

CEO ROADSHOW

The questions below were raised by members before the CEO roadshow for members residing in the ASPAC region, scheduled to take place on 24 August 2022. The relevant SAICA executives provided the answers.

MEMBER VALUE

1. What are the key SAICA projects over the next 3 years?

The following projects form part of [SAICA's strategy](#) and will remain a focus over the next three years.

1.1 Ushintsho

The Ushintsho programme seeks to enhance SAICA's digital environment to service our members.

SAICA is currently investigating a solution for the excessive project delays in a way that will address the speed of delivery while reducing the investment cost. The ultimate goal is to ensure the whole project is delivered within the original cost estimation made at the project inception, or close thereto.

The project has been delayed due to the:

- inability to attract and retain key technical skills within SAICA
- limited development capacity from the current service provider
- continued interface challenges with legacy systems such as IMIS and Great Plains, requiring manual rather than automated integration

To address the challenges, the decision was made to use a targeted service provider recommended by Microsoft. Microsoft recommended five service providers, two from SA and three from India.

Discussions with the recommended service providers resulted in only one of them providing a proposal that demonstrates adequate understanding and appreciation of the complexity of the project.

It should be noted that the two South African providers required up to R2 million just to do discovery, which the providers from India didn't require.

SAICA is currently finalising the negotiations on the scope and milestones with one of the recommended providers.

Going forward, SAICA aims to:

- de-commission the legacy systems as quickly as possible.
- implement D365 Finance immediately to remove the dependency on legacy systems.
- provide subject matter specialists while the service provider will provide the technical development skills. There will be seven developers provided by the new partner compared to one by the current partner.
- divide work into four broad work streams that will be overseen by the relevant senior business owners within SAICA

SAICA is aware that bringing in D365 Finance early will add complexity to the implementation process, but it will facilitate earlier de-commissioning of legacy systems, ultimately leading to smoother delivery of further stages in the project.

A steering committee chaired by the COO or CEO will meet regularly to monitor delivery of the project.

1.2 Distinguishing the CA designation in the marketplace

Going forward, the key initiative to distinguish the CA(SA) designation in the marketplace is SAICA's Difference Makers organising concept (#differencemakers). This concept seeks to position the CA(SA) designation by profiling members as difference makers who create wealth and welfare by protecting livelihoods and growing the success of the organisations which they serve. To do so, we outline the impact that members from all of SAICA's diverse constituencies make in different aspects of business and the communities in which they serve.

The SAICA Difference Makers organising concept seeks to:

- Encourage members to adopt a culture of difference-making
- Promote the premiership of the CA designation by demonstrating the value that members create in enhancing social and economic development through strategic initiatives and member profiles, using public relations and digital marketing on sponsored platforms.
- Reinforce trust in the CA profession by following a #trustleadership public relations campaign and creating relevance of the CA profession through our #differencemakers campaign
- Reposition CAs(SA) among business target audiences as the first-choice business advisers and partners on key media channels

You can find more information on the [Difference Makers microsite](#).

1.3 CA(SA) of the future

We live and work in a rapidly changing environment where change has become the new normal. The environment we work in can best be described as "VUCA" - Volatile, Uncertain, Complex and Ambiguous. It is therefore critical that our pipeline as well as our current members and associates understand what is expected of them in the new world of work and that SAICA provides opportunities to develop the required competencies.

A competency is the capability to apply or use a set of related knowledge, skills, and abilities required to successfully perform tasks in a defined work setting.

SAICA continues to focus on its members and associates remaining relevant for the future world of work in the following ways:

Pre-qualification:

- Development of a new competency framework (CA2025) which focuses on the competencies that need to be developed and demonstrated by CAs(SA), AGAs(SA) and ATs(SA) at the point of entry to the profession (having been through the qualification process);
- The development of competencies identified in the CA2025 framework is currently being implemented by SAICA accredited academic programmes (implementation period 2021 – 2024);

- Implementation of the CA2025 programme in the SAICA accredited training programme was started in 2022 and all trainees will be assessed on the new competencies by 2025. SAICA has further invested in an Electronic Assessment Tool, which has been designed to drive the process of developing and assessing the required competencies during the training period.

Post-qualification:

- A future-fit post-qualification competency framework (CA Pathways to Relevance) has been developed to assist members in different career paths by identifying which competencies they should consider developing;
- SAICA has shifted to an output-based measure for CPD that requires members to develop their own reflective learning plans and undertake learning and development activities to develop in those areas where competency gaps are identified;
- SAICA is partnering with UJ and WITS to develop a range of relevant short courses in 4IR, Integrated reporting, and creating sustainable value through the Chief Value Officer training programme.

Going forward, the focus will be:

Pre-qualification:

- Finalise changes to the ITC, professional programme, and APC in line with the competencies being developed in the CA2025 competency framework.
- Ongoing support and engagement for academic and training programme providers in their implementation of CA2025 and development of the identified competencies.

Post-qualification:

- Scenario planning through a research project to look at the impact of external factors on the role of our members and associates beyond 2025 (2030 – 2035) as we need to continue to see how the roles of our members and associates will be impacted by technology.
- Ongoing development of deep learning activities for members with a specific focus in the following areas:
 - Digital acumen
 - Ethical values and attitudes
 - Creating sustainable value
 - Investigation into post qualification specialisations

1.4 The Integrated Ethics Plan

The integrated ethics plan seeks to drive awareness of professional ethics amongst members. This initiative has a strong focus on the citizenship, ethics and leadership competencies expected from CAs(SA). Several projects have been approved by the Ethics Committee and are driven by the SAICA Standards business unit to better support the profession and restore trust. It should be noted that ethics at a prequalification stage and enforcement thereof by SAICA's Legal and Governance unit are also important aspects of the overall ethics mandate of SAICA.

The Ethics Committee approved the following projects:

- i. Non-Compliance with Laws and Regulations (NOCLAR)

- This project aims to provide members with guidance on the application of the NOCLAR sections of the Code and will include practical considerations, given that members often experience difficulties with NOCLAR.
- ii. Role and mindset guidance and awareness
 - The Code was recently updated to include role and mindset. This project will provide members with guidance on how to apply this amendment as well as raise awareness on the changes in the Code.
- iii. Aggressive tax planning
 - This project focuses on the actions of members practicing tax and actions that are not illegal and unlawful, but possibly unethical.
 - Aggressive tax planning is also on the agenda of the Board of Global Accounting Alliance.
- iv. Whistleblowing
 - Members continuously raise concerns about the lack of support for whistleblowers. This project aims to identify areas of improvement within SAICA to better support members to enable them to comply with the Code and act in the public interest.
 - It will include guidance, processes, and thought leadership.
- v. Public Sector
 - Members in the public sector experience intimidation threats which impact their ethical wellbeing. This project, therefore, aims to provide members in the public sector with guidance when faced with ethical dilemmas as well as to advocate for improved ethics in the public sector.
 - One of SAICA's key public sector initiatives is to professionalise the public sector, however, to achieve this, there needs to be an enabling environment to support members.
 - SAICA will consider its involvement opportunities to support the effectiveness of government structures, for example municipalities and others where appropriate.
- vi. Mental health
 - Mental health can impact members' ethical decision-making and has been noted by the International Ethics Standards Board for Accountants (IESBA) during the pandemic. Support with ethical wellness will be provided to members through various seminars and events.

SAICA made the following submissions to IESBA:

- Ethics and Technology Exposure Draft - The submission focused on how we can address the ethics and independence issues that technology may impose on professional accountants.
- IESBA strategy survey - SAICA's submission focused on the recent development impacting the profession such as sustainability and technology and the ethical considerations thereof.

In addition, in 2022, a decision was made to feature a monthly Ethics in Practice series to keep ethics front and center of mind for SAICA members. While October remains World Ethics Month, the annual ethics feature in October has been replaced by this monthly series. The monthly series continues to grow in popularity.

1.5 The Centre for Audit Quality (CAQ)

The Audit Reform Project forms part of SAICA's 2021-2023 Strategy. The auditing profession plays a crucial role in ensuring the stability of the financial market system and attracting investments into the country. Transparent and accurate financial reporting is essential for investors to make informed decisions on how to allocate their investments. This is even more important for a developing country like South Africa. The recent corporate failures in South Africa have brought the auditing profession under public scrutiny and tainted the reputation of the profession. It is important that the reputation of the auditing profession is restored as this function has the potential to contribute significantly to repairing the socio-economic problems that South Africa is grappling with. It is in this context that SAICA embarked on the Audit Reform Project.

The first phase of the project involved a wide stakeholder consultation process to identify the root causes that have led to the deterioration of trust in the auditing profession as well as a benchmarking exercise to identify initiatives being undertaken in other parts of the world. These initiatives culminated into the drafting of a paper that outlined some of the key themes that the auditing profession needs to address to restore public trust.

The audit reform agenda was also being promoted by the South African Auditing Profession Trust Initiative (SAAPTI) structure. SAAPTI was not intended to be a permanent structure and its purpose was to recommend an appropriate responsive plan considering the corporate failures and their impact on the auditing profession. SAICA was not a member of SAAPTI and was merely invited as an observer to certain engagements.

SAICA and SAAPTI engaged during 2020 and agreed to consolidate their efforts, mainly within SAICA and its structures until the goals have been achieved, whereafter SAAPTI could be dissolved. While the COVID-19 pandemic and other challenges in the country may have taken the spotlight off the auditing profession, it remains important that the work on restoring trust and confidence continues as the profession is only one corporate failure away from another reputational crisis.

In this regard, the establishment of a Centre for Audit Quality (CAQ) as a vehicle to drive specific audit profession reform solutions, has been proposed. The SAICA Standards team is conducting research on the feasibility of establishing a CAQ in South Africa and whether such an entity could be established as a separate entity under the SAICA structure.

To date, SAICA has consulted with both the US CAQ and the UK Audit Quality Forum.

During these consultations, SAICA obtained valuable information on the operation of these structures, including:

- Structure and purpose of the respective entities in the UK and US
- Governance models
- Staffing and key focus areas
- The nature of the relationship with the professional bodies

Current proposals from the consultations to date are for a South African CAQ structure to be positioned as an independent, non-governmental organisation that brings together key representatives of the auditing profession, those charged with governance of public-interest entities, investors, civil society, academics, other assurance providers, regulators, and policymakers to support innovation and provide solutions to South Africa's auditing challenges.

This CAQ is not intended to formulate policies as that function remains with the regulator, IRBA, although advocacy will likely be a key focus. Most importantly though, the CAQ should promote the required changes to be made to the auditing profession as far as possible within current legislation and regulation. High-quality audits are of utmost importance in the functioning of the capital markets and providing benefits to the public.

The intended purpose of the CAQ is to enhance and promote confidence and public trust in the South African capital markets. This will be done by bringing together the independent audit profession and other relevant stakeholders within the financial reporting ecosystem to work together to enhance audit quality in South Africa.

1.6 Pipeline projects

1.6.1 Mathematics at School Level

The declining number of learners taking and passing Maths is a concern for the profession as Maths is one of the gateway subjects.

SAICA focuses on career promotion in lower grades (7&8), advising learners to choose Mathematics as a subject through the following initiatives:

- Distributing Maths videos nationwide and the use of a learner management system
- Annual SA Maths Organisation - Maths Olympiad grades 8-12
- Maths clinics
- Maths Tutoring club (each one reaches one)
- Maths Quiz
- Teacher Development initiatives
- Development camps

1.6.2 Capacitating Historically Disadvantaged Universities' programmes

These programmes continue to focus on the universities that are yet to be accredited for SAICA's Post Graduate Diploma in Accounting (PGDA) programme, namely the University of Zululand, University of Venda and Walter Sisulu University. All three universities received the Department of Higher Education Science and Technology's approval for their PGDA programmes and are awaiting feedback on their submission to the Council for Higher Education. We continue to capacitate other universities that are under-performing by forming alliance partnerships to capacitate these institutions.

1.7 Member value projects

During 2021 the member value propositions for the CA(SA), AGA(SA) and AT(SA) designations were comprehensively rewritten to articulate the evolving profession. You can find the full Member Value Proposition on the [website](#).

A comprehensive, statistically relevant survey was concluded that has given SAICA an in-depth understanding of the value members require dependent on industry, job title, number of years in the profession, location (worldwide), gender, and age. These insights have enabled SAICA to provide targeted interventions to individual segments of members where required.

SAICA is currently finalising value propositions for the small and medium practitioners (SMP) and members in business (MiB) constituencies. These value propositions are being developed with insights gained through committees, focus groups, and one-on-one engagements with members of these constituencies. By understanding and documenting the value that members would like SAICA to deliver, we are able to provide targeted interventions that directly address member needs while also identifying areas of expectations where a gap may exist and responding accordingly.

Engaging with SAICA's communication is key to members understanding the value that can be derived from their association with the institute. SAICA's communication channels include bulk emails and newsletters, social media channels like LinkedIn and Facebook, as well as WhatsApp broadcast groups and Telegram, the Accountancy SA magazine, and the SAICA website that was relaunched in 2021. In addition, informative videos are played before each online seminar, highlighting activities that members can look forward to.

The following activities also need to be mentioned:

- A special project to ascertain the broader requirements of mid-career members worldwide is being undertaken, and a survey of the challenges female members experience has just been concluded.
- New member engagement events have been introduced in 2022 where they have an opportunity to meet SAICA executives, thus capturing the attention of new members at the earliest stages of their careers.
- Members are made aware of a multitude of career choices at the annual Virtual Career Fair, which provides insights into the various career pathways that members can follow with the competencies they have gained as CAs(SA).
- Member wellness sessions have proven really popular with members, given the practical tools and advice that members can use to manage the challenges they may be facing.
- Face-to-face events have resumed in most countries throughout the world to enable members to network with each other. Going forward, SAICA will offer a hybrid engagement model for learning interventions, including face-to-face and online delivery, to ensure the broadest benefit to members regardless of where they reside.
- SAICA continues to work with its Chartered Accountants Worldwide (CAW) partner institutes to ensure that members can gain value from various CA Institutes worldwide. The Global Accounting Alliance (GAA) Passport also enables members to access the services of various institutes worldwide at the same rate as members of that institute, without having to join the institute.

- SAICA members in Australia can register as Tax and BAS Agents with the Australian Tax Practitioner Board.
- 2. **CAs(SA) are well represented in the New Zealand and Australian ASPAC regions. Is SAICA considering growing this same awareness in other parts of ASPAC such as mainland China, Hong Kong, Singapore and Malaysia?**

SAICA has formed several new committees in various countries over the last two years. The current strategy requires that these new committees be embedded and working optimally before new committees are formed. Members in the abovementioned regions are supported via our efforts in collaboration with Chartered Accountants Worldwide and the Global Accounting Alliance (GAA) Passport.
- 3. **Will the new CPD online platform be coming online in September as previously communicated to members?**

Yes, the new platform will be available to members at the end of September 2022. SAICA will communicate more information in this regard in the coming weeks.
- 4. **Will there be more Ethics online training free of charge so I can ensure my CPD is met?**

SAICA hosts a monthly 2-hour Ethics in Practice Series at a nominal rate to assist members with ethics training. In addition, ethics is also covered in our complimentary monthly TechTalk Series as well as a competency through various other SAICA events and seminars hosted online and face-to-face to support members with the compulsory ethics training for their CPD. More information on our Ethics offering can be found on the SAICA [website](#).
- 5. **Could the latest Code of Conduct be circulated to members before the annual declaration is due? We need enough time to read it, please.**

The latest SAICA Code of Conduct is always available on the SAICA [website](#) for members to read at a time convenient to them. SAICA will distribute links to the Code as well as the CPD Policy in the email notifying them of their obligation to complete the annual declaration. Members are encouraged to look out for these notifications via email, in ASA magazine, and on social media in November.

RELEVANCE AND REPUTATION

- 6. **What action has SAICA taken against Markus Jooste and the Steinhoff CAs(SA)?**

SAICA suspended Markus Jooste's membership in July 2019, pending the outcome of his investigation. SAICA's disciplinary investigation into all members implicated in the Steinhoff matter is ongoing.

SAICA continues to liaise with the relevant regulators on this matter and wishes to make use of the PwC forensic report once it is made public.
- 7. **Can we get a status update on the professionalisation of the Public Sector project? Is there the political will to bring about change? Voters' role in using the ballot box to bring about change: will this ever happen with the current voters' apathy to casting their vote? What is the role of the major companies to bring about economic change and create jobs for the unemployed youth?**

The government's Framework for Professionalisation of the Public Service was issued for comment and SAICA submitted comments to the draft framework. A ministerial task group was subsequently established to finalise the Framework. The term of the task team has come to end and the framework should be released in the near future.

SAICA continues to advocate for the professionalisation of the public sector, as well as for minimum competencies for the public sector. Once minimum competencies regulation exists, it will assist with the professionalisation of the public sector through monitoring, potentially by the AGSA through their audits.

SAICA cannot comment on the political will to bring about change, voters' apathy, or the role of major companies to bring about economic change. SAICA can only comment on its own activities and advocacy, which is outlined in more detail in question 1 above (see 1.4).