research is known as priori (before the facts) research. This is research that can be conducted on behalf of a client before they enter into an agreement. The second type is known as posterior (after the facts); this is for example when a client requests that their tax returns are prepared for previous transactions (Weirich *et al*., 2008).

Even though research projects differ in terms of difficulty and duration, it is said that in general research has eight defining characteristics, which are (Leedy & Ormrod, 2014):

1. Research begins with a question or problem.
2. Research needs clear articulation of a goal.
3. Research often divides the main problem into more controllable subproblems.
4. Research is directed by the particular research problem, question, or hypothesis.
5. Research needs a particular plan for proceeding.
6. Research relies on certain serious assumptions.

7. Research needs the gathering and interpretations of data in an endeavour to resolve the problem that instigated the research.
8. Research is by nature cyclical or to be more exact, helical.

According Leedy and Ormrod (2014) any research task starts easy and then follows an expected, systematic sequence of steps. This is shown in Figure 1.

Figure 3.1: Research process

Source: Leedy and Ormrod, 2014 adapted

3.3 PARADIGMS

According to Göktürk (2009) the word “paradigm” must have come from philosophers’ laboratory, this is largely due to the fact that the meaning is not clear. Discussed below are some definitions from different sources.

The Macmillan dictionary for advance learners (2007) defines paradigms as a set of ideas that are utilised for the understanding or explanation of something, particularly in certain subjects such as scientific paradigms or culture. The term paradigm also refers to “the progress of scientific practices based on people’s philosophies and assumptions about the world and the nature of knowledge” (Welman *et al*., 2005). In the context of this study, this refers to the way in which research should be conducted.

Tracy (2013) points out that paradigms are preferred methods of accepting reality, collecting information and gaining knowledge about the world. It is further noted that a researcher’s paradigm can differ on the base of ontology (the nature of reality), epistemology (the nature of knowledge), axiology (the values associated with areas of research and theorising) and methodology (strategies for obtaining and analysing data).

Maree (2007) defines paradigms as “a set of assumptions or beliefs about fundamental aspects of reality which give rise to a particular world-view”. It reports on fundamental beliefs taken on faith, for instance assumptions about the nature of reality (ontology), the association between the knower and known (epistemology) and presumptions about methodologies.

It does matter whether one limits oneself to the definition of paradigm as a model or not, either way the two subjects of philosophy are related to it. These are epistemology and ontology (Göktürk, 2009). Ontology, the study of “being” and also referred to as the “nature of existence” (Gray, 2004). Ontology symbolises understanding “what is”, while on the other hand epistemology tries to determine “what it means to know”. Epistemology provides a philosophical history for determining what kind of information is legitimate and acceptable (Gray, 2004)

It can be noted, based on the previous discussions, that paradigms are used by researchers as a base for conducting research. It is mentioned that they are a “set of assumptions or ideas”. In the real world it is well-known that people do not always

agree. Therefore it can be said that paradigms are the foundation of research. The most common paradigms are positivist and interpretivist. These are discussed next.

3.3.1 Interpretivism

Tracy (2013) describes interpretivism is a method of viewing both reality and knowledge as constructed and duplicated through communication, interaction and practice. Maree (2007) refers to interpretivism as “the study of the theory and practice of interpretation”. It is further mentioned that it was created in the 19th century as a philosophical theory of meaning and understanding. It was noted that interpretive researchers have a common trend; their research is commonly trying to understand phenomena through denotations that people have designated to them.

Below is a list of assumptions that the perspective of interpretivist research is based on (Maree, 2007).

- Human life can only be understood from within: The Interpretivist researcher focus mainly on peoples subject experiences; they believe that things cannot be witnessed from another external reality. For some of these researchers their theoretical concept of their research should be a reflection of people’s everyday social life.
- Social life is a distinctively human product: Interpretivist researchers believe that reality is socially created and not objectively determined and that every situation has something unique about it and it is vital to interpret and understand the meanings being created.
- The human mind is the purposive source or origin of meaning: It is believed that by exploring the difficulty of this wonders one will begin to understand the meanings given by people to observe within their social environment. By gaining some knowledge on these values one can begin to understand things as a whole.
- Human behaviour is affected by knowledge of the social world: It is believed by interpretivist that there is more than one reality with regard to phenomena and that the reality can differ between time and place. It was also noted that there is a two-way relationship between research and theory. It is assumed that social theory informs our comprehension of issues, which then helps one to make research decisions and getting a better understanding of the world.

- The social world does not "exist" independently of human knowledge: It is said that researchers have an understanding of the things that occur continuously affect us with regard to the types of questions asked and the method in which one conducts their research

3.3.2 Positivism

The Public Administration Dictionary (1996) defines positivism as "a philosophical system which states that true knowledge can only be gained through sensory experiences and logical extensions of sensory experiences. It is opposed to intuitive and metaphysical approaches to knowledge". Researchers who conduct positivist quantitative studies prefer to use the language of objectivity, control and distance as they are confident that those are the components needed in social science research (Greenwood & Levin, 2000). It also identified that even though the positivist form of quantitative research is more suitable for those who have control and are in power, as they are not comfortable with being the "subject" of a social research study (Greenwood & Levin, 2000). Positivism was the leading epistemological paradigm in social science starting from the 1930s all the way to the 1960s. Its central disagreement was that the social world is real on the exterior of the researcher, and the belongings can be measured through observation (Gray, 2004).

The positivist paradigm is also known as a "realist" or "functional paradigm" (Tracy, 2013). Positivist researchers' aim is to conduct research that reflects reality. They do so to be able to measure, observe and create knowledge that is material and that one can touch (Tracy, 2013)

3.4 QUANTITATIVE AND QUALITATIVE

As stated earlier there are two main approaches (paradigms) in research, which are positivist also known as quantitative approach and anti-positivists which is also referred to as impretivism and known as qualitative approach.

3.4.1 Quantitative

Maree (2007) define quantitative research as "a process that is systematic and objective in its ways of using numerical data from only a selected subgroup of a universe or population to generalise the findings to the universe that is being studied".

The positivist approach is based on the philosophical approach which is known as logical positivism. This approach motivates the “natural-scientific” method in human behavioural research and upholds the fact that research must be restricted to what can be seen and measured objectively. It can further be described as that which can exist separately from the opinions and feelings of people (Welman *et al.,* 2005). There exists independently of the feelings and individuals opinion. The natural-scientific approach is aimed at creating laws that apply to the population (Welman *et al.,* 2005).

Quantitative research approaches are more numerical. No matter what their initial form, the statistics used in quantitative research are always transformed into figures to make it easy for interpretation and statistical study (Dunn, 2013). The main advantage of this approach is that numbers are simpler to work with, information is readily gathered, summarised and coded. The disadvantage is that the method provides a limited array of replies, thus respondents are forced to choose an answer that not necessarily reflect their true feelings (Dunn, 2013). Quantitative approach mostly represents a closed system because the characteristics and response are usually decided on beforehand (Dunn, 2013).

3.4.2 Qualitative

Anti-positivists refrain from a strict “natural-scientific” method when it comes to interpreting and gathering data. They believe that the “natural-scientific” approach is developed to study molecules and it is consequently not applicable to the study of human behaviour (Welman *et al*., 2005).

Qualitative research can be distinguished by a reliance on verbal reports, descriptions and interpretation of events, it is not numerical, neither is it subjected to traditional methods of analysis. Qualitative research utilises an open systems sight in that any information is not set in stone (Dunn, 2013). The openness of the various qualitative approaches verifies to be useful when it comes to formulate a hypothesis in the primary stages of researching a topic. The disadvantage of the qualitative approach is that it cannot be simply, efficiently, or rapidly summarised, neither is it often likely to generalise from one kind of qualitative observations to another situation (Dunn, 2013).

It is clear from the previous discussion that quantitative research has to do with the use of statistics and figures to interpret research results, whereas qualitative research

involves using the information and data that is already available to make conclusions about the research topic.

For this study the quantitative research approach was used, because the study is on what is required of professional accountants to move into management positions, with limited information available on this topic it was necessary to provide further information. In this case a questionnaire was used to determine from current professional accountants what is required of them to be promoted to management positions.

3.5 RESEARCH DESIGN

3.5.1 Research design for qualitative studies

De Vos *et al.* (2011) note that the definition of research design from the perspective of a quantitative or qualitative research is not straight forward and simple. After analysing the various definitions De Vos *et al.* (2011) concluded that research design is focused on the end product and all the other stages in the course of conducting research to achieve the anticipated results. Maree (2007) defines research design as a "plan or strategy which moves from the underlying philosophical assumption to specifying the selection of respondents, the data gathering techniques to be used and data analysis to be done". There are six different types of qualitative research designs in research literature. These are discussed below.

3.5.1.1 Conceptual studies

Conceptual studies are mostly based on secondary sources, the main aim is to add to existing knowledge (Maree, 2007)**.** Below is a list of examples of the types of conceptual studies that exist:

- Conceptual analysis
- Conceptual analytical studies
- Conceptual cartography
- Document analysis
- Critical hermeneutics
- Critical theory study

- Fourth-generation evaluation studies
- Grounded theory design

3.5.1.2 Historical research/Narrative biography

Historical research is a methodical procedure of defining, interpreting and examining the past, the information is based on the selected sources that provide the relevant information related to the study (Maree, 2007). Narrative biography research differs from autobiographies, narratives, life stories and auto-ethnographies. Nonetheless, all these types of research has something in common, specifically to create the history of a life (De Vos *et al*, 2008). Below are examples of the historical research:

- Historical research
- Comparative research studies
- Life history
- Discourse analysis
- Feminist studies

3.5.1.3 Action research

Action research is about learning by doing. In most instances a group of individuals find an issue and they work together to find a solution and if their attempts are unsuccessful, they try again (O'Brien, 1998). According to Maree (2007) action research is meant to draw the focus to its respondents dimension and to pay particular attention to a practical problems encountered by the parties involved where the aim is to find a practical solution. The following are examples of action research:

- Classical action research
- Participatory action research

3.5.1.4 Case study research

It is said that case studies offer a broad perspective analyses in which the individual conducting the study does not only consider one voice or one perspective in the particular situation but also the views of various parties (Maree, 2007). In contrast to other methodological frameworks, the case study is more about choice of what to study

than that of a methodological one (De Vos *et al*., 2008). The following is a list of examples of the types of case studies:

- Case studies
- Developmental case studies
- Phenomenological
- Clinical study
- Evaluation research

3.5.1.5 Ethnography

Ethnography develop from the studies of anthropology (De Vos *et al.,* 2008). Maree (2007) define ethnography as fundamentally the 'the writing about people'. This is because the word 'ethnography' is from the Greek word 'ethnos' which means people and graphein, which means to 'to write'.

- Classical ethnography
- Auto-ethnography
- Ethno-methodology
- Biographies

3.5.1.6 Grounded theory

Grounded theory places a lot of emphasis on theory development. The ideas from which the theory is created are taken from the data collection during the research process. In grounded theory the research analysis and the gathering of data is interrelated. After the primary data are collected, the researcher examines the data, and the concepts derived from the data form the root for the subsequent data collection (Corbin & Strauss, 2015). The core component is the development of newly created theory by gathering and examining data about a phenomenon (Hancock *et al.,* 2007). The following are examples of grounded theory:

- Classical grounded theory
- Symbolic interactionism

3.5.2 Research design for quantitative study

The types of quantitative research designs can be categorised into two categories namely experimental design and non-experimental design (De Vos *et al.,* 2011).

3.5.2.1 Experimental design

The basis for this design is an experiment, in social science research there are two groups set up which will be compared. As the researcher one will do something to the one group (experimental group) and do something else or nothing to the other group. At the end they will compare the results from both groups. The aim of this is to say that the differences found between the groups were caused by an independent variable (De Vos *et al.*, 2011). According to Maree and Pietersen (2007) experimental designs are created to answer a specific research question which is “Does a specific treatment have any effect on some dependent measure?”.

Experimental design can be further divided into three categories which are pre-experimental, quasi-experimental and true experimental. These designs were created to define the current ‘cause-and-effect’ association between the variables. In simple terms it means they trying to figure out whether the independent variable has an effect on the unit being analysed.

According to Maree (2007) there are three factors that separate experimental design from the others and they are as follows:

- Manipulation - Manipulation can be done. Some of the respondents in the study will receive some kind or other treatment.
- Control - It has some kind of control, a group of the respondents are utilised as a means of maintaining control by not receiving treatment.
- Randomisation - As a method of assigning the individuals to various groups to randomisation is used.

In the following section the difference between the types of experimental designs are discussed.

- **Pre-experimental designs**

They are called pre-experimental to point out that they don't meet the scientific standards of experimental design. They are not categorized by a random sample selection of respondents from a population, neither do they involve a control group (De Vos *et al.*, 2011). Pre-experimental design does not have the most control over the components being studies (De Vos *et al.*, 2011; Van Zyl, 2014). It is mentioned that it is not possible to visualise the 'cause-and-effect' link, because one the independent variable doesn't vary or two experimental and control groups aren't randomly selected entities (Leedy & Ormrod, 2014). Pre-experimental designs do not have random assignment of individuals or subject involved in the study (Van Zyl, 2014).

- **Quasi-experimental designs**

At the middle of the experimental variety is quasi-experimental design which has some but not all of the requirements of the perfect experiment. The prerequisite that quasi-experimental design frequently does not have is the random assignment of research respondents to two or more groups. The extent of randomness differs according to the random selection of respondents from the population to formulate a sample and to assign respondents randomly to the various groups (De Vos *et al.,* 2011). Most of the time when using this design the groups to be studied already exist, sometimes ethical issues are involved (De Vos *et al.*, 2011). Quasi-experimental designs does not have a similar degree of power as the true experimental design and with regard to the degree of control over the variables being studied it lie between the true-experimental and pre-experimental design (De Vos *et al.,* 2014; Van Zyl, 2014).

- **True experimental designs**

True experimental designs take the first position on the experimental continuum and have the most distinctive requirements. These designs are most likely to provide results that can be generalised to a specific population. True experimental designs entail all the steps in selecting and allocating respondents in a random way and includes a control group. This design has the most control over its components being studied (De Vos *et al.,* 2011). Van Zyl (2014) also states that true experimental designs control the selection of subject, assignment of groups and the assignments of the treatment. The extent of randomness within the designs differs according to the random selection of

respondents from the population to formulate a sample and to assign respondents randomly to the various groups (De Vos *et al.,* 2011).

According to Van Zyl (2014) when using the true experimental designs the researcher needs to follow these steps:

1. Randomly assign the subjects to the experimental group or the control group.
2. Pre-test each group on the dependent variable.
3. Apply the treatment to the experimental group.
4. Pre-test both the experimental group and the control group on the dependent variable.

Table 3.1: The differences between pre-experimental, true experimental and quasi-experimental designs (Van Zyl, 2014)

Condition	Pre-experimental design	True experimental design	Quasi-experimental design
Presence of a control group?	In some cases, but usually not	Always	Often
Random selection of subjects from a population?	No	Yes	No
Random assignment of subject to groups?	No	Yes	No
Random assignment of treatment to groups?	No	Yes	No
Degree of control over extraneous variables?	None	Yes	Some

3.5.2.2 Non-experimental designs

The most commonly used non-experimental design in social science research is surveys, because surveys can be utilised for various types of research studies, like exploratory, descriptive, explanatory and evaluative (De Vos *et al*., 2011).

There is no random allocation with non-experimental research, neither is there a mapped out intervention that occur. The study has one or more components, besides

the independent one in question, and this component maybe the actual source being analysed in the dependent components (Welman *et al*., 2005).

The two types of survey research designs are determined in terms of whether the variables are to be measured once with a cross-sectional design or over a period of time with a longitudinal design.

- **Randomised cross-sectional survey design**

The randomised cross-sectional survey design is often associated with exploratory and descriptive studies that explore several groups of individuals at one point in time. Some of the typical examples of where a cross-sectional survey can be used is where one wants to determine whether a particular problem exist with a particular group and the level of the problem (De Vos *et al.,* 2011).

- **Replicated randomised cross-sectional survey**

Replicated cross-sectional surveys are surveys of a specific population that is repeated over a selected period of time. For every survey a new representative random sample is drawn. The design is similar to the longitudinal case study in that the measurements are repeated and taken over time (De Vos *et al.,* 2011& Belli, 2009).

3.5.2.3 Longitudinal Methods

Longitudinal designs that are also known as time-series designs are designs where the same subjects are repeatedly measured over time (Dane, 2010).

According to Van Zyl (2014) longitudinal methods analyse the age of changes, in other words it examines the changes in the behaviour in one group of subjects at multiple points in time. One of the advantages that has been noted is that it allows for the study of development over a long period of time, because the same individuals are studied at different points in time. The disadvantage is that it is very expensive and over time inflation is also a factor to consider and it is a challenge to keep track of the same individuals over an extended period of time (Van Zyl, 2014).

In longitudinal studies a lot of field research projects entail direct observation and perhaps in-depth interviews (Babbie, 2007). The longitude design is only applicable

when one wants to study changes that are a result of change in time (Welman *et al*., 2005)

Longitudinal studies can be challenging to implement in quantitative studies that are of a large scale survey. With that said, there are three types of longitudinal studies (Babbie, 2007):

- **Trend study**

  This is a study in which a certain characteristic of some population is scrutinized over time.

- **Cohort study**

  A study in which the researcher studies the specific sub-population over a period of time. The data can be gathered from different members in each set of observations.

- **Penal study**

  A study which is similar to cohort studies and trend studies, but entails surveying the same set of people at various points in time.

This study made use of non-experimental design methods. A questionnaire was used and the study focused on a specific group of people whom are professional accountants. It is more of a randomised cross-sectional survey because the study aimed at studying several groups of individuals at one point in time. The aim is to determine what skills are required at this point in time to take on management positions.

3.6 STUDY POPULATION AND SAMPLE

Welman *et al.,* (2005) define a population as a study object that comprises groups, individuals, organisations, human products and events or the condition to which they are exposed. A research problem associated with a particular population and the population encompasses the whole collection of all the units to analyse for which a research study aims to make conclusions about (Welman *et al.,* 2005). A population can be defined as a group of respondents who the researcher wishes to generalise the outcomes of a study with (Welman *et al.*, 2005). In order to generalise results, the sample has to be “representative”. Representative means that the sample has to have

the exact characteristics matching proportion to the population from which it was taken, but in reduced numbers (Welman *et al.,* 2005).

The target population for this study consisted of professional accountants registered in South Africa and the sample frame was professional accountants from CIMA, SAICA, ACCA and SAIPA.

Before a sample can be drawn the researchers should clearly indicate the population that the study will adress. This is where a sample frame comes into play. A sample frame is a full list in which each component of analysis is mentioned once.

Kothari (2004) reasons that the following should be considered when developing a sample design:

- **Types of universe**

  The entry step in creating a sample design is to clearly determine sets of units, technically called the universe to be studied.

- **Sampling unit**

  A choice has to be made regarding a sampling unit before selecting a sample. The sampling unit maybe a “geographical” unit such as a city or village or it can be “constructed” such as a flat or house or a “social” such as a school or family. The sampling unit for this study is professional accountants in general, it does not matter which professional body they belong to.

- **Source list**

  It is also known as the sample frame, this is where the sample is drawn. It contains all the units of the population. If the source list is not available the researcher must create one. There is no source list for this study, one was created.

- **Size of sample**

  This is the number of units to be taken from the “universe” to establish a sample. This can be a challenge because the sample should not be too big or too small. It should meet all the necessities of an efficient, representative, flexible and reliable sample. The sample size of 268 and 382 were created using SurveyMonkey which created a margin of error of 90% to 95%.

- **Parameter of interest**

  This is the part where the researcher must consider the question of the specific population parameter that they are interested in. The researcher needs to determine if for instance if he may be interested in estimating the percentage of individuals with some characteristic in the population. There is a population of approximately 50 000 professional accountants within South Africa, within the population of the study specific characteristics are not identified but rather to determine what is required from professional accountants to move into management positions.

- **Budgetary constraints**

  When developing a sample, one must consider the costs involved as it only affect the size of the sample but also the type. In this case the biggest constraint is time, because there is a time limit for completion of this study.

- **Sampling procedures**

  Finally, the researcher must decide on the type of sample that they wants to use. They must also decide on techniques to be used when the units for the sample are selected. They need to select the design which has minor sampling error for the given sample size and for a given cost.

For this study the target population and sample unit are professional accountants in South Africa. This was based on the research topic which is aimed at determining what are the skills required for management positions in the accounting sector. For the sample size of 268 and 382, SurveyMonkey gave a 90% to 95% confidence level. It was determined that the given sample size would deliver results with the least amount sample errors.

The sample frame for this study is professional accountants from CIMA, SAICA, ACCA and SAIPA and they are as follows:

- SAICA 35 000 members (SAICA, 2014a)
- SAIPA 6 000 members (SAIPA, 2014)
- CIMA 227 000 members(worldwide)* (CIMA,2014a)
- ACCA 170 000 members (worldwide*) (ACCA ,2015)

** The numbers in South Africa are expected to be less than that of SAIPA*

The questionnaire was electronically distributed using email accounts with the link to the questionnaire. It was done this way to ensure that the questionnaire could reach entities that are not within reach.

3.6.1 Sampling

Kothari (2004) refers to sampling as the method or procedure that researchers utilise to select the units for their sample. According to Welman *et al*., (2005) sampling can be categorised into two categories, probability samples and non-probability samples.

The following is a list of some of the examples of probability and non-probability samples (Welman *et al.,* 2005):

- **Probability samples:**
    - Simple random samples: It is known as the most straight forward sampling method because each population member has an equal chance of being selected.
    - Stratified random samples: Entails ordering the sample frame by one or more representative and then choosing the identical percentage of individuals from each subgroup using random or systematic sampling.
    - Systematic samples: This is where a sample is selected by taking units from a list, for instance the unit may be items numbered from one to about 15.
    - Clustered samples: This is used for instances where one work on a large scales survey. The researcher takes all the members of the selected cluster and draw members randomly and this will eventually be the sample
- **Non-probability sample**
    - Convenience samples: Convenience samples are also known as haphazard sampling where individuals are selected randomly from the mall and they are interviewed and this continues until they reach their sample size.
    - Accidental or incidental samples: This is where the closest, the most convenient and available units of analysis are used.

- Quota samples: This is where an attempt is made to have a similar amount of units, however the units are obtained through a specific stratum by accident, which is also known as segmentation.
- Purposive samples: This type of sampling is where the researcher depends on experience or past studies to obtain a sample that best represents the particular population.
- Snowball samples: In this case the researchers approach a few people from that particular population and these individuals act as a starting point for them the get other members from a similar population by referral.
- Self-selection samples: Self-selecting occurs where the researchers allow an individual to determine whether they would like to take part in the research study for example it can be publicised through the media or adverts, to request people to participate in the research.

In terms of probability sampling one can conclude the probability that a member or an element from the population will be included in the sample. For non-probability sampling this is the contrary because one cannot identify the probability (Welman *et al*., 2005). This approach is used with non-probability sampling when the study targets a specific group and are not interested in generalising results to the whole group (Lewin, 2011). A combination of purposeful, convenience and snowball sampling was used in the study.

3.7 VALIDITY AND REALIABILITY

3.7.1 Reliability

Bryman and Bell (2007) note that reliability is mainly concerned with the consistency of a measure of a concept. Maree (2007) indicates that referring to an instrument of reliability means that if an instrument is utilised at various occasions to different groups of the same population, the results should remain the same. When it comes to reliability there are three fundamental factors that have to be considered and they are as follows:

- **Stability**

  This is the factor where researchers have to consider whether or not a particular measure is and will be stable over time, so that they can be confident that the results from the sample measured will not change over a period of time. What this basically means is that if the measure is applied to a certain group and then

reapplied to other, there will minor differences with regards to the results (Bryman & Bell, 2007).

- **Internal reliability**

  Also known as internal consistency. This factor is used to determine whether or not one mark on one indicator can be related to their mark on another indicator (Bryman & Bell, 2007). In other words when a couple of objects are being developed to be measure a certain theory, there should be a great degree of common factors among them, because they are measuring one common concept (Maree,2007).

- **Inter-observer consistency**

  In certain large scale research projects there are a number of individuals involved with regard to the translation and recording of observation and the results of the research study is based on subjective judgement. The conclusions made from the study may not be consistent, because it is not based on one individual's opinion (Bryman & Bell, 2007).

The questionnaire is done online, because it saves time and money. It also makes it easier to get feedback. As the responses are electronically recorded it also reduces errors normally experienced during manual capturing.

3.7.2 Validity

Bryman and Bell (2007) reason that validity has to do with whether or not an indicator that has been developed to measure a concept really does measure it. Maree (2007) state that the validity of an instrument refers to the degree at which it can measure what it is supposed to. Below are various ways in which validity can be explored:

- **Face validity**

  This is where a new measure is judged at its face value. This can be done by requesting experienced individuals in the field concerned to judge whether or not the measure is in line with the concept that is being focused on.

- **Predictive validity**

  This is another method of testing the validity of a new measure. This is where one uses future criteria to do present tests (Maree, 2007). E.g. the SAT tests, because the results on these correlates with later performances in university and colleges (Jackson, 2011).

- **Concurrent validity**

  In this case the researcher tries to find an instrument to assist in determining validity in cases where for instance one is working with people, and it is certain that results will differ. For example, when doing a study on job satisfaction. Some of the issues will include why certain people are absent quite often for reasons other than being ill.

- **Construct validity**

  In the case of construct validity researchers are encouraged to estimate the measure, for example, the study on the relationship between job routines and job satisfaction and the impact that technology has on it. The researcher can make the assumption that those who are happy with their jobs will not do routine jobs and those who are not happy will do routine jobs.

- **Convergent validity**

  Convergent validity entails comparing ones measure of the same concept with another a similar concept.

The questionnaire was divided into four sections (A, B, C, D) in order to maintain validity and to avoid the threats that may exist and to ensure that the questionnaire covers the subject that was decided upon.

- Section A, provide the background.
- Section B, contains questions about the skills that were developed during their studies.
- Section C, contains questions about the skills that were developed during the traineeship and work as an accountant or auditor.

- Section D, contains questions about what skills are important if an accountant would move into a management position.

The structure of the questionnaire follows a timeline from skills acquired while studying up until skills needed to become a manager. This was done to enable the researcher to determine specific skills required to progress in their career. In another step that was taken to ensure validity, the questionnaire was evaluated by the ethics committee of the Faculty of Economic Sciences and IT at the Vaal Campus of the North-West University. The questionnaire was also screened by a statistician. The questionnaire was also piloted with a few trainee accountants to test whether it is understood and to estimate the time needed to complete the questionnaire.

3.8 MEASURING INSTRUMENT

The questionnaire was developed using the literature found in Chapter 2, a discussion about the skills found to be required from professional accountants to move into management positions. The skills were divided into the following subheadings:

- Intellectual skills
- Technical and functional skills
- Personal skills
- Interpersonal and communication skills
- Business management skills

3.9 CONCLUSION

Kothari (2004) regards research methodology as a technique to systematically solve a research problem, it can be understood “as a science of studying how research is done scientifically”.

Research is about developing new facts or finding new facts about existing information, which is then followed by paradigms. Paradigms are ideas and assumptions that people make about certain things that exist, from these ideas a research problem is developed and that is how research begins. The next step is the research approach, it can either be qualitative or quantitative. A quantitative approach is more about numbers whereas qualitative entails more theory than it does numbers. Research design is basically

making plans for the end result and this is done by predetermining the factors that are required to help one to meet the objectives and this entails determining if the study will make use of an experimental or non-experimental design. As indicated before, the population of this study consist of professional accountants in South Africa and the sample size that provides lower level of error, between 268 and 382.

The research methodology is a method of systematically solving the research problem also referred to as the research question. It was determined that research is merely about uncovering new facts and solving the research question. This can be done by ways of collecting, analysing and interpreting information.

It was established that paradigms were used by researchers as foundation for conducting research. It was concluded that they are a set of assumptions used for conducting further research. It was noted that there are two components to paradigms, which are interpretivism and positivistism. In interpretivism, also known as the qualitative approach, the research aims at understanding the phenomena through denotations that people have designated to them. Positivist researcher aims to conduct research that reflects reality.

The research design can be perceived as “the researchers’ plan” it analyses at the end result. There are two different kinds of research designs. The research design for qualitative study and the design for quantitative study. The kind of research design used depends on the study being conducted. Taking a look at validity and reliability, reliability is focused on consistency and stability of the measure. Validity looks at the degree in which it can measure what it is supposed to measure. For this is study steps were taken to ensure that it is both valid and reliable. In the next chapter the empirical section of the study is discussed. This involves getting feedback from the questionnaires, analysing the data and drawing conclusions from that.

CHAPTER 4
RESULTS AND DISCUSSION

4.1 INTRODUCTION

In the previous chapter the research methodology is analysed. It discussed what research is, the various approaches to research and the research designs that are available and also which methodology is applied in the study. In this chapter the empirical section is discussed and the results from the questionnaire are interpreted. This chapter addressed the following objectives:

- To establish the need for professional accountants to develop specific skills to take up the role of a manager.
- To establish the perceived skill set professional accountants need when moving into management positions.

4.2 BIOGRAPHICAL DETAILS

The sample for this study was professional accountants in South Africa. For this study 170 responses were received. In some of the sections not all the questions were completed. These are indicated in the results that follow. The biographical details of the respondents are discussed next.

4.2.1 Gender

The first question that was asked is whether the responded is male or female. From the responses 64 were females and 82 were males (Table 4.1).

Table 4.1: Gender of respondents

Gender	Number of responses	%
Female	64	43.8
Male	82	56.1
Total*	146	100.0

** Not all respondents completed the question*

4.2.2 Age

The second question that was asked is the participant's age. The following is a table of the different age groups and the number of people within that age group.

Table 4.2: Age of respondents

Age	Number of respondents	%
23–32	55	37,9
33–42	52	35,9
43–52	23	15,7
53 & older	15	10,4
Total*	145	100,0

** Not all respondents completed the question*

In table 4.2 it can be seen that majority of the respondents are between the age of 23 and 32 at 37,9% of the overall respondents, followed by those between the age of 33 and 42 at 35,9%, those between the ages of 43 and 52 are third at 15,7%,with the older generation of 53 and older at 10,4%.

4.2.3 Governing body

In the next section the aim was to determine which professional bodies the respondents are registered with. The respondents only had one choice and therefore had to choose the governing body of their main profession.

ACCA, SAIPA and others were grouped together and accumulated to 12 respondents, with CIMA standing at 42 respondents and SAICA with 82 respondents (Table 4.3).

Table 4.3: The professional bodies that the respondents are registered with

Professional bodies	Number of respondents	%
SAICA	82	60,3
CIMA	42	30,9
ACCA, SAIPA & Other	12	8,8
Total*	136	100,0

** Not all respondents completed the question*

4.2.4 Qualifications

Table 4.4 indicates the various highest qualifications that the professional accountants achieved. Most of the respondents have an Honours degree or Postgraduate diploma (64.4%) with a further 19,2% with a Masters degree.

Table 4.4: Qualifications

Qualification	Number of respondents	%
Degree	13	8,9
Diploma or certificate	06	4,1
Honours/Postgraduate diploma	94	64,4
Masters	28	19,2
PhD	05	3,4
Total*	146	100,0

** Not all respondents completed the question*

4.2.5 Sector

The following table shows the various sectors and the number of professional accountant respondents in that sector.

Table 4.5: Sector

Sector	Number of respondents	%
Commerce and industry	66	45,2
Private practice	31	21,2
Academics	26	17,8
Other	13	8,9
Government	10	6,8
Total*	146	100,0

** Not all respondents completed the question*

When asked in which sector the respondents worked most responded to commerce and industry (45,2%), followed by the private sector (21,2%), academics (17,8%) with others at 8,9% and government at 6,8%.

4.2.6 Experience

The following table indicates the different employment levels and the number of years that the individual has spent in that particular employment level.

Table 4.6: Experience

Employment	Numbers of years	Number of respondents	%
Trainee	0	14	9,7
	<3	28	19,4
	3–5	99	68,8
	6–10	3	2,1
	>10	0	0

		144	100,0
Operational level			
	0	33	23,2
	<3	53	37,3
	3–5	36	25,4
	6-10	15	10,6
	>10	5	3,5
		142	100,0
Middle management	0	27	19,0
	<3	33	23,2
	3-5	45	31,7
	6-10	24	16,9
	>10	13	9,2
		142	100,0
Senior	0	71	49,7
	<3	16	11,2
	3-5	20	14,0
	6-10	17	11,9
	>10	19	13,3
Total*		143	100,0

** Not all respondents completed the question*

The question asked in this section is about experience to determine how many years the individual spent in that employment level. At the start of their career, which is normally at traineeship position, 9,7% of the respondents indicated that they have worked zero years in traineeship,19,4% stated they worked less than three years. The majority said they did their traineeship between three and five years, with 2,1% saying they work between six and ten years.

For operational level 23,2% of the respondents stated they worked zero years in operational level, indicating that they are still busy with their traineeship. A total of 37,3% of the respondents stated they worked less than three years, followed by 25,4% saying they worked between three and five years. A total of 10,6 % say they worked six to ten years, with 3,5% stated they worked more than ten years.

For middle management, 19% of the respondents said they never worked in middle management and 23,2% of the respondents say they worked less than three years in middle management, followed by 31,7% of them stating that they worked between three to five years in middle level, with those between six and ten years amounted to 10,5% and 3,43% indicated they worked more than ten years.

In senior management 49,7% indicated they never worked in senior management and 11,2% of the respondents stated that they worked less than three years in a senior management position, with 14% saying between three to five years, followed by 11,9% saying they spend between six to ten years, and 13,3% at more the ten years.

4.3 SKILL DEVELOPMENT

The next part of the questionnaire addressed the different skill sets identified from the literature and the perceptions of the respondents as to the development of these skills during their studies, worklife and the importance thereof for entering a management position.

4.3.1 Descriptive statistics

Below is a table of the descriptive statistic, it indicates the mean and standard deviation.

Table 4.7: Descriptive

Skills	**Extent to which it was developed during studies** (1 – Very small extent, 5 – Very large extent)			**Extent to which it was developed during traineeship and working** (1 – Very small extent, 5 – Very large extent)			**Extent of importance if an accountant would move into a management position** (1 – Very small extent, 5 – Very large extent)		
	N	**Mean**	**Std. Deviation**	**N**	**Mean**	**Std. Deviation**	**N**	**Mean**	**Std. Deviation**
Intellectual skills									
Analytical thinking	132	3.79	1.004	120	4.02	0.926	115	4.48	0.776
Decision-making	132	3.45	1.065	120	3.88	1.050	115	4.71	0.604
Information gathering	132	3.70	1.032	120	4.23	0.814	115	4.10	0.837
Problem-solving	132	3.80	0.947	120	4.11	0.924	115	4.67	0.631
Technical and functional skills									
Auditing	132	3.42	1.139	120	3.84	1.152	115	3.24	1.121
Broader economic and business skills	132	3.33	1.015	120	3.53	1.137	115	4.40	0.804
Cost accounting skills	132	3.92	0.962	120	3.38	1.237	115	3.64	1.078
Financial management skills	132	3.95	0.881	120	3.64	1.143	115	4.23	0.892

Skills	**Extent to which it was developed during studies** (1 – Very small extent, 5 – Very large extent)			**Extent to which it was developed during traineeship and working** (1 – Very small extent, 5 – Very large extent)			**Extent of importance if an accountant would move into a management position** (1 – Very small extent, 5 – Very large extent)		
	N	**Mean**	**Std. Deviation**	**N**	**Mean**	**Std. Deviation**	**N**	**Mean**	**Std. Deviation**
Financial reporting skills	132	4.10	0.864	120	4.12	0.909	115	3.98	0.964
Governance skills	132	3.43	1.100	120	3.64	1.129	115	4.27	0.872
IT skills	132	2.80	1.131	120	3.57	1.121	115	3.71	0.971
Mathematics/statistical	132	3.21	1.056	120	3.14	1.169	115	3.46	1.086
Risk management	132	3.15	1.195	120	3.48	1.130	115	4.39	0.845
Strategic skills	132	3.27	1.341	120	3.34	1.300	115	4.54	0.809
Taxation	132	3.67	1.015	120	3.46	1.250	115	3.30	0.982
Personal skills									
Anticipating and adapting to change	132	3.17	1.212	120	3.95	0.960	115	4.60	0.646
Benchmarking	132	3.08	1.099	120	3.50	1.029	115	4.10	0.936
Ethical consideration	132	3.77	1.111	120	3.92	1.058	115	4.61	0.813

Skills	**Extent to which it was developed during studies** (1 – Very small extent, 5 – Very large extent)			**Extent to which it was developed during traineeship and working** (1 – Very small extent, 5 – Very large extent)			**Extent of importance if an accountant would move into a management position** (1 – Very small extent, 5 – Very large extent)		
	N	**Mean**	**Std. Deviation**	**N**	**Mean**	**Std. Deviation**	**N**	**Mean**	**Std. Deviation**
Lifelong learning	132	3.60	1.171	120	3.86	1.117	115	4.39	0.845
Marketing/sales	132	2.46	1.135	120	2.87	1.243	115	3.84	1.048
Prioritise	132	3.62	1.074	120	3.99	1.008	115	4.57	0.677
Professional skepticism	132	3.46	1.135	120	4.05	1.020	115	4.22	0.925
Seeing the bigger picture	132	3.60	1.191	120	3.88	1.189	115	4.74	0.622
Self-management	132	3.87	1.066	120	4.14	0.882	115	4.62	0.768
Striving to add value	132	3.57	1.249	120	4.03	0.952	115	4.63	0.768
Taking initiative	132	3.55	1.200	120	4.03	0.952	115	4.67	0.659
Time management	132	3.94	1.047	120	4.24	0.879	115	4.57	0.676
Interpersonal and communication skills									
Coaching and mentoring	132	2.76	1.236	120	3.63	1.152	115	4.41	0.847
Interacting with diverse people	132	3.23	1.305	120	4.07	1.075	115	4.63	0.719

Skills	**Extent to which it was developed during studies** (1 – Very small extent, 5 – Very large extent)			**Extent to which it was developed during traineeship and working** (1 – Very small extent, 5 – Very large extent)			**Extent of importance if an accountant would move into a management position** (1 – Very small extent, 5 – Very large extent)		
	N	**Mean**	**Std. Deviation**	**N**	**Mean**	**Std. Deviation**	**N**	**Mean**	**Std. Deviation**
Leading meetings effectively	132	2.89	1.385	120	3.60	1.233	115	4.65	0.726
Listening and reading effectively	132	3.63	1.066	120	3.89	1.091	115	4.58	0.701
Manage and supervise others	132	2.85	1.345	120	3.77	1.113	115	4.61	0.710
Motivate others	132	2.95	1.313	120	3.69	1.151	115	4.63	0.731
Negotiation	132	2.74	1.334	120	3.39	1.272	115	4.50	0.799
Verbal communication and presentation	132	3.15	1.269	120	3.95	1.083	115	4.62	0.670
Working in teams	132	3.23	1.276	120	4.23	0.941	115	4.47	0.753
Written communication	132	3.74	1.038	120	4.08	1.026	115	4.57	0.751
Business management skills									
Aligning own and entity goals	132	2.98	1.238	120	3.58	1.172	115	4.51	0.730
Being decisive	132	3.17	1.297	120	3.80	1.066	115	4.63	0.694

Skills	**Extent to which it was developed during studies** (1 – Very small extent, 5 – Very large extent)			**Extent to which it was developed during traineeship and working** (1 – Very small extent, 5 – Very large extent)			**Extent of importance if an accountant would move into a management position** (1 – Very small extent, 5 – Very large extent)		
	N	**Mean**	**Std. Deviation**	**N**	**Mean**	**Std. Deviation**	**N**	**Mean**	**Std. Deviation**
Collaboration and partnering	132	3.07	1.285	120	3.81	1.087	115	4.53	0.705
Delegating	132	2.79	1.272	120	3.65	1.135	115	4.56	0.740
Leadership	132	3.06	1.318	120	3.82	1.137	115	4.69	0.718
Organising	132	3.36	1.192	120	3.98	0.996	115	4.54	0.717
Professional judgement	132	3.50	1.214	120	3.97	1.061	115	4.63	0.707
Strategy and project planning/management	132	3.16	1.318	120	3.68	1.216	115	4.66	0.724

** Not all respondents completed the question*

In the following section the various skills that were used to compile the questionnaire is analysed to gain an idea of which was developed at a certain point of a professional accountant's career and to find out from the respondents what skills they consider to be important for management.

Intellectual skills

- Analytical skills are mostly developed during operational work (compare 3.79 to 4.02) and are considered important at management positions (4.48).
- As for decision-making skills are considered less developed during studies (3.45), more development can be seen during operational work (3.88%), it is also considered more important at management position (4.71).
- Considering information gathering, it can be seen that there was more development during operational work as compared to during studies (3.70 and 4.23 respectively) and is indicated to be of more importance in management position (4.10).
- Problem-solving has a score of 3.80 during studies and 4.11 during operational work, which is an indication that there was more development during operational work. It can also be seen that it was considered important for management position with a score of 4.61.
- The summary is discussed in Section 4.4.3.

Technical and functional skills

- The scores stand at 3.42 with auditing skills during studies, compared to 3.84 during operational work and 3.24 during management positions and which in this case indicates that skills can be said to have more importance and development during operational work.
- The comparison of broader economic and business skills in the different stages indicated that during studies the score was 3.33 and traineeship and other working levels was 3.35 and the importance for management positions at 4.40, thus it were considered more important during management positions.

- The scores have taken a turn of their own with cost accounting skills as it is considered to be well developed during studies at 3.92, followed by operational work and importance during management position at 3.38 and 3.64 respectively.
- Financial management skills emphasised importance in a management position (4.23), but were developed during studies at 3.95 and traineeship and operational work 3.64.
- Regarding financial reporting skills, the scores were 4.10 during studies and 4.12 during operational work, with a 3.98 importance during management positions. Therefore financial reporting skills are considered less important in a management position.
- In comparison governance skills during studies scored 3.43 and 3.64 during operational work and 4.27 at management positions. It is a clear indication that governance skills are considered more important for management positions.
- Looking at IT skills, it is considered more important in management positions (3.71), while being developed during operational work (3.57) and during studies (2.80).
- Mathematics/statistics were considered to be more important in management position (3.46) compared to development during operational work and studies, with a score of 3.21 during studies and 3.14 during operational work.
- There is more development of risk management skills during studies (3.15) and operational work (3.14), compared to the importance thereof in a management position with a score of 3.46.
- Strategic skill development improves during operational work, compared to during studies (3.34 compared to 3.27) and it was considered much more important during management positions (4.54).
- Taxation skills were considered more developed during studies at 3.67 compared to during operational work with 3.46 importances during management position at 3.30. It is therefore evident that skill is of more importance during studies.
- The summary is discussed in Section 4.4.3.

Personal skills

- Anticipating and adapting to change is more development during operational work (compare 3.17 for studies and 3.95 for operational work), while importance was placed more on management position at 4.60.
- Benchmarking skills are mostly developed during operational work (compare 3.08 to 3.50) and are considered important at management positions (4.10).
- As for ethical consideration are considered less important during studies (3.77), more development can be seen during operational work (3.92), it is considered more important at management position (4.61).
- Considering lifelong learning, it can be seen that there was more development during operational work as compared to during studies (3.60 and 3.86 respectively), however more emphasis was placed on management position (4.39).
- Considering marketing or sales skills, it can be seen that there was more development during operational work as compared to during studies (2.87 and 2.46 respectively), while more emphasis was placed on management position (3.84).
- Prioritising has a score of 3.62 during studies and 3.99 during operational work, which is an indication that there was more development during operational work. It can also be seen that it was considered important for management position with a score of 4.57. Professional skepticism is mostly developed during operational work (compare 3.46 to 4.05) and are considered important at management positions (4.22).
- Seeing the bigger picture skills are considered less important during studies (3.60), more development can be seen during operational work (3.88), it is also considered more important at management position (4.74).
- Self-management development can be seen more during operational work (compare 3.87 and 4.14) and it was considered more important at management position (4.62).

- Regarding striving to add value, these skills are mostly developed during operational work (compare 3.57 to 4.03), they are considered important at management positions (4.63).
- As for initiation skills are considered less important during studies (3.55), more development can be seen during operational work (4.03) and it is also considered more important at management position (4.67).
- , There is more development from studies to operational work regarding time management (compare 3.94 and 4.24) and it is considered to be more important at management position (4.57).
- The summary is discussed in Section 4.4.3.

Interpersonal and communication skills

- Coaching and mentoring skills are mostly developed during operational work (compare 2.76 and 3.63) and are considered important at management positions (4.41).
- As for interacting with diverse people are developed less during studies (3.23), more development can be seen during operational work (4.07), it is also considered more important at management position (4.63). Looking at the skills of leading meetings effectively, there is mostly development during operational work (compare 2.89 to 3.60) and are considered important at management positions at 4.65.
- As for listening and reading effectively it were not as important during studies (3.63), more development can be seen during operational work (3.88) and it is also considered more important at management position (4.58).
- Considering the ability to manage others, it can be seen that there was more development during operational work as compared to during studies (3.77 and 2.85 respectively) while more emphasis was placed on management position (4.61).
- Regarding motivating others, it has a score of 2.95 during studies and 3.60 during operational work, which is an indication that there was more development during

operational work. It can also be seen that it was considered important for management position with a score of 4.63.

- Negotiation, with this skills further development was made during operational work (compare 3.39 to 2.74 during studies) and it was considered more important during management positions (4.50).
- Looking at verbal communication and presentation, this skill developed further during operational work (compare 3.95 to 3.15 during studies) and it was considered more important during management positions (4.62).
- Regarding working in teams, this skills developed further during operational work (compare 4.23 to 3.23) and it was considered more important during management positions (4.47).
- Considering written communication, with this skills further development was made during operational work stages (compare 4.08 to 3.74) and it was considered more important during management positions (4.57).
- The summary is discussed in Section 4.4.3.

Business management skills

- Aligning own and entity goals further development is made during operational work (compare 3.58 to 2.98), it was considered more important during management positions (4.51).
- When considering the skills of being decisive; it was considered to be more important for management position (4.63), comparing development during operational work (3.80) and studies (3.17).
- Analysing collaboration and partnering; this skill was considered to be more important for management position (4.53), compared to operational work (3.80) and during studies (3.17) where there seems to have been further development from one point to the other.
- The skill set delegating was considered to be more important for management position (4.56), compared to development for operational work (3.65) and during studies (2.79) there seems to have been further development from one point to the other.

- Regarding leadership the skill was further developed during operational work (compare 3.82 to 3.06 during studies), it was considered more important during management positions (4.69).
- Considering the skills of organising, the skill was further developed during operational work (compare 3.98 to 3.36), it was considered more important during management positions (4.54).
- Further developments regarding professional judgement skills were made during operational work (compare 3.97 to 3.50) and it was considered more important during management positions (4.63).
- Strategy and project planning/management skill were further developed during operational work (compare 3.68 to 3.16), it was considered more important during management positions (4.66).
- The summary is discussed in Section 4.4.3.

From the above discussion the following skills were indicated as the top ten most important for management skills and they are as follows:

- Seeing the bigger picture (4.74)
- Decision-making (4.71)
- Leadership (4.69)
- Problem-solving (4.67)
- Taking initiative (4.67)
- Strategic and project planning/management (4.67)
- Leading meeting effectively (4.66)
- Striving to add value (4.65)
- Interacting with diverse people (4.63)
- Motivating others (4.63)

The following were the least important skills:

- Financial management (4.27)

- Professional skepticism (4.23)
- Information gathering (4.1)
- Benchmarking (4.1)
- Financial reporting (3.98)
- Marketing and sales (3.84)
- IT skills (3.64)
- Mathematics or statistics (3.46)
- Taxation (3.3)
- Auditing (3.24)

4.4 FACTOR ANALYSIS

Factor analysis is used as a means to take various components that are related and turning them into a smaller more manageable set of components. In this study factor analysis was performed on the different skill groups for the results of the development of the skills during the participant's studies. The results are reported on below.

Table 4.8: Factor loadings for Intellectual skills

	Component 1
Analytical thinking	0.828
Decision-making	0.856
Information gathering	0.757
Problem-solving	0.884

The four items under the Intellectual Skills groups well together using principle component analysis and could be analysed further as one factor. The total cumulative variance of the four items was 69,33%.

The eleven items under the Technical and functional skills formed two groups using principle component analysis and could be analysed further as two items. The total cumulative variance of the two items was 60,43%.

Table 4.10: Factor loadings for Technical and functional skills – Pattern Matrix

	Component	
	1	**2**
Auditing skills		0.683
Broader economic and business skills	0.772	
Cost accounting skills		0.649
Financial management skills	0.377	0.586
Financial reporting skills		0.821
Governance skills	0.607	.286
IT skills	0.678	
Mathematical/statistical skills	0.491	
Risk management skills	0.914	
Strategy skills	0.919	
Taxation skills		0.871
Extraction Method: Principal Component Analysis. Rotation Method: Oblimin with Kaiser Normalization.		

The one group would be the main technical skills namely auditing, cost accounting, financial management, financial reporting and taxation. The other group would be the less prominent technical skills.

Table 4.11: Communalities for Personal skills

	Component 1
Anticipating and adapting to change	0.826
Benchmarking	0.808
Ethical consideration	0.763
Lifelong learning	0.806
Marketing/sales skills	0.624
Prioritise	0.808
Professional scepticism	0.804
Seeing the bigger picture	0.847
Self-management	0.793
Striving to add value	0.864
Taking initiative	0.887
Time management	0.769

The twelve items under the Personal Skills groups well together using principle component analysis and could be analysed further as one item. The total cumulative variance of the four items was 64,41%.

Table 4.12: Factor loadings for Interpersonal and communication skills

	Component 1
Coaching and mentoring	0.861
Interacting with diverse people	0.841
Lead meetings effectively	0.929
Listening and reading effectively	0.746
Manage and supervise others	0.940
Motivating others	0.935
Negotiation	0.904
Verbal communication and presentation	0.894
Working in teams	0.881

Written communication	0.700

The ten items under Interpersonal and Communication Skills groups well together using principle component analysis and could be analysed further as one item. The total cumulative variance of the four items was 75,08%.

Table 4.13: Factor loadings for Business skills

	Component 1
Aligning own and entity goals	0.882
Being decisive	0.879
Collaborating and partnering	0.904
Delegating	0.893
Leadership	0.912
Organising	0.871
Professional judgement	0.868
Strategic and project planning/management	0.858

The eight items under Business Skills groups well together using principle component analysis and could be analysed further as one item. The total cumulative variance of the four items was 78,08%.

4.4.1 Validity

Below is a table that shows the validity of this factor analysis. The various skills are grouped into under a sub-heading to see whether they belong together.

Table 4.14: Cumulative variance summary

Group name	No. of items	Cumulative variance%
Intellectual skills	4	69,33
Technical and functional skills – Main	5	60,43
Technical and functional skills – Other	6	
Personal skills	12	64,41
Interpersonal and communication skills	10	75,08
Business skills	8	78,08

In the previous table data are considered with a cumulative % of > 0,50 (source for this cut off) because it is significant and proves that the skills were categorised correctly. Item communalities are thought to be high if they are all are 0.80 but the most commonly used range is 0.40 to 0.50 (Velicer & Fava (1998) (cited by Costello & Osborne, 2005).

4.4.2 Reliability

In Table 4.14 the reliability of this study is examined. The table shows how well the skills were grouped together.

Table 4.15: Reliability

Group name	Cronbach's Alpha (D)	Inter-item correlation
Intellectual skills	0.850	0.589
Technical and functional skills — Main subjects	0.810	0.475
Technical and functional skills — Other subjects	0.858	0.502
Personal skills	0.949	0.608
Interpersonal and communication skills	0.963	0.717
Business management skills	0.960	0.749

Intellectual skills	0.905	0.709
Technical and functional skills — Main subjects	0.713	0.345
Technical and functional skills — Other subjects	0.888	0.569
Personal skills	0.945	0.601
Interpersonal and communication skills	0.961	0.716
Business management skills	0.955	0.727
Intellectual skills	0.851	0.608
Technical and functional skills — Main subjects	0.877	0.592
Technical and functional skills — Other subjects	0.831	0.469
Personal skills	0.930	0.561
Interpersonal and communication skills	0.958	0.699
Business skills	0.946	0.686

The table above is a test to determine reliability. The skills were grouped together and were tested at each stage of a professional accountant's career. According to Nunnally (1978) (cited by Tavakol & Dennick 2011) there is a variety of acceptable alpha values but the recommended value should be 0.70 or better with a maximum of 0.90.

4.4.3 Descriptive statistic of the grouped skills

In Table 4.15 is the descriptive statistic of the skills grouped together. The table analyse how the skills fit in at every stage of a professional accountant's career. The average score per group was considered.

Table 4.16: Descriptive statistics of the grouped skills and an overall skills comparison

Skills	**Average Extent to which it was developed** (1 – Very small extent, 5 – Very large extent)			**Repeated measures Anova**		**Effect sizes**		
	Studies	**Training**	**Management**	**p-value**	MSE	**Studies with training**	**Studies with management**	**Training with management**
Intellectual skills	3.68	4.05	4.49	0.064	1.103	0.39	0.80	0.41
Technical main	3.81	3.69	3.68	0.009	1.187	0.09	0.12	0.03
Technical other areas	3.19	3.45	4.12	0.738	1.310	0.25	0.83	0.58
Personal skills	3.47	3.87	4.46	0.08	1.167	0.41	0.94	0.53
Interpersonal skills	3.11	3.83	4.57	0.05	1.344	0.65	1.25	0.61
Business skills	3.13	3.79	4.59	0.06	1.308	0.60	1.29	0.69

In Table 4.6 the skills are analysed respectively. In this section the skills are analysed as a group and an overall skills comparison are conducted which is done by a means of identifying skills with practical significance. In the discussion ‘d’ is the symbol to represent effective size. For the effective size a small effect will be: d=0.20, medium effect; d=0.50 and the large effect d=0.80. Any data with an effective size of >=80 are considered as practically significant, since it is the result of a difference that has large effects (Ellis & Steyn, 2003) (Table 4.16).

Intellectual skills were further development during traineeship and operational work (compare 4.05 and 3.68) but it was considered to be even more important at management position (4.49). The effective size of intellectual skills, studies with management has large practical significance (d>=0.8). This indicates practical significant shortcomings that exist between what was taught during studies and what is considered important for a management position.

When looking at technical and functional skills, analysing the main areas and others, it can be seen that with the main technical and functional skills was considered to be more important during studies (3.81), followed by traineeship and operational work compared to the importance at management positions (compare 3.69 and 3.68). Regarding the group meant for other areas, these skills were considered more important at management positions (4.12), but there was better development during traineeship and operational work (compare 3.45 to 3.19).

Regarding technical skills in other areas it is evident that for studies with management position resembles a large practical significance (d>0.80). For training with management the statistics resemble a moderate practical significant shortcomings (d>0.50).

Personal skills were developed from studies (3.47) to traineeship and operational work (3.87), but it was considered to be more important at management positions (4.46). The effect size of studies with management position is 0.94, this resembles a large practical significance. Training with management position had a moderate practical significance (d<0.5) indicating shortcomings.

Interpersonal skills were developed from studies (3.11) to traineeship and operational work (3.83), but it was considered to be more important at management positions

(4.57). The effect size of studies with training indicated a medium practical significance of 0.65 . The difference in studies with management position is 1.25, which is above the 0.90 mark. Sizes above >90 are considered to be too high and it is recommended that the length of the test should be shortened (Tavakol *et al.*, 2011).There is also a medium practical significance in training to management skills and these resemble shortcomings (d=0.61).

Business skills, similar to personal skills are developed more from studies to traineeship and operational work (compare 3.13 to 3.79), but it is considered to be more important at management positions (4.59).

When analysing effect size of the development during studies with training it is considered medium (d>0.50), this resembles practical significant development. For studies with management the effect size is again above 0.90 (d=1.29) and therefore can be ignored. Training with management position there seems to be a medium practical significant shortcomings (d>0.50).

There is not a big difference between work and management, the only difference is the level of importance of the various skills. During work one is focused on their department and the specific duties assigned to them. Whereas with a management position the company as a whole is a priority for the individual in that position. Regarding continuous professional development that may be necessary, are activities that will assist the individual to develop the necessary skills so that there is a steady transition from one stage of their career to another.

4.5 SUMMARY

In this chapter an in depth analysis of the results of the questionnaire is given. The biography of the questions was adressed first thus how many people participated in this, their age, the qualification that they have and the sector in which they work and professional bodies they belong to or are registered with. It was indicated in the age gender section that most of the respondents are male (56,1%) with the minority being female (43,8%). The ages of the respondents were grouped as 23–32 which had the majority of the respondents at 37,9%, followed by 33–42 at 35,9%, 43–52 at 15,7% and finally those 53 years and older at 1,04%. Regarding the professional bodies the majority of the respondents belong to SAICA, and the sector that had the most

respondents was commerce and industry and with regards to qualification, most of the respondents have an Honours degree.

In the next section the experiences are discussed. Most of the respondents indicated that they worked three to five years in their trainee positions, for operation majority of the respondents stated that they spent less than three years. For middle management majority stated that they worked between three to five years and for senior management majority of the respondents have not worked in senior management position.

Skills development is analysed thereafter with the aim to determine which skills were more developed at which stage of the professional accountant's career and to identify the shortcoming when taking on management positions. This was followed by the factor analysis.

In the end an overall skills comparisons was conducted, and factors such as which skills are most important and which are least important for management position, and which skills are statistically significant and which have practical significance.

When analysing the reliability of the skills that were grouped together. It was determined that all of the skills group together well except for technical and functional skills. When looking at the overall skills comparison, the following skills were seen to have practical significant shortcomings:

- Intellectual importance for management position
- Technical importance for management position
- Personal importance for management
- Interpersonal during operational work
- Interpersonal for management position
- Business during studies
- Business during operational work
- Business importance for management position.

When looking at the skills that were considered to be most important the following was regarded as the skills required at management position:

- Seeing the bigger picture
- Decision-making
- Leadership
- Problem-solving
- Taking initiative
- Strategic and project planning/management
- Leading meetings effectively
- Striving to add value
- Interacting with diverse people
- Motivating others

The difference between work and management is that during work one's duties are routine, one is required to perform duties necessary for their department or tasks that are specifically assigned, and with limited access to what is necessary to perform ones duties. At both levels the importance of skills will differ as duties and responsibilities differ.

For operational work the following skills are considered to be important;

- Time management (4.24)
- Working in teams (4.23)
- Information gathering (4.23)
- Self-management (4.14)
- Financial reporting (4.12)
- Problem-solving (4.11)
- Written communication (4.08)
- Interacting with diverse people (4.07)

- Professional skepticism (4.05)
- Taking initiative (4.03)

These are the skills that an individual needs during operational level. How well they master these will determine if they qualify for management position.

CHAPTER 5
CONCLUSIONS, SUMMARY AND RECOMMENDATIONS

5.1 INTRODUCTION

In this chapter the findings of the research study is interpreted to conclude and answer the research question which is: what are the range of skills specifically required (technical or soft) of professional accountants to move into management positions?

The primary objective of this study is to conduct an exploratory study aimed to assist professional accountants in defining the skills required for management positions.

The secondary objectives are:

- To establish the need for professional accountants to develop specific skills to take up the role of a manager.
- To establish the perceived skill set professional accountants ought to have when moving into management positions.
- To make recommendations as to the continued professional development (CPD) training necessary to prepare professional accountants to step into management positions in entities.

How these objectives were addressed are discussed in the rest of the chapter:

5.2 OVERVIEW OF RESEARCH METHOD

In Chapter 3 the research methodology, addressing the following chapters are analysed; what is research, paradigms, quantitative and qualitative, research design, study population and sample, validity and reliability and the measuring instrument.

The research methodology is a method of systematically solving the research problem also referred to as the research question. It was determined that research is merely about uncovering new facts and solving the research question. This can be done by ways of collecting, analysing and interpreting information.

It was determined that research is about developing new facts or findings about existing information, which is then followed by paradigms. Paradigms are ideas and

assumptions that people make about certain things that exist, from these ideas a research problem is developed and that is how research begins. Paradigms were used by researchers as foundation for conducting research. It was noted that there are two main types of paradigms, and they are interpretivism and positivism. Interpretivism, also known as the qualitative approach, the research is aimed at understanding the phenomena through denotations that people have designated to them. Positivist researchers aim to conduct research that reflects reality, generally more quantitative in nature. Research design is basically the researchers' plan for the end product and this is done by predetermining the factors that will be required to help one to meet their objectives and this entails figuring out if the researcher is going to use experimental or non-experimental design. For this study non-experimental design methods were used. A questionnaire was used and it was focused on a specific group of people whom are professional accountants. It is more of a cross-sectional survey because the study aimed at studying several groups of individuals at one point in time. The aim is to determine what skills are required at this point in time to take on management positions.

The kind of research design used depends on the study being conducted. Taking a look at validity and reliability, reliability is focused on consistency and stability of the measure. Validity looks at the degree in which the instrument can measure what it is supposed to measure. For this is study steps were taken to ensure that it is both valid and reliable.

For the sample population and sample, it was already noted above that the population of this study consisted of professional accountants in South Africa and 170 individuals participated in the study. It should be noted that some of the respondents did not complete the questionnaire. For this study 146 respondents were obtained and from that 64 were female and 82 were male, the ages ranged from 23 with the oldest being more than 53 years of age. Most of them are registered with SAICA, followed by CIMA, ACCA, SAIPA and others.

The questionnaire was distributed electronically to various professional accountants, therefore all the data that was received was already captured automatically onto the system. Having the data being compiled electronically avoided the issue of having data being manipulated or captured incorrectly (human error). Because the data was gathered using survey monkey a statistician was needed to firstly assist in

understanding how to interpret the data and to ensure that everything was conducted in a proper manner.

5.3 THE NEED FOR PROFESSIONAL ACCOUNTANTS TO DEVELOP SPECIFIC SKILLS TO TAKE UP THE ROLE OF A MANAGER

This section specificly addresses objective 1.

From a study conducted by SAICA it was determined that there is a need for accountants especially as business leaders. Statistics indicated that of all the companies listed on the JSE there were 4 035 directorships in all, of which 1 025 (23,8%) are held by Chartered Accountants South Africa (SAICA, 2014a). According to SAICAs CEO Dr Nombembe chartered accountants constitute 74,3% of CFOs or financial directors and 21% of CEOs or managing (SAICA, 2014a). Out of these almost two-thirds of the companies run by Chartered Accountants are in fact in the Top 200, which also suggests that accountants are better than most, at managing companies (SAICA, 2014a).

With that said, there is still the challenge of accounting education in South Africa. The issue of the shortage of accountants is not new to the accounting profession, but the problem is nowhere near to being solved. The other issue that educators and the professional bodies encounter is the need to ensure that accounting courses equip graduates with the required skills to add value to the company and the profession (Jackling & De Lange, 2008).

Regarding the skills required, according to De Villiers (2010) researchers have agreed that soft skills not only differentiate exceptional leaders and managers, but can also be intensely related to strong professional performance at all levels. It was gathered from the literature that the main skills that employers require of accountants is communication skills, intellectual skills, knowledge of public accounting, organisational and business knowledge and interpersonal skills.

Mason *et al.* (2009) indicate that success within the graduate labour market is typically well-defined as a graduate securing employment in jobs that will make proper use of the skills and knowledge that have been establish in their process of their studies. Furthermore having the proper qualification is not all that is important to securing a job,

it entails more than that. It was also indicated that employers require certain soft skills which are also known as transferable skills or pervasive skills.

It was noted that competition in the graduate recruitment market is escalating and looks like it may continue this way due to the growing number of graduates who are willing to go anywhere where opportunities are best (Andrews & Higson, 2008). Looking at career advancement and career success, it was noted that promotion in the workplace is unclear, and to remedy this problem one of the factors that should be considered is career information as it provides human resource personnel with prospects that are available and with an understanding of the skills that maybe required for that position.

If employees or prospective employees are made aware of what is available in the job market and what is required of them they can better equip themselves to secure a certain position.

As already mentioned, the country has a high level of skills shortages. According to Mathwa from SAICA more companies are slowly gaining confidence in the countries most pursued qualification, this is because of the skills and knowledge and expertise that they have to offer (SAICA, 2011).

It was acknowledged that much research had been conducted on the competencies at entry level or at completion of the professional accountancy qualification, however there is limited research being conducted on the competencies required of professional accountants career advancement. The range of skills specifically required (soft & technical) of professional accountants taking on a management position are quite unknown.

The next question that was posed was therefore what are the range of skills specifically required (technical or soft) of professional accountants to move into management positions.

5.4 THE PERCEIVED SKILL SET PROFESSIONAL ACCOUNTANTS OUGHT TO HAVE WHEN MOVING INTO MANAGEMENT POSITIONS

This section specificly addresses objective 2.

It has been noted that there is a gap between the skills that graduates have at entry level, from what is being taught at university institutions, to what employers require of them when they enter the work place (Jackling & De Lange, 2008). Employers require a wide range of skills, skills which graduates clearly pointed out were not adequately taught (Jackling & De Lang, 2009).

Even though the country is undergoing an employment crisis (CIMA, 2014), many companies have job opportunities available but there is a large number of young people who do not have the necessary skills to gain employment. Another point being noted as an issue facing graduates on their road to success and career advancement is competition and this is a result of the increased mobility of graduates. Promotion in itself has become unclear and somewhat complicated because of developments in the workplace that have created new employment practices (Munjuri, 2011)

It was noted that for graduates having good communication skills is an essential soft skill to have followed by interpersonal skills (McDonald, 2007) and also having other generic skills such as analytical, critical, visual and good judgement (Boyce *et al.*, 2001). Klibi and Oussii (2013) claim that technical skills allow professional accountants to perform his or her work efficiently to meet the standards of the employers and clients. In a study by Klibi and Oussii (2013) on the skills and attributes needed for success in an accounting career. The evaluation was from the perspective of professionals in Tunisian and they concluded that the list of skill set in the order of importance among recruiters is interpersonal skills, personal & intellectual skills, physical qualities and IT skills.

It was noted in the literature that having a good knowledge of accounting is not the mostly highly ranked skill that employers required (Kavanagh & Drennan, 2008; Brown & Hesketh (Cited by Tomlinson, 2008)). From Ghillyer (2009) it was learned that a professional manager is not necessarily someone who has controlling interest in the company but someone who is responsible for the employees, stakeholders and general

public. Ghillyer (2009) further mentioned that in order to be a successful manager he or she needs to have an understanding of how to balance several skills.

From the definitions provided by Katz (1974) and Javadin *et al.*(2010) it can be said that managerial skills are expert technical knowledge in a particular field that allows an individual to perform their duties and also to interpret information and knowledge into everyday situations.

It was noted there is a lot that is involved when taking on the responsibility of being a manager, and there are a lot of skills that are required. From the literature a number of skills were identified and these were further divided into other sub-skills. This was done to create a questionnaire that would allow us to obtain empirical data from today's professional accountant on what they perceive to be skills required for management positions. The categories of skills that were used are:

- **Intellectual skills**

  Intellectual skills are skills that allow a professional accountant to be a problem-solver, good decision maker and to practice good judgement in complicated organisational situations (IFAC, 2010).

- **Technical and functional skills**

  These are skills comprising of general skills in addition to accountancy skills (IFAC, 2010).

- **Personal skills**

  Personal skills convey to the attributes and behaviour of the professional accountant (IFAC, 2010).

- **Interpersonal and communication skills**

  Interpersonal and communication skills allow a professional accountant to work in a team for the common goal to benefit the company (IFAC, 2010).

- **Business management skills**

  Organisation and business skills have become important to professional accountants, as they are being requested to play an added active role in the daily management of the company (IFAC, 2010).

The details of these skills is discussed in chapter 2. It was mentioned by IFAC (2010) that having the relevant skills can give a professional accountant an added advantage in the job market and are beneficial throughout an individual's professional career. McDonald (2007) mentioned that in order for one to be successful in the future accounting, finance and auditing environment, governing bodies have said that practitioners need a broad range of skills.

Communications skills and interpersonal skills are the skills that are mostly mentioned as skills that are essential at entry level and at every stage of a professional accountant's career.

Skills provided by IFAC are the focal point of the process, because they have divided the required skills into five main headings. After the extensive literature review these categories were seen as comprehensive and still applicable. These headings were used as basis for compiling the questionnaire. The headings are intellectual skills, technical and functional skills, personal skills, interpersonal skills and business skills. The other governing bodies were also analysed as for CIMA have a competency framework that consist of four knowledge areas and they are technical skills, business skills, people's skills and leadership. They further mention that these skills are supported by ethics, integrity and professionalism. SAICA divide their skills into three groups, they are ethical behaviour and professionalism and they involve aspects such as the use of an ethical reasoning process, avoiding conflict of interest and protecting the confidentiality of information. It is followed by personal attributes, this requires one to be able to rise as an individual whom are important to fulfil the commitment of being leaders, which entails that one should be able to manage time and be committed to learning. The last one is professional skills; SAICA states that this skill are important for the professional success of a chartered accountant. The skill entails aspects such as being able to lead and facilitate and understand how IT affects a charter accountant's day-to-day routines and duties. Looking at the headings provided by the different governing bodies, it can be seen that they are in agreement regarding the skills that are required because the majority of them are similar if not the same.

The skills that were used to compile the questionnaire were examined to determine which particular skills are important for management position.

Looking at the skills respectively, the following were the top ten ranked skills:

- Seeing the bigger picture
- Decision-making
- Leadership
- Problem-solving
- Taking initiative
- Strategic and project planning/management
- Leading meetings effectively
- Striving to add value
- Interacting with diverse people
- Motivating others

A factor analysis was also conducted. Factor analysis is a means used to take various components that are related and turn them into smaller more manageable components.

It was found that all the skills grouped well together under the identified headings using the principal component analysis, except for technical and functional skills because the skills formed two groups (main and other technical skills), resulting in them having to be analysed as two items.

Intellectual skills were developed during studies and operational work, they are considered more important for management. Personal skills and business skills were developed from studies to operational work and they were also considered important for management.

Technical and functional skills were considered more important during studies, as compared to during operational work and management positions. When analysing the other areas, the skills were developed from studies and during operational work and were considered more important for management positions.

Regarding the validity of the study, the various skills that were grouped together to determine if they belong together. Only the data with a cumulative variance of above 50% are considered. All of the skills scored above indicated that the skills were grouped together correctly.

Looking at reliability of the study, skills were grouped together and a test was done to determine if they were grouped together correctly. For this study all of the data that have a D=>0.8 is statistical significant, as it can be seen above all the D are above 80% except for one the first group of technical and functional skills with an effective size of 0.713.

The skills were analysed as a group using the effective size and means to identify skills that were developed and considered important for management position and had practical significance. Most of the skills were have developed during studies and training and are considered important for management position.

Examining studies with training, studies with management and training with management. For intellectual skills, studies with management position have a large practical significance which is an indication of practical shortcomings. Technical and functional skills, personal skills and business skills have a medium practical significance for training with management position, this resembles shortcomings.

5.5 RECOMMENDATIONS

This section specificly addresses objective 3.

In this challenging environment continuous professional development (CPD) is seen as a means for development, upholding competence and knowledge. CPD has various definitions some of which refer to CPD as the process that allows professional accountants to perform their duties competently through education and development which also improves their abilities.

In the literature review it was stated that CPD is not an optional thing that professional accountants can do. It is a compulsory activity according to IFACs IES 7. In order to to assist professional accountants in this this matter all of the professional bodies have put in place different activities and measurement approaches to help their members remain up to date and maintain a certain level of competence. Most of this focusses however on technical aspects.

In this challenging environment continuous professional development is seen as a means for development, upholding competence and knowledge (refer to chapter 2). CPD has various definitions some of which refer to CPD as the process of that allows

professional accountants to perform their duties competently through education and development which also improves their abilities.

In chapter one it was conferred that in order for professional accountants to be successful in their careers they need to develop their skills even further; this can be done through CPD. From the literature it was determined that continuous professional development is a process in which individuals can improve themselves by obtaining the necessary skills and knowledge to be successful in their career and IFAC has made it compulsory that every professional accountant has to perform a certain degree of CPD (IFAC's IES7, 2010) .

Many may ask themselves if this is so important for their careers advancement but how can they know if they are not meeting the requirements to enable them to progress. The various professional bodies have measures and policies put in place to assess the learning and development of professional accountants, mainly at entery level of the profession. They also provide specific activities that will guide one as to which exercises will be beneficial to their profession.

The benefits of CPD is that it provide continued professional development on professional knowledge, professional skills, professional values and competence achieved during the initial professional development (SAICA, 2012). It also allows the professional to perform his or her duties efficiently (SAICA, 2012). CPD is basically aimed at benefiting both the organisation and the individual because by staying up to date and improving ones knowledge and skills, this allows the individual to be noticed as an asset to the company and as someone who can add value to the company.

When looking at the skill requirements identified in Chapter 2 along with the perceptions of accountant in Chapter 4 it can be recommended that CPD training for accountants that wants to enter a management positions should include:

From the survey, when respondents were asked if they aspire to move into the next level of management, 65,3% answered yes, 20% said no and 14,7% did not answer. There is a need for professional accountants in management positions and now it can be seen that there are people who do want to take on this role.

Looking at skills that are developed from work to management position and those that were considered important for management positions it is clear that intellectual skills are

regarded as the skill that has practical significance. There is the largest gap from work to management. Technical and functional skills and personal skills are the skills that were developed during work and were considered important for management position, as they have a large practical significance.

From the studies the following was identified as the biggest shortcomings (gaps) between development during work and what is needed in a management position:

- Intellectual skills (especially analytical thinking, decision-making and problem solving),
- Technical skills in other areas especially broader economic and business skills, financial management, governance, Mathematical, risk management and strategic)
- Personal skills (especially anticipating and adapting to change, benchmarking, ethics, lifelong learning, marketing, Prioritising, seeing the bigger picture, self-management, striving to add value and taking initiative)
- Business skills (especially mentoring, interacting with diverse people, leading effective meetings, listing and reading effectively, managing others, motivating others negotiating and communication)

Items that will improve these skills should be included in CPD workshops

5.6 CONTRIBUTION OF THE STUDY

The purpose of this study is to assist professional accountants in defining the skills required for management positions. This would enable accountants to plan their careers better. Such involvements would result in more skilled professional accountants who will be better prepared to take on management positions. The objective was addressed by three secondary objectives (refer to Section 5.4, 5.5 and 5.6). It could be established that this was the first study of its kind in the accountancy field. The findings of the study therefore would assist:

- Accountants in planning their careers

- Professional institutions and training companies in developing focused CPD training to prepare accountants to enter into management positions.

5.7 CONCLUDING REMARKS

The growing demand for professional accountants in South Africa and for professionals who possess certain skills such as interpersonal and communication skills has led to academic institutions and governing bodies to improve accounting undergraduate programs to enable them to provide workplace ready graduates. It was established in the literature review that there is still a gap between what graduates have and what employers require of them at entry level positions. There is still controversy as to who should have the responsibility of preparing students for real world accounting environment. Some researchers say that the full responsibility of providing workplace ready graduates should not lay with academic institutions but that they should lay the foundation for a lasting commitment by graduates to education and professional development. The fact still remains that employers require graduates to have skills that are often acquired through informal learning. This is presently a growing field of research.

Very little research has however been done on the skills demand for accountant to move into management positions. The aim of the study was to find out which skills are important at every stage of a professional accountants career to enable them to get into that management position. It was mentioned in the literature that the changing nature of the corporate world has made it challenging for individuals to climb the corporate ladder because the factors that are essential for getting that position have become unclear. In Chapter 2 it was established that various soft skills such as communication and interpersonal skills are highly recommended as skills that all professional accountants at any stage of their career should have.

The findings from the current study provide support to which skills should be better developed to better prepare students for the workplace and eventually management positions.

Even though as a manager one has the privilege of delegating responsibilities and duties to others, one still needs to be able to interact with diverse people, lead meetings effectively and be able to manage and supervise others.

5.8 LIMITATIONS OF THE STUDY

The questionnaire was a lengthy therefore getting respondents to complete the questionnaire was a challenge, which resulted in time constraints and having to accept a smaller sample size. Therefore the results cannot necessarily be generalised to all professional accountants. It must be acknowledged that the findings of this study are based on the results that were obtained from those who were willing to participate. Therefore the results are not a reflection of all the professional accountants thus results cannot be generalised. This was however an exploratory study and still contributes to a field that is in dire need of being researched.

5.9 FUTURE RESEARCH OPPORTUNITIES

Future research can be considered to find out which skills are essential at every stage of professional accountants career till management position as for professional accountants in general.

Even though this was not part of the study, future studies can consider to determine what are the best methods other than cooperative learning that can assist academic institutions and governing bodies to best create workplace ready graduates.

Further tests can be conducted and other methods can be applied to reach the target sample so that one can generalise conclusions as to what the skills are required to take on management positions.

Using the information provided in this study a leaner questionnaire can be developed that will improve responses.

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QUESTIONNAIRE

SECTION A - Biographical information

1. Are you male of female?

1. Male	2. Female

2. What is your age?

3. Which governing body are you registered with?

1. SAICA	2. CIMA	3. ACCA	4. SAIPA	5. Other	6. None

4. What is your highest academic qualification?

1. No post school	2. Diploma or certificate	3. Degree	4. Honours/Post graduate diploma	5. Masters	6. PhD

5. What sector are you working in?

1. Commerce and industry	2. Private practice	3. Government	4. Academic	5. Other

6. How many years have you completed in the following levels of employment?

6.1 Trainee

6.2 Operational employee

6.3 Middle management

6.4 Senior management

7. Do you aspire to move into a next level of management?

1. Yes	2. No

SECTION B – Skills development during your studies

To what extent were the following skills developed during your studies:

8. Intellectual skills	To a very small extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
Analytical thinking	1	2	3	4	5
Decision making	1	2	3	4	5
Information gathering	1	2	3	4	5
Problem solving	1	2	3	4	5

9. Technical and functional skills	To a very small extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
Auditing skills	1	2	3	4	5
Broader economic and business skills	1	2	3	4	5
Cost accounting skills	1	2	3	4	5
Financial management skill	1	2	3	4	5
Financial reporting skills	1	2	3	4	5
Governance skills	1	2	3	4	5
IT skills	1	2	3	4	5
Mathematical/statistical skills	1	2	3	4	5
Risk management skills	1	2	3	4	5

Strategy skills	1	2	3	4	5
Taxation skills	1	2	3	4	5

10. Personal skills	To a very small extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
Anticipating and adapting to change	1	2	3	4	5
Benchmarking	1	2	3	4	5
Ethical consideration	1	2	3	4	5
Life-long learning	1	2	3	4	5
Marketing/sales skills	1	2	3	4	5

Prioritise	1	2	3	4	5
Professional scepticism	1	2	3	4	5
Seeing the bigger picture	1	2	3	4	5
Self-management	1	2	3	4	5
Striving to add value	1	2	3	4	5
Taking initiative	1	2	3	4	5
Time management	1	2	3	4	5

11. Interpersonal & communication skills	To a very small extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
Coaching and mentoring	1	2	3	4	5
Interacting with diverse people	1	2	3	4	5
Lead meetings effectively	1	2	3	4	5
listening, reading and effectively	1	2	3	4	5
Manage and supervise others	1	2	3	4	5
Motivating others	1	2	3	4	5
Negotiation	1	2	3	4	5
Oral communication and presentation	1	2	3	4	5

Working in teams	1	2	3	4	5
Written communication	1	2	3	4	5

12. Business management skills	To a very small extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
Aligning own and entity goals	1	2	3	4	5
Being decisive	1	2	3	4	5
Collaborating and partnering	1	2	3	4	5
Delegating	1	2	3	4	5
Leadership	1	2	3	4	5

Organising	1	2	3	4	5
Professional judgement	1	2	3	4	5
Strategic and project planning/management	1	2	3	4	5

SECTION C – Skills development during your traineeship and working life

To what extent were the following skills developed during your traineeship and working as accountant/auditor?

12. Intellectual skills	To a very small extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
Analytical thinking	1	2	3	4	5
Decision making	1	2	3	4	5
Information gathering	1	2	3	4	5

Problem solving	1	2	3	4	5

13. Technical and functional skills	To a very small extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
Auditing skills	1	2	3	4	5
Broader economic and business skills	1	2	3	4	5
Cost accounting skills	1	2	3	4	5
Financial management skill	1	2	3	4	5
Financial reporting skills	1	2	3	4	5
Governance skills	1	2	3	4	5

IT skills	1	2	3	4	5
Mathematical/statistical skills	1	2	3	4	5
Risk management skills	1	2	3	4	5
Strategy skills	1	2	3	4	5
Taxation skills	1	2	3	4	5

14. Personal skills	To a very small extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
Anticipating and adapting to change	1	2	3	4	5
Benchmarking	1	2	3	4	5

Ethical consideration	1	2	3	4	5
Life-long learning	1	2	3	4	5
Marketing/sales skills	1	2	3	4	5
Prioritise	1	2	3	4	5
Professional scepticism	1	2	3	4	5
Seeing the bigger picture	1	2	3	4	5
Self-management	1	2	3	4	5
Striving to add value	1	2	3	4	5
Taking initiative	1	2	3	4	5
Time management	1	2	3	4	5

15. Interpersonal & communication skills	To a very small extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
Coaching and mentoring	1	2	3	4	5
Interacting with diverse people	1	2	3	4	5
Lead meetings effectively	1	2	3	4	5
listening, reading and effectively	1	2	3	4	5
Manage and supervise others	1	2	3	4	5

Motivating others	1	2	3	4	5
Negotiation	1	2	3	4	5
Oral communication and presentation	1	2	3	4	5
Working in teams	1	2	3	4	5
Written communication	1	2	3	4	5

16. Business management skills	To a very small extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
Aligning own and entity goals	1	2	3	4	5
Being decisive	1	2	3	4	5

Collaborating and partnering	1	2	3	4	5
Delegating	1	2	3	4	5
Leadership	1	2	3	4	5
Organising	1	2	3	4	5
Professional judgement	1	2	3	4	5
Strategic and project planning/management	1	2	3	4	5

SECTION C – Skills development during your traineeship and working life

To what extent were the following skills developed during your traineeship and working as accountant/auditor (not being in any management position)?

17. Intellectual skills	To a very small extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
Analytical thinking	1	2	3	4	5
Decision making	1	2	3	4	5
Information gathering	1	2	3	4	5
Problem solving	1	2	3	4	5

18. Technical and functional skills	To a very small extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
Auditing skills	1	2	3	4	5
Broader economic and business skills	1	2	3	4	5
Cost accounting skills	1	2	3	4	5
Financial management skill	1	2	3	4	5
Financial reporting skills	1	2	3	4	5
Governance skills	1	2	3	4	5
IT skills	1	2	3	4	5
Mathematical/statistical skills	1	2	3	4	5

Risk management skills	1	2	3	4	5
Strategy skills	1	2	3	4	5
Taxation skills	1	2	3	4	5

19. Personal skills	To a very small extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
Anticipating and adapting to change	1	2	3	4	5
Benchmarking	1	2	3	4	5
Ethical consideration	1	2	3	4	5
Life-long learning	1	2	3	4	5

Marketing/sales skills	1	2	3	4	5
Prioritise	1	2	3	4	5
Professional scepticism	1	2	3	4	5
Seeing the bigger picture	1	2	3	4	5
Self-management	1	2	3	4	5
Striving to add value	1	2	3	4	5
Taking initiative	1	2	3	4	5
Time management	1	2	3	4	5

20. Interpersonal & communication skills	To a very small extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
Coaching and mentoring	1	2	3	4	5
Interacting with diverse people	1	2	3	4	5
Lead meetings effectively	1	2	3	4	5
Listening, reading and effectively	1	2	3	4	5
Manage and supervise others	1	2	3	4	5
Motivating others	1	2	3	4	5
Negotiation	1	2	3	4	5
Oral communication and presentation	1	2	3	4	5

Working in teams	1	2	3	4	5
Written communication	1	2	3	4	5

21. Business management skills	To a very small extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
Aligning own and entity goals	1	2	3	4	5
Being decisive	1	2	3	4	5
Collaborating and partnering	1	2	3	4	5
Delegating	1	2	3	4	5
Leadership	1	2	3	4	5

Organising	1	2	3	4	5
Professional judgement	1	2	3	4	5
Strategic and project planning/management	1	2	3	4	5

SECTION D – Skills needed for a role as manager

To what extent are the following skills important if an accountant would move into a management position?

22. Intellectual skills	To a very small extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
Analytical thinking	1	2	3	4	5
Decision making	1	2	3	4	5
Information gathering	1	2	3	4	5

Problem solving	1	2	3	4	5

23. Technical and functional skills	To a very small extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
Auditing skills	1	2	3	4	5
Broader economic and business skills	1	2	3	4	5
Cost accounting skills	1	2	3	4	5
Financial management skill	1	2	3	4	5
Financial reporting skills	1	2	3	4	5
Governance skills	1	2	3	4	5

IT skills	1	2	3	4	5
Mathematical/statistical skills	1	2	3	4	5
Risk management skills	1	2	3	4	5
Strategy skills	1	2	3	4	5
Taxation skills	1	2	3	4	5

24. Personal skills	To a very small extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
Anticipating and adapting to change	1	2	3	4	5
Benchmarking	1	2	3	4	5
Ethical consideration	1	2	3	4	5
Life-long learning	1	2	3	4	5
Marketing/sales skills	1	2	3	4	5
Prioritise	1	2	3	4	5
Professional scepticism	1	2	3	4	5
Seeing the bigger picture	1	2	3	4	5

Self-management	1	2	3	4	5
Striving to add value	1	2	3	4	5
Taking initiative	1	2	3	4	5
Time management	1	2	3	4	5

25. Interpersonal & communication skills	To a very small extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
Coaching and mentoring	1	2	3	4	5
Interacting with diverse people	1	2	3	4	5
Lead meetings effectively	1	2	3	4	5

Listening, reading and effectively	1	2	3	4	5
Manage and supervise others	1	2	3	4	5
Motivating others	1	2	3	4	5
Negotiation	1	2	3	4	5
Oral communication and presentation	1	2	3	4	5
Working in teams	1	2	3	4	5
Written communication	1	2	3	4	5

26. Business management skills	To a very small extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
Aligning own and entity goals	1	2	3	4	5
Being decisive	1	2	3	4	5
Collaborating and partnering	1	2	3	4	5
Delegating	1	2	3	4	5
Leadership	1	2	3	4	5
Organising	1	2	3	4	5
Professional judgement	1	2	3	4	5
Strategic and project planning/management	1	2	3	4	5

Thank you for completing the questionnaire