

**SAICA CEO Roadshow – South Africa
Held on 9 February 2021**

The questions below were raised at the CEO Roadshow for members residing in South Africa, which was held on 9 February 2021.

MEMBER VALUE

**1. What is the position of SAICA on the trend of CAs(SA) undertaking MBA studies –
What is SAICA’s response to its current education and training programme?**

You will have seen in various SAICA communications, including the latest CPD compliance declarations that were due on 31 January 2021, that SAICA has implemented the [Pathways to Relevance](#) framework (CA2025) as a foundation for post-qualification learning and development. One of the behavioural attributes within this framework, which is necessary for all chartered accountants, is the lifelong learning attribute where our members should aspire and be inspired to continue learning beyond CA(SA) qualifying criteria. SAICA has extensive offerings and agendas in the post-qualification learning and development space and will always support its members when it comes to equipping themselves in order to better lead and make a difference in the societies in which they live and work.

SAICA members often acquire additional business designations such as MBA and the CFA designations. SAICA welcomes members acquiring additional skills/competencies through ongoing learning. We are not aware of members acquiring additional designations increasing on a significant basis.

2. I believe our clerks are taught to fill in check lists to make IRBA happy and we have forgotten how to audit. I think the CA2025 process is great, and I like how SAICA has improved the competencies, which are also future-fit. But practically, I feel there still needs to be a way to engage new work entrants via in-person sessions.

Thank you for complimenting the CA2025 programme. This is a big project and thankfully it is also being applauded at university level. We believe the competencies we have identified through this project is something that the other professions are going to use as a blueprint.

I am sure that you will appreciate that in order to successfully implement something of this magnitude, you have to do it properly, which means it will be a process that takes time to implement and therefore will need to happen in phases. Once the CA2025 programme is fully implemented, the complete SAICA pipeline, including everyone from students to trainees and post-qualification CAs(SA), will be positively impacted and will enjoy the benefits of this programme, which will ensure they are all fit for work now and into the future.

3. What is SAICA doing to protect and promote CAs(SA) working in public sector, especially in the current climate of corruption?

SAICA has a Public Sector team within the Members & Global Alliances division. This team works on promoting the positive news from our members working in the public sector and also regularly engages with Treasury, the Auditor-General and other structures within the public sector.

More recently, we were approached by the National School of Government to assist in helping to professionalise the public sector. This forms part of a broader project that SAICA will kick off in 2021, known as the Trust Reconstruction plan. This plan will also promote the profession far wider than just the public sector.

Regarding the protection of our members in the public sector space, SAICA needs to focus on members across the board, not only those working in the public sector. However, we acknowledge that the challenges and dangers within the public sector are much more palpable.

To date, SAICA has met with Treasury, SALGA and the National School of Government to discuss this particular issue in the context of the need for our members to assist government and to make a positive, significant contribution to improving the state of the public sector. We are having these discussions to look at solutions and ways to mitigate the risks they face. The solution is not yet clear, but the conversations will continue until a sustainable solution is found.

We encourage members to keep an eye on SAICA communication for more information in this regard.

4. Does SAICA help member CAs(SA) who want to follow the Audit Development Programme (ADP) route to become a Registered Auditor?

SAICA is the only accountancy body which is currently accredited by the IRBA. This means that only SAICA members can become Registered Auditors as no other professional body is accredited by the IRBA.

One of the standards in the IRBA's accreditation model is that we as SAICA must assist in opening up education channels to ensure access to the audit profession. This means that as SAICA, we must ensure that we promote and create an excitement about the auditing profession in our training and education programmes.

However, SAICA cannot run the ADP, as that is IRBA's remit and it is only offered by audit firms. SAICA, together with the IRBA, have come up with several initiatives that will be rolled out jointly to ensure the auditing profession keeps growing and remains an attractive choice for students and trainees. One of these joint initiatives is to find ways of ensuring the training experience is properly executed in a way that trainees want to remain at a firm after they have qualified as CAs(SA).

5. Does the Audit Development Programme apply to CAs(SA) who did TOPP instead of TIPP?

The CA(SA) is seen as a generic business leader, and specialisation occurs later. This means that the IRBA has accredited the CA(SA) designation, regardless whether a member has come from the TOPP or the TIPP stream. In fact, the traditional TOPP and TIPP is no longer relevant as SAICA currently refers to training electives, where trainees can elect one of the following: audit and assurance; tax; governance and legislation; public sector; corporate reporting; and practices.

If your training was not in audit and assurance, you can still do the ADP. However, it is important to remember that the only entities that can offer the ADP are audit firms. That means once you have qualified as a CA(SA), you will have to move to an audit firm to do the ADP. Secondly, those that have done training in an audit environment already have an advantage thanks to the audit experience they have gained. If you have done training in a non-audit environment, your audit

experience will be quite limited and therefore your journey to complete the ADP may take slightly longer than candidates who did training in an audit environment.

6. How often does SAICA assess the CA(SA) qualification against world standards?

SAICA prides itself on the fact that the CA(SA) designation compares with the best in the world. Judging by the work we've done through the CA2025 programme to ensure our CAs(SA) are fit for the future, as well as our reciprocity agreements with international accountancy bodies and our work with IFAC, we undoubtedly compare favourably against the world's best.

Our engagements with international accountancy bodies and international education directors are ongoing, which means we do not have a set time of assessing the CA(SA) qualification against world standards, as it is a continuous process.

Looking at SAICA's ITC and APC examinations and from a pre-qualification point of view, we no doubt offer a designation that is of an international standard.

7. How can SAICA assist in making companies realise that all their members are competent irrespective of where they completed articles? Most companies discriminate against CAs(SA) from black firms.

All organisations in South Africa are subject to B-BBEE legislation. SAICA has a proactive communications strategy to the marketplace, which promotes the competency of members on an ongoing basis. Where organisations are found to actively discriminate against CAs(SA) from black firms, these need to be communicated to the SAICA Member Engagement team and SAICA will take the matter up with the particular organisation. SAICA can address the matter but cannot enforce compliance in this regard.

RELEVANCE AND REPUTATION

8. How is SAICA planning on going about restoring trust? Is there an action plan?

First and foremost, SAICA has to make sure that the offerings to our members give an opportunity, as well as the probability, that they will be well-equipped and supported to act with integrity and make the right choices when faced with ethical dilemmas. In this regard, every SAICA member also has the responsibility to adhere to the SAICA Code of Professional Conduct, and should they not, SAICA needs to ensure they are held to account, as prescribed in the new and updated SAICA by-laws which came into effect in June 2020.

Secondly, SAICA has created a consolidated Trust Reconstruction plan for 2021, which 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 promotional 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.

SAICA annually measures its brand reputation management efforts through the Professional Health Index survey which is conducted by us, as well as the independent Ask Afrika survey.

When comparing the results of these surveys for 2020 to 2019, the spontaneous awareness of the CA(SA) designation is very high at over 90%; preference of employing CAs(SA) over other designations is up to 74%; our net promoter score is up from 24% to 37%; and the trust index of CA(SA) has gone from 81% to 84%.

Our key indicator for measuring our Brand Equity is the brand admiration index amongst decision makers, which has remained at 68%. This is not where we want it to be, especially considering the brand trust index is at 84%, but the brand admiration index will not show tremendous growth while negative media reports continue to be circulated about matters of malfeasance that are yet to be concluded. In addition, we foresee that new cases will continue coming to the fore.

In summary, SAICA must ensure our members can deal with the ethical situations they may face and that members are properly supported and those who bring the profession into disrepute need to be held to account. Secondly, we must create a positive perception of the institute and the CA(SA) designation in the marketplace, by ensuring the role the profession plays in society and the fact that SAICA members are true difference makers in the South African economy, is communicated effectively and that the positive promotion will always outweigh the negative publicity.

9. How do you see the role of chartered accountants becoming critical in energy transmission?

Given the current social and economic climate globally, there is no doubt that SAICA members need to take leadership roles in economy and society – wherever they operate. This of course is not only limited to a focus on energy transmission. SAICA has a number of Sustainability projects on the go and we are always interested in engaging with members to see how we can work together to address the challenges we are all facing like social inequality, resource constraints, climate change and, most recently, the effects of COVID-19.

What the world needs is an urgent shift from short-term finance-centric business models to stakeholder inclusivity, environmental responsibility and long-term sustainability. It is with this in mind that Professor Mervyn King, widely regarded as one of the fathers of corporate governance, is calling for the role of the Chief Financial Officer to become the Chief Value Officer (CVO) instead. According to Prof King: “The CVO role will ensure that all relevant aspects of value creation and destruction are accounted for and communicated to boards, management, and external stakeholders”.

However, this is easier said than done. Accountants and financiers are well versed in the debits and credits of profit making. But understanding, internalising and applying the principles of integrated thinking and sustainable development are more challenging.

This is why SAICA has partnered with Wits University to launch a series of short courses designed to train the first generation of CVOs. Members can find more information [here](#).

10. What is the current situation regarding the IRBA and why has SAICA not given us any updates? Why do we have to wait for a CEO update? Why was the IRBA board dissolved?

SAICA communicated to members the day after the media reported the news about the IRBA Board being dissolved. In addition, the CEO wrote a letter to the Minister of Finance to express SAICA's concern, to ask that he must find ways to resolve the matter as quickly as possible, but also to offer support in this matter.

SAICA can only communicate the information it has on hand. SAICA cannot speculate on why the IRBA Board was dissolved.

Shortly after news broke of the IRBA board dissolution, the IRBA CEO resigned. SAICA also communicated our stance to members and the media in this regard.

SAICA urges members to read SAICA's communication that is shared via emails and newsletters, SAICA social media, the Accountancy SA magazine and the SAICA website.

11. The IRBA issue was concerning when it was reported, SAICA needs to lead in this time to protect and uphold the profession.

SAICA will continue to collaborate with other stakeholders and decision-makers in support of finding an efficient resolution of the leadership of IRBA as we view the regulator's role as critical in rebuilding the public's trust in the auditing profession.

SAICA continues to support its members who are Registered Auditors with any matters relevant to IRBA. SAICA is also committed to supporting the IRBA caretakers Mr Roy Andersen and Mrs Nonkululeko Gobodo as well as the IRBA in any way required to ensure the ongoing stability of the organisation to restore and safeguard the reputation of the auditing profession.

12. What is SAICA's view on the Zondo Commission matters?

As a general principle, SAICA monitors the media daily, and we specifically look out for matters where our members may be involved. SAICA also receives official complaints from members and the public about the specific matters reported on in the media.

Therefore, SAICA is aware of all matters reported on in the media, including those of individual members who appear in front of the Zondo Commission. What we can all agree on, is that adherence to the highest standards of ethical conduct, professional integrity and avoidance of conflict of interest must remain a bedrock of the accountancy profession. SAICA expects all its members to uphold these values in all professional circumstances. All members who are found to have contravened [SAICA's Code of Professional Conduct](#) (the Code), will be held accountable without fear or favour.

As a matter of course, SAICA investigates all allegations against individual members. 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 supports the Zondo Commission in the work it is doing and with regard to relevant cases, we have also provided evidence to the Commission. In the event where members appear before the Commission or where they participate in any way or form, we also attend to issues that may arise from these appearances.

13. The profession has been tainted by a few members. Should SAICA not be more proactive in indicating to the public the positive role that its members are contributing to the economy?

SAICA annually follows a proactive marketing and communication plan that includes three focus areas: thought leadership content, trust leadership content (which includes disciplinary matters) as well as member profiles. This approach is based on an independent annual survey done by Ask Afrika which shows that these focus areas are integral to ensure trust reconstruction of our designation's reputation. In 2020, SAICA achieved 1 725 external media exposures, of which only 92 exposures were negative. Therefore, 1 633 exposures showcased SAICA and its members in a positive light. SAICA is confident that its external media exposures strategy has tremendous impact on rebuilding trust in the designation and we will continue to be proactive in this regard.

SAICA's public relations activities are also published in the annual [Nation Building Impact report](#) as well as the [Sustainable Development Goals Impact report](#), both of which can be found on the SAICA website.

14. Is it possible to have a view of the Brand and Trust indices being cited from the Ask Afrika survey? I'd like to see the trend over the years and SAICA's target, including information on the plans to reach such targets.

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 (pre-KPMG matter) to 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 started occurring, all the indicators, except awareness, have declined. Since 2019 the lead indicators have recovered as a result of SAICA's Trust Restoration Strategy which constitutes our 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.

The CA(SA) brand situation 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.

To improve on the current indices, and to align with the SAICA strategy which is built on member value, relevance and reputation, growth and transformation and operational sustainability, the overarching purpose of SAICA's 2021 communication strategy and plan is to reconstruct trust. Therefore, the plan is called the Trust Reconstruction plan and it aims to:

- Drive and deliver member value
- Ensure relevance of the CA(SA) designation for the future world of work
- Deliver technical excellence through content creation and seminars and events
- Rebuild the reputation of the profession and the CA(SA) designation
- Improve member engagement

The Trust Reconstruction plan will focus on the key initiatives below:

- Professional trust and reputation restoration project/Audit Reform Project
- Integrated Ethics plan
- Implementation of the 2021 Member Engagement Plan

- Professionalisation and turnaround of the public sector
- Integrated thinking and integrated reporting as a foundation for the profession to stay relevant
- Professional excellence conferences
- Pathways to Relevance framework implementation
- Annual tax conference/Tax advocacy and public participation

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.

GROWTH AND TRANSFORMATION

15. It seems as if young trainees go into audits unprepared and unable to identify risks. They sit behind computers and only interact with management on a minimal basis. What is SAICA doing in this regard?

SAICA's CA2025 project specifically addresses enabling competencies which cover several important competencies including integrated thinking, problem solving skills, professional scepticism, communication, and professional judgement. These competencies will ensure students and trainees develop the skills needed to effectively perform their functions. SAICA also piloted a support programme for APC candidates in 2020 to look at how we can assist future members develop key competencies that are not well-developed within certain environments. It is also important to remember that the training offices have a role to play. There also needs to be proper coaching, supervision, and development of trainees in this regard. However, if there are challenges, please feel free to contact us to see how SAICA can assist. These aspects need an integrated approach, it is not just a university, a SAICA or a training office issue – it is upon all of us as a training environment to ensure that we move those aspects forward.

16. I think the key competencies should not be only addressed when students go into training contracts. I think that certain of these competencies should be addressed at tertiary level.

We believe the competencies we have identified through the CA2025 project is something that the other professions are going to use as a blueprint.

I am sure that you will appreciate that in order to successfully implement a programme of this magnitude, you have to do it properly, which means it will be a process that takes time to implement and therefore will need to happen in phases. Once the CA2025 programme is fully implemented, the complete SAICA pipeline, including everyone from students to trainees and post-qualification CAs(SA), will be positively impacted and will enjoy the benefits of this programme, which will ensure they are all fit for work now and into the future.

17. On universities and the 'decolonisation of education content': This is driven by a few institutions, how is SAICA ensuring consistency across all universities to teach Africa relevant content?

Many people understand decolonisation very differently. It is extremely difficult to decolonise an accounting syllabus, but you can decolonise the context of how you teach, and the types of examples you use. One should also remember that SAICA is the accrediting body for all

universities, so decolonising the context is something that can only happen if there is appropriate partnership between SAICA and the universities. SAICA is continuously engaging with universities and we are confident that we have well-established partnerships in this regard. SAICA will continue to influence universities on the matter of curriculum development.

18. How often does SAICA review the accreditation of universities as well as training offices?

SAICA has a robust process for accrediting universities. Once a university is accredited, the accreditation is reviewed every five years, unless we see challenges or concerns which requires us to intervene sooner than every five years. As SAICA, we have the responsibility to ensure that the students get what they pay for and that the education they receive is of an international standard. SAICA maintains good relationships with all accredited universities to ensure our student pipeline receive the best education. This is the best way to ensure we continue to build the CA(SA) designation.

The same goes for training offices. When we accredit a training office, we look at their client base to ensure that all our training candidates get the necessary depth and exposure. We review and assess our training offices every three years. It is also important to note that the training offices sign off on the competencies of their trainees, not SAICA. Therefore, it is imperative that we work closely with training offices to ensure this process runs smoothly. We need to be confident that the CAs(SA) we put into the marketplace will do the profession proud and help to make a difference in the societies in which they live and work.

19. Regarding the accreditation of universities, is SAICA currently looking at UNISA and their CTA programme? Is there a portal for students to communicate to SAICA regarding grievances at UNISA?

SAICA is currently reviewing UNISA and we are aware of certain student concerns. However, SAICA cannot get involved directly with students, and UNISA has asked us not to. We will raise the matter with UNISA in our meetings with them, but we cannot get involved in individual student grievances at universities.

When student concerns come to SAICA's attention and it seems to be quite a high-volume number of complaints, we'll have a discussion with the HOD of the particular university. But it remains an issue between the student and the university.

SAICA's role is to review university accreditations and we will continue doing this valuable work to ensure our students get the education and service they pay for.

ORGANISATIONAL SUSTAINABILITY

20. What does SAICA mean by "transform the organisation"?

By transforming the organisation we are not only talking about B-BBEE, but more about changing some of the ways in which we work at SAICA. Members who attended the CEO Roadshow on 9 February 2021 will have seen from the CEO's presentation that SAICA has a strong focus on staff engagement to ensure better member service. This is just one of the transformation initiatives in terms of changing our culture as an organisation and to improve in all areas.

SAICA is also busy with a big digital transformation project, known as Ushintsho, which we have talked about for the last three years.

“Transforming the organisation” therefore refers to our focus on enhancing and improving our effectivity across the board to ensure everyone at SAICA is equipped to service our members and stakeholders better.

21. Can the SAICA website be streamlined for individuals to have only one login, and once you are logged in the menu is different whether you are a member or not?

SAICA is in the process of rebuilding the SAICA website. In addition, SAICA is also in Stage 2 of the Ushintsho programme, a digital transformation project, which will address the double login matter.

Both the single login process as well as the new website is scheduled to be implemented in the second half of 2021.

22. Can SAICA review the communication modus operandi of SAIT; the set out of the almost daily communications are clear, concise and get to the point on all matters?

SAICA is in the process of repositioning member communications. The member communication strategy for 2021 has been set and will be rolled out from the end of February 2021.

We acknowledge that the way in which SAICA communicates with members can be improved, but we also encourage members to read SAICA’s communication.

All important and relevant matters are communicated via the SAICA website, emails and newsletters, SAICA social media and Accountancy SA magazine. SAICA is often criticised for not communicating matters which have in fact been communicated on various SAICA channels.

23. What are you doing to drastically reduce costs – the building we own, cutting all lavish catering, expensive bottled water in the boardrooms, and cutting staff and having two receptionists?

SAICA does not own buildings anymore. SAICA sold the previous head office buildings in Bruma Lake due to the deteriorating state of the area. At that point in time, a decision was taken that owning buildings is too risky, hence our current arrangement of renting. However, this does not in any way preclude us from going back to considering owning a building. Given the pandemic and the fact that many people are working from home, SAICA is weighing up all the options to ensure we follow the most cost-effective and safe approach for the Institute.

SAICA has cut all catering expenses, except for meetings that last longer than four hours. In this regard, we follow the most cost-effective option. SAICA staff are not catered for and even though there is a staff canteen at the head office, all food and beverages are paid for by the staff and not by SAICA.

SAICA’s sustainability focus has also enabled us to revisit our decision to supply bottled water. SAICA has not reordered bottled water and going forward, we will be using water jugs instead.

Regarding cutting SAICA’s number of employees – we always look at how best to service our members and we want to assure members that we do not have too many employees. We

benchmark against and compare with other member-based organisations on a staff ratio to number of members basis and our staff numbers are lower than those of our peer institutes.

Lastly, SAICA does not have two receptionists. The institute currently only has one receptionist who sits with a security guard that acts as a stand-in when the receptionist may not be available.

24. Why is SAICA hosting disciplinary hearings in expensive venues? I am particularly referring to Anoj Singh's case that was not heard in SAICA's offices.

As a standard, SAICA holds disciplinary hearings in the SAICA head office building. SAICA's independent disciplinary committee needed 9 full days for Anoj Singh's hearing during a time when the SAICA boardrooms were already being used for examination marking. The offices where the hearing ended up being held, were the offices of the pro-forma prosecutor who was prosecuting the matter on behalf of SAICA. SAICA can confirm that we did not pay anything to use that venue.