

WHAT IS “DEVELOPMENT” AND WHEN IS IT REQUIRED?

One of the most important elements of the SAICA assessment process is the regular 6-monthly ANA meeting between the trainee and their evaluator. This meeting serves as a status check on the trainee’s progress towards demonstrating the competence requirements expected of an entry-level CA (SA).

One of the key questions to be answered in this ANA meeting by the Evaluator is “What is the trainee’s current level of cumulative demonstrated competence to date in each of the tasks?”

If this demonstrated competence to date is at level 4 (advanced, for compulsory and elective tasks or basic, for residual task), then, provided the evaluator believes this level to be sustainable, a recommendation can be made to the assessor to sign that task off as “competent”. Under these circumstances, the trainee would then not need to submit any further evidence of their ability to perform these tasks.

If however the demonstrated competence to date is *not* at level 4, then we start to enter the realm of potential “development” being required and related development plans to address this.

A common misconception

It is commonly believed that a trainee automatically requires development if their demonstrated competence to date is not yet at level 4. This is not true. A trainee who is not yet demonstrating level 4 competence is clearly “not yet competent” from a summative assessment perspective, but this does not necessarily mean that they “require development”.

Defining “development”

Development is only required under the following two circumstances:

- a. Given a trainee’s current cumulative exposure (or lack thereof!) to opportunities to demonstrate competence in a task, the trainee is demonstrating a lower level of competence than what we would have expected of them at this point in time.
- b. Given the remaining period of their training contract, and the work assignments that we expect them to still receive exposure to, a trainee is unlikely to obtain sufficient exposure to a task in the remaining time to enable them to demonstrate level 4 competence.

During the course of their contract, the fact that a trainee is not yet at the final levels of competence required to enter the profession does not imply that development is automatically required.

One needs to remember that trainees will follow a natural path of growth during their 3 to 5 year training contract as they are exposed to appropriate opportunities and training at set points during this period. The consideration of whether development is required or not therefore always needs to be seen in the context of whether the trainee, ***at that specific point in time in their training contract***, is demonstrating a level of competence that is appropriate for that stage or is expected at that point, given their cumulative exposure to date in the task being considered.

The nature of “development” is that it is *remedial*. Typically where development is highlighted as being required, specific (additional / out of the norm / non-standard) action needs to be taken to address a situation that requires correction. If the trainee will develop the required abilities to demonstrate level 4 competence in the normal course of the progression of their training contract, then development is generally not required.

Some considerations that might influence whether an evaluator believes a trainee requires development or not include the following:

1. *Is the trainee on a 3 year, 4 year or 5 year contract?*

Trainees on a 5 year contract will not be expected to develop or progress at the same rate as a trainee on a 3 year contract. Your expectations of competence for a 5 year and a 3 year trainee after 12 months must surely be different? Trainees on a 5 year contract naturally also have a longer time period during which to accumulate evidence to demonstrate competence and there is usually thus not as much of a sense of urgency as one might have with a 3 year trainee.

2. *Have they studied the theory at university yet?*

Trainees on a 3 year contract have a B Com degree while those on a 5 year contract don't. Surely your expectation of competence would thus be different between a trainee who has studied the theory and one who has not?

3. *What training has the trainee received to date?*

Trainees that have attended training in a certain task would be expected to be more capable than trainees who have not yet attended training.

4. *Does the trainee have any specific learning disabilities that should be taken into account?*

It may be completely acceptable that trainees with specific learning disabilities progress more slowly than their peers.

5. *To what degree did they receive on-the-job training?*

Trainees who are generally "thrown in the deep end" are likely to demonstrate lower competence levels than trainees who receive thorough and effective on-the-job training.

6. *What are the future opportunities that this trainee is likely to have in terms of exposure to this task going forward?*

If trainees are unlikely to receive enough further exposure to a task through the normal progression of their contract, then there is a problem (and development is likely to be required)! On the other hand, if the trainee will be scheduled onto numerous similar engagements still, then perhaps there is nothing to worry about right now as development is likely to happen naturally over time.

In most cases, the question of whether development is required or not really boils down to just two things...

1. **AT THIS POINT IN TIME, FOR THIS PARTICULAR TRAINEE, HAVE THEY DEMONSTRATED A LEVEL OF COMPETENCE IN THIS TASK THAT IS IN LINE WITH WHAT YOU WOULD HAVE EXPECTED FROM THEM AT THIS POINT IN TIME?**

If the answer to this question is "Yes", then no development is required (but you will still need to consider the 2nd question).

If the answer is "No", then clearly the trainee is lagging behind where they should be at this point in time and development will be required to get them back to the level they should be at this point in time (regardless of the answer to the 2nd question).

2. WILL THE TRAINEE RECEIVE SUFFICIENT EXPOSURE TO THIS TASK THROUGH THE NORMAL COURSE OF EVENTS IN THE REMAINING TIME IN THEIR CONTRACT TO ENABLE THEM TO DEMONSTRATE EXIT LEVEL REQUIREMENTS BY THE END?

If the answer to this question is “Yes”, then no development is required.

If the answer is “No”, then development will be required. It is important to note here that while a trainee may be on track with their growth (i.e. at a level expected of them at this point in time), if there will not be sufficient future opportunities to increase their demonstrated level of competence to the required exit level, then remedial action will need to be taken...

As you can see, the identification of developmental needs is not always a clear cut decision where one simply says “they aren’t at level 4, therefore development is required!”

Developmental needs HAVE to be considered in light of where you would have expected that *individual* trainee to be, in terms of their current demonstrated levels of competence, in the context of *at least* the following:

- who the trainee is;
- what the firm’s normal progression plan for that trainee is;
- what assignments the trainee has been exposed to so far in that task; and
- whether the trainee still has adequate opportunity to demonstrate competence.