

CEO Roadshow – ASPAC region

The questions below were raised during the CEO roadshow for members residing in the ASPAC region, which will take place on 17 March 2021.

MEMBER VALUE

1. How are you seeing the role of a CA(SA) evolving over the next decade?

The role of CAs(SA) will evolve over the next decade based on the revolution of technology. According to research done by the World Economic Forum, accounting clerks, accountants, auditors and financial analysts are part of the top 20 jobs which are likely to see a decreased demand in the future, largely due to automation. On the other hand, data analysts, AI and machine learning specialists, big data analysts and process automation specialists will be among the most in-demand jobs over the next few years.

In order to address the change in skills of members and associates, and to ensure that members and associates remain relevant into the future, SAICA implemented the post-qualification competency framework also known as the Pathways to Relevance. Members can find out more about this competency framework on the [CA2025 website](#).

The framework doesn't only focus on technical skills such as auditing, accounting and tax, but going forward we realise that we need to produce more rounded accountants who also have enabling competencies. We have identified four enabling competencies, one of which is digital acumen.

The framework for prospective chartered accountants, which includes a significant focus on digital acumen, has already been developed and universities are starting to implement this framework. Furthermore, it will also find its way into training programmes to ensure these skills are developed and assessed on the job.

SAICA is overseeing a work group that is currently in the process of determining how digital acumen can be assessed in an exam like the ITC.

In the post-qualification space, it is important to note that members need to take responsibility for their own lifelong learning and development. SAICA offers various events with a strong focus on digital acumen as well as regular articles in the ASA magazine to help equip members for the future world of work.

However, attending a one-day course or reading an article may not be enough, which is why SAICA also created short learning courses with the University of Johannesburg as well as Wits University. These courses include 4IR for accountants; Enhancing Block Chain and the Internet of Value; as well as AI perspectives for accountants. You can find more information by following the link to the [CA2025 website](#) and clicking on 'Online learning programmes'.

We will continue working with universities to develop more short courses that can assist members in upskilling themselves for the future.

SAICA also offers an annual CA of the Future conference which members are encouraged to attend as this provides guidance on future skill sets that members need to acquire.

Members are encouraged to read SAICA communication for more information in this regard.

2. With the major challenges facing SAICA, how are you helping offshore members?

In 2020 SAICA created three international sub-regions (Americas, EMEA and ASPAC). All three regions are represented on the SAICA National Council. Each sub-region will be supported by in-country committees, of which SAICA expects to have 10 set up by the end of 2021. These committees will be able to advise SAICA on the specific requirements of the members in that country, and SAICA will roll out interventions to meet these requirements. It should also be mentioned that all the non-technical events that SAICA rolls out in South Africa is available to members internationally via webcast.

SAICA is also a founding member of the Chartered Accountants Worldwide (CAW) organisation which aims to promote the CA designation on an international level.

The overall objectives of CAW are to:

- Promote, protect and develop the Chartered Accountant brand for the benefit of our members worldwide
 - Clearly identify what sets Chartered Accountants apart and create a consistent narrative and experience around the world amongst our target audiences
 - Build awareness and preference in accountancy, finance, business and public sector in target markets
 - Promote and demonstrate the value of Chartered Accountants as 'Difference Makers
 - Work together to protect and uphold the integrity of the Chartered Accountancy brand
 - Raise awareness and position Chartered Accountancy as the qualification of choice for the brightest and best talent
- Support and connect our members wherever they are working globally
 - Support and engage with members wherever they are working through CAW, individual institute events, member services and activities
 - Facilitate global connectivity and greater networking opportunities
 - Enable greater marketability, employability and career mobility
- Strengthen the CAW family, by sharing expertise and experience and maintaining the status and relevance of Chartered Accountancy
 - Build strong relationships between member institutes, support associates on their path to full membership, and encourage other chartered accountancy institutes to join

- Increase awareness and promote the value of Chartered Accountants worldwide to individual institute members and staff
- Protect and develop the quality and relevance of the Chartered Accountancy qualification
- Promote as a premium qualification in major capital markets with business leaders and key influencers

CAW has an [active website](#) and social media presence, and their objective from 2020 going forward is to position chartered accountants as difference makers across the world. To do this, they use the resources from the 14 member institutes of CAW to showcase that chartered accountants create value.

CAW also introduced a global network identifier logo for all CAs who are part of the CAW network. Members can [download this logo](#) and use it on their social media profiles and business signatures to show that they form part of a global network.

In addition, SAICA maintains membership of and is an active participant in global organizations to ensure continued relevance and maintenance of standards including:

- The International Federation of Accountants (IFAC)
- The Global Accounting Alliance (GAA)

Further information on the activities of these bodies is available on page 32 and 33 of the [2019 Annual Integrated Report](#).

RELEVANCE AND REPUTATION

3. What specifically is being done to improve the reputation of the CA(SA) designation in the market to ensure marketability, especially in comparison with CGMA. Also, please give an overview of how the annual membership fees are spent.

SAICA takes the perception and reputation of the profession seriously, which is why we have continued with implementation of a consolidated Trust Reconstruction plan for 2021. This plan is a continuation of the Trust Reconstruction plan that was rolled out throughout 2018, 2019 and 2020. Part of this plan includes positive promotion of SAICA and its designations in the marketplace.

In 2020, the SAICA CEO met with various media editors and senior journalists to ensure that SAICA's work and approach to rebuilding trust in the profession was properly communicated. SAICA achieved a total of 1725 external media exposures in 2020, of which 92 exposures were negative, meaning that the 1633 positive exposures far outweigh the negative.

In 2021, the Trust Reconstruction plan will mostly focus on key initiatives which are underpinned by the SAICA strategy and the current media landscape. The key initiatives include, among others, an Audit Reform plan, an Integrated Ethics plan, as well as a plan to professionalise the public sector. We will continue building our media relationships to ensure SAICA is represented fairly in the marketplace.

Furthermore, SAICA monitors, on an annual basis, the impact of external market factors as well as the effect of its own brand reputation management on the reputation of the CA(SA) designation using independent brand research conducted by Ask Afrika among business decision makers across all sectors of the business market in South Africa.

The lead indicators and lag measures to monitor the market standing of our designations are:

- **Lead Indicators:**
 - Spontaneous Awareness
 - Preference in employers
 - Net promoter score (NPS) (NPS is the rating of respondents to encourage their children to become a CA(SA))
- **Lag measures:**
 - Trust Index
 - Admiration Index

The performance of these lead indicators and lag measures from 2017 before any alleged malfeasance and 2020 and these criteria have moved as follows since 2017:

Criteria	2017	2018	2019	2020	Target 2025
Spontaneous awareness	86%	85%	87%	90%	90%
Preference in employees	72%	68%	67%	74%	75%
Net promoter score	45%	28%	36%	37%	45%
Trust Index	Not measured	75%	80%	84%	85%
Admiration Index	76%	66%	68%	68%	75%

What these criteria illustrate are that from 2017 to 2018 when all the negative publicity occurred, all the indicators, except awareness, have declined. Since 2019 the lead indicators have recovered as a result of SAICA's Trust Reconstruction Strategy which constitutes our comprehensive brand reputation management activities.

The important lead indicators have risen since 2018 despite ongoing historical and new negative publicity.

The lag measure that has not indicated satisfactory growth in the last two years is the admiration index which is arguably the most important measure of the standing of the CA(SA) brand among business decision makers.

This is because the historical and new negative publicity still impacts on the CA(SA) designation's admiration measure despite the positive trend in the other lead indicators.

SAICA is confident that over time the CA(SA) brand admiration will improve due to its trust reform promotion activities. This will however be slow or static while new negative publicity continues to surface on an ongoing basis.

Therefore, SAICA believes that the perception of the CA(SA) brand is improving and is not as dire as members may believe. SAICA will continue to pro-actively manage the reputation of the CA(SA) designation. It is also important for members to be positive about their designation, as members are the most powerful drivers of the CA(SA) designation's positive brand reputation.

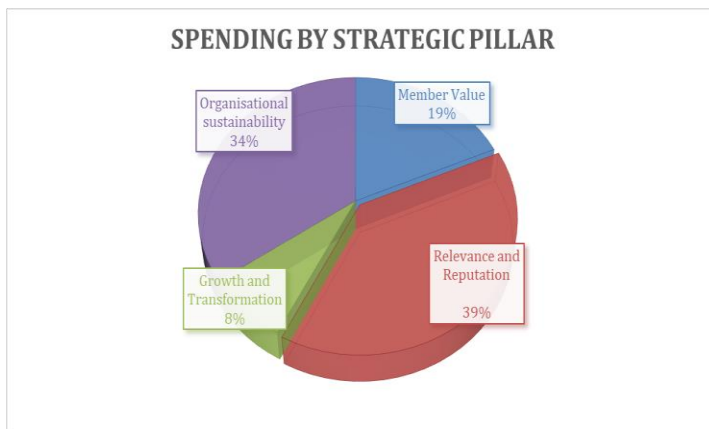
Regarding the subscription fees breakdown, the following information was communicated to members at the end of 2021:

The 2020 financial year was characterised by significant financial uncertainties due to COVID-19 that did not spare the Institute and its members. The Institute provided the necessary support to the members in response to these challenges despite the impact on revenues due to the various lockdowns implemented by governments across the world.

The fees for 2021 take into account that SAICA members have not recovered from these disruptions and it is also anticipated that the economy will take some time before it recovers. It is against this backdrop that SAICA has embarked on a cost-optimisation drive to identify ways to deliver value to members within available resources.

The 'new normal' has afforded SAICA an opportunity to embrace new technology-enabled ways of delivering value to all stakeholders, which in turn means that membership fees do not have to be adjusted for the 2021 financial year, whilst entrance fees have been reduced by 50% from 2020 rates across all designations. Tax practitioners' fees have been adjusted down by R1 260, after taking into account that some SAICA members pay these fees in addition to the membership subscription fee. An inflationary adjustment at 3,9% is factored into the examination fees after considering that these rates were also not adjusted in the previous year, despite the rise in costs of delivering examinations.

ILLUSTRATED INDIVIDUAL: CA(SA)	
MEMBER FEE	R6 386
Relevance and reputation	(R 1 100)
Member value	(R 2 316)
Growth and transformation	(R 473)
Organisational sustainability	(R 2 050)
Subsidy of Non-payers and over 60	(R 448)



The subscriptions for 2021 are as per the table below.

Type of fee	Amount	
	2020	2021
CA(SA)		
Full membership	6 386	6 386
Over 60	1 133	1 133
Entrance registration	6 764	3 382
AGA(SA)		
Full membership	3 600	3 600
Over 60	1 132	1 132
Entrance registration	3 382	1 691
AT(SA)		
Full membership	1 418	1 418
Entrance registration	291	146
Tax practitioner membership	2 157	897
Late penalty rate	10%	10%
3-year training contracts: Admin fee	1 959	1 959
4-year training contracts: admin fee	2 134	2 134

5-year training contracts: admin fee	2 285	2 285
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4. What is SAICA doing about the ethical issues the profession is currently engulfed by? What sort of programs are in place to remind and ensure that members prioritise ethics as they are the cornerstone for the profession?

In 2021, SAICA's Trust Reconstruction plan, which is a continuation of plans that were implemented from 2018-2020, will mostly focus on key initiatives which are underpinned by the SAICA strategy and the current media landscape. The key initiatives include, among others, an Audit Reform plan, an Integrated Ethics plan, as well as a plan to professionalise the public sector. We will continue building our media relationships to ensure SAICA is represented fairly in the marketplace.

The Integrated Ethics plan is specifically aimed at coordinating all the ethics initiatives that are underway across SAICA to consolidate our ethics agenda and ultimately do a gap analysis to help us identify gaps in the profession. The goal of this plan is to promote a sustainable ethics culture in the profession to assist with restoring trust in the profession.

The Integrated Ethics plan also recognises that ethics is achieved through a combination of professional ethics, personal ethics, and business ethics. This plan applies to the entire journey of a chartered accountant's development. It includes a pre-qualification approach where the professional development team in partnership with the educational institutes ensure ethics is addressed in academic programmes. SAICA's professional development team also work with training offices in support of their responsibility to equip trainees with ethical competency. From a post-qualification perspective, SAICA delivers CPD offerings and other ethical tools which ensure ethics is appropriately emphasised in the continuous development of qualified members.

SAICA works with a host of stakeholders to coordinate these efforts and to ensure maximum impact. Partners include the GIBS Ethics Institute which is assisting us with ethics surveys and training for trainees, as well as The Ethics Institute which is helping us to develop and implement educational behavioral initiatives.

Members can also visit the dedicated [SAICA Ethics website](#) which we created to serve as a hub for ethics resources. October 2020 was dedicated to Ethics with a series of [webcasts](#) delivered to members free of charge. SAICA plans to do a second instalment of these Ethics webinars in October 2021.

This year, SAICA will also be presenting a series of case studies that are aimed at demonstrating how ethical principles can be applied. The Integrated Ethics plan contains a communications plan which is focused on publishing ethics features and ethics thought leadership in Accountancy SA magazine and external media.

In early 2021, the SAICA Board also adopted the changes to the International Code of Ethics for Professional Accountants (the IESBA Code) made by the International Ethics Standards Board for Accountants (IESBA) and changes to the Independent Regulatory Board of Auditors Code of Professional Conduct (IRBA Code) made by the IRBA in 2020, thereby aligning the SAICA Code of Professional Conduct (SAICA Code) to both the IESBA Code and the IRBA Code. The updated [SAICA Code](#) is available on the SAICA website.

We encourage members to monitor SAICA communication on an ongoing basis for more information on the institute's Ethics initiatives.

5. What is the status on Yakhe Kwinana? She was a total disgrace at the Zondo Commission and exposed herself. How can such a person be a member of SAICA and hold the CA(SA) designation?

SAICA investigates all instances of observed unprofessional behavior as well as allegations against individual members, including those reported on in the media.

The initial investigation phase, in which SAICA gathers factual evidence, testimony and conducts relevant due diligence, is confidential. In the interest of procedural fairness and as prescribed in the SAICA by-laws, SAICA does not comment publicly, in the media or on social media, on any member who is the subject of an investigation during this phase, unless otherwise provided for under the By-laws. This protects the reputation of the individual members involved (who may well be innocent) and also safeguards third parties who may be mentioned in a complaint but who have no opportunity, as non-members of SAICA, to explain themselves during the institute's disciplinary process.

SAICA members can be assured that all members who bring the profession and the CA(SA) designation into disrepute, will be investigated and disciplined as appropriate, without fear or favour.

6. What do you think the new CAs(SA) should focus on in making sure they uphold this prestigious title?

First and foremost, all SAICA members are bound to the [SAICA Code of Professional Conduct](#) which is based on five main principles.

- Integrity, being straightforward and honest in all professional and business relationships.

- Objectivity, not to compromise professional or business judgements because of bias, conflict, or undue influences.
- Professional competence and due care, by maintaining professional knowledge and skill at the level to ensure professional service, based on technical and professional standards and relevant legislation.
- Confidentiality, required because of professional and business relationships; and
- Professional behavior, by complying with laws and regulations and by avoiding any conduct that might discredit the profession.

The SAICA Code is aligned to the International Ethics Standards Board for Accountants' (IESBA) [International Code of Ethics for Professional Accountants \(including International Independence Standards\)](#) (the IESBA Code).

Secondly, CAs(SA) also need to make sure that they remain relevant in the future and therefore need to take responsibility for their lifelong learning and development. SAICA hosts numerous CPD offerings for members every year and the onus rests on members to ensure they remain CPD compliant, especially in a changing world of work.

In order to prepare members for 4IR and to ensure they remain relevant in the future, SAICA created a CA2025 competency framework. The framework doesn't only focus on technical skills such as auditing, accounting and tax, but going forward we realise that we need to produce more rounded accountants who also have enabling competencies. We have identified four enabling competencies, one of which is digital acumen.

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We will continue working with universities to develop more short courses that can assist members in upskilling themselves for the future.

Members can find more information on the competency framework [here](#).

Thirdly, given the current media landscape and the negative perception of the CA(SA) designation, SAICA urges all members to use the complaints process if they have reason to believe that any member may have breached the Code. We cannot allow a few unethical members to ruin the reputation of the many who work with integrity. You can find information on the complaints process as well as ongoing disciplinary cases on the [SAICA governance website](#).

Lastly, all SAICA members should realise that as holders of the CA(SA) designation, they also carry the responsibility of being brand ambassadors for the chartered accountancy profession. This means that their ongoing ethical conduct and integrity, as well as portraying a confident positive image, play a significant role in helping to restore trust in the profession.

TRANSFORMATION AND GROWTH

7. Are South African prospective CAs(SA) able to work and study at the same time for their qualification?

Yes, prospective CAs(SA) who reside in South Africa can complete their training contract while studying.

ORGANISATIONAL SUSTAINABILITY

No questions regarding organisational sustainability were raised.