

Guidance on the use of the SAICA Decision Trees

To address the inconsistencies in the application of the rating scale when assessing tasks, SAICA has introduced the decision tree.

Assessment Ratings Decision Tree (Technical skills):

A Decision Tree has been developed to provide further guidance / clarity on the application of the SAICA ratings when assessing the ability of a trainee accountant to satisfactorily demonstrate required tasks.

There are many factors that make the rating of a trainee's competence subjective (and therefore potentially unfair to the person being assessed). If we were to strictly apply the definitions per the rating scale, everything would boil down to the extent of supervision / guidance / intervention that a trainee receives. This is however not the only indicator of competence and the decision tree seeks to identify all the main factors that influence an assessment of competence and attempts to provide a more objective mechanism to assist role players in the assessment process in achieving a more consistent (and therefore more fair) decision making process with regard to assessment.

The decision tree recognises that there are fundamentally 4 factors that influence the degree to which someone is assessed as competent in completing any assigned task:

1. *To what degree do they receive instruction / direction / guidance in being able to perform a task?*

Generally speaking, a trainee that requires instruction in order to be able to perform task is seen to be less capable than a trainee who is able to perform a task without receiving instruction.

A trainee who receives (whether they require it or not!) instruction / guidance / assistance (whether this is upfront or during the course of performing the task) cannot be assessed at a level 4 competence. This is not to say that the quality control requirements for adequate instruction or supervision prior to performing (or during the performance of) a task should be foregone and that trainees should not receive proper instruction and supervision, but rather that to be found capable to a level 4, the instruction received should be a *transfer of information* required to be able to perform / complete the task rather than a set of directions as to *what is required* and *how to achieve that*.

If, for example, a trainee is required to calculate the personal income tax liability for an individual taxpayer (as part of completing their returns), it would be expected that the trainee would need to be informed of the taxpayers circumstances, would be provided with prior tax returns and correspondence from SARS, and would be able to ask for any additional information that they would require to be able to complete the task. To be assessed at a level 4, they should not however need to be told what to do, how to calculate the various deductions, or how to complete the return.

A few considerations to bear in mind when it comes to giving instruction / direction / guidance:

- The use of prior year working papers or prepared programmes / instructions would generally not be regarded as "guidance" unless a trainee is seen to be dependent on them. A trainee who cannot do the work without a prior year "template" for example, would be regarded as receiving guidance. While this is not always easy to identify, generally a trainee who blindly follows the prior year template or the programme without question and without consideration of current / new / emerging information would be regarded as being dependent on that template and thus receiving guidance.

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- There is a subtle but none-the-less significant difference between “guidance”, “direction” or “instruction” and “clarification” or “confirmation”. A trainee who approaches their senior and needs to be told what to do in a particular situation is receiving guidance from their senior. On the other hand, a trainee who approaches their senior with a suggested solution to a particular situation is merely seeking clarification or confirmation from their senior before then proceeding to execute their own idea. The difference between these 2 situations is that in the 2nd one, the trainee came up with the idea and simply wanted to get the go-ahead from their senior before proceeding – they therefore did not receive instruction on what to do but rather received confirmation about their own idea...

Trainees are often hesitant to ask questions or to ask for help because they believe they will then be “penalised” in their rating for having received guidance. We must all remember that the trainee is on a learning journey. There is no expectation at all that the trainee will know what to do every time they are allocated work. Of course they must ask for direction until they are comfortable with the requirements. As they progress and receive more exposure to the tasks, they will require less and less direction and will start to swing from requesting direction to requiring confirmation.

Trainees who don't ask for help when they get stuck are likely to produce work that is incorrect anyway and this will then result in lower ratings. Ironically, trainees might actually receive higher ratings by asking for help than if they try and do things on their own and get it horribly wrong as a result!

2. *After their initial attempt at the task, to what extent are there still aspects of the task that require correction / resolution?:*

Once the trainee has completed (in their opinion) work that has been assigned to them (regardless of whether they received any guidance along the way), this work would then typically need to be reviewed by their senior (the person who assigned the work to them in the first place) to see if it meets what was required.

Generally speaking, a trainee who hands in work that still requires a lot of correction before it meets the final levels that are required would be regarded as being less capable than a trainee who only has a few outstanding matters to correct before it is regarded as being acceptable.

This 2nd factor thus now considers the extent to which there are aspects of the task that still require correction or resolution after the trainee's initial attempt at the task. This decision should be taken after *considering the number of outstanding matters / aspects in the context of the complexity / scope of the task at hand.*

For example, when performing a relatively simple task (the review of statutory records of a company, for example), there would be an expectation that the trainee should be capable of getting the task right and so perhaps even a few outstanding matters would be seen to *be “many”*. Similarly, when undertaking a more complex or involved task (the consolidation of the large group of companies, for example), it would be more acceptable to have more outstanding matters and yet still perceive these outstanding matters to be *“only a few”*.

Judgement obviously need to be exercised here by trainees and reviewers. One cannot say that 10 queries that still need to be resolved by the trainee is “many” or “only a few”. It all depends on the context of the work.

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3. *Regardless of the number of outstanding matters referred to in factor 2 above, to what degree are these matters fundamental to the task at hand?*

When considering the outstanding matters referred to in point 2, generally speaking a trainee who makes fundamental mistakes in the work will be seen to be less capable than a trainee who does not make fundamental mistakes.

An outstanding matter that is fundamental would be something that reflects a *lack of understanding* in what is required to be done and thus an inability to then perform the task to the required levels of capability.

The nature of outstanding items picked up during a first review of the work by a senior member of staff may vary considerably from issues such as “please document the source of this statistic you have quoted” to “this has been incorrectly done and will need to be re-performed”. Of these 2 examples, the 2nd matter is fundamental to the task at hand while the 1st is not (it is more “cosmetic” in nature and does not reflect a lack of understanding of the technical requirements of the task).

4. *Having received their initial review and related guidance, is the trainee then able to go and resolve the issues that are outstanding and thus complete the task?*

A trainee who is able to take any review notes raised on their work and then go and follow these notes to correct the work to the required standard is generally speaking seen to be more capable than a trainee who, despite the guidance given in the review notes, is still not able to complete the work to a satisfactory standard.

It is important to note here that trainees *receive one opportunity* to clear any review notes. Trainees who require multiple interventions to eventually produce work that meets the required standard is going to be regarded as “not yet capable”.

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The Professional skills rating scale:

For consistency, SAICA uses the same rating scales to measure professional skills competencies as are used for technical skills competencies. They are:

Rating level 1: Not capable of performing.

Rating level 2: Capable with frequent supervision / intervention

Rating level 3: Capable with limited / periodic supervision / intervention

Rating level 4: Capable without supervision / intervention

Assessment Ratings Decision Tree (Professional skills):

Essentially what is being assessed here is the degree to which a trainee is able to demonstrate the utilisation / application of a certain professional skill in the achievement of a desired outcome. For example, if a trainee is in a situation where they need to resolve conflict within a group, the professional skill ("Working with others / management of conflict") will be measured by considering the extent to which they were able to demonstrate their ability to resolve the conflict satisfactorily.

The ultimate assessment of competence with regard to demonstrating a professional skill is that a trainee is able to utilise that skill to achieve a desired outcome or objective.

What influences our assessment of the extent to which they have been able to demonstrate the use of a skill to achieve an objective? There are 3 factors to consider when using the professional skills decision tree.

1. To what extent does the trainee receive guidance / assistance / direction to be able to then demonstrate that skill?

This consideration is identical to the first consideration for the technical skills decision tree and the guidance provided there applies equally here.

2. To what extent are they able to achieve the desired outcome through the utilisation of the relevant professional skill?

A trainee who is able to almost achieve the desired outcome of utilising a skill is going to generally be seen to be more capable than a trainee who doesn't come close to achieving the desired outcome of using that skill.

For example, if you are measuring a trainee's ability to manage projects, one of the desired outcomes of this skill is meeting the time or cost budget for the project. How close did the trainee get to meeting the budget? Did they almost meet it or were they miles off the budget?

3. After receiving any additional guidance or intervention, to what extent can the desired outcome now be achieved?

This is an identical consideration to the 4th factor for the technical skills decision tree. A trainee that does not achieve a desired outcome is likely to then receive feedback / direction / guidance on what now needs to be done to achieve the outcome (the equivalent of review notes of a technical task). To what extent can the trainee take that feedback and now go and achieve the outcome.

Like with the technical skills decision tree, a trainee is given one opportunity to take the feedback and achieve the outcome. Trainees who are still unable to achieve the outcome despite receiving the feedback are regarded as being "not capable" of demonstrating that skill in that instance.