UNIVERSITY OF KWAZULU-NATAL

A STUDY OF MANAGERIAL COMPETENCIES REQUIRED BY MANAGERS TO EFFECTIVELY MANAGE DIVERSITY IN KWAZULU-NATAL

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I would like to express my sincere gratitude to the following people:

DEDICATION

This research is dedicated to my mother, Saraphina NomaSonto Mkhize and my late father, Mr Shayinduku "uMahlathi amnyama asha nezimpande zawo" Daniel Mkhize.

ABSTRACT

Background: There is a shortage of Black chartered accountants, with some progress being made in transforming the industry. Accounting firm managers must be prepared to effectively manage the increasing diversity of the profession.

Methods: The primary objectives of the study are to determine the KZN accounting firms' managers' and trainees' perceptions of diversity management in the accountancy profession; to determine the KZN accounting firms' managers' and trainees' perceptions of the Chartered Accountancy profession Charter (CA Charter); and to identify the accounting firms' managers' and trainees' perceptions of managerial competencies required by managers to effectively manage diversity in KwaZulu-Natal. A prospective, descriptive and analytical, cross-sectional design using systematic sampling was employed. The responses of 45 accounting managers and 114 trainees were analysed.

Results: Both managers and trainees perceived the six managerial competencies important in managing diversity, but the ranking order of perceived importance indicated that there are variations in ratings. Teamwork and self-management competencies were highly rated by managers, while communication and teamwork competencies were highly rated by trainees. A total of 84.4% of managers were male, 44.4% were White, and 91.1% were between 30 to 60 years old. 47.4% of trainees were male, 51.8% were African, and all were between 21 and 30 years old. 42.1% of trainees reported knowledge of the CA Charter, in contrast to 64.4% of managers ($p<0.05$). 34.2% of trainees did not believe that the accounting firm has a plan to retain Black employees, as compared to 4.4% of managers ($p< 0.05$). Both managers and trainees believed that diversity should be led by top management. Trainees were more attached than managers to individuals of the same race ($p<0.05$) and language ($p<0.05$) as themselves.

Conclusion: The managerial competencies are vital for the accounting firms' managers. The study suggests that the accounting firms' managers should consider the importance given by trainees and by themselves in prioritising the most important competencies they require in managing diversity. Accounting firms are encouraged to include the six managerial competencies in the firm's management development programme or training and

development programme. Incongruities exist between managers' and trainees' perceptions of managerial diversity efforts and the equity of remuneration call for greater transparency in existing and future diversity management practices. While the CA Charter remains the guiding professional piece on diversity, poor awareness and the lack of targets/benchmarking may fuel the divided perceptions. The language and race based attachments of both trainees and managers are reminiscent of the divisive and exclusive history of the profession. There is still much work to be done in the way of changing perceptions, attitudes and behaviours, before diversity can be effectively managed.

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CHAPTER 1

Introduction

1.1   INTRODUCTION

This chapter outlines the background to the study, the statement of the research problem, the purpose of the study, and limitations to the study as well as the outline of the study.

1.2   THE BACKGROUND OF THE STUDY

In South Africa, there is only one accounting body i.e., the South African Institute of Chartered Accountants (SAICA) that manages the designation Chartered Accountant (South Africa) – CA (SA). To become a CA (SA), one must complete university studies (Bachelors degree in accounting and Certificate in theory of accounting), a training contract, qualifying examinations (part I and part II) and register with SAICA in order to use the designation CA (SA). Chartered accountants work in the public sector, private sector and in government.

The official SAICA statistics indicate that, in the apartheid era in South Africa, Whites dominated the accounting industry, almost exclusively constituting the profession (Table 1). The under-representation of Black CAs in the profession is a direct result of race-based exclusion in the profession prior to democracy (Khumalo, 2009:5). In the post-apartheid era, the accountancy profession in South Africa is becoming more diverse, with previously disadvantaged races now having access to the prestigious chartered accountancy career. While the elimination of discrimination and the provision of equal opportunities are essential steps forward in the social and economic progress of nations, strong opposition to discriminatory practices in South Africa has only become evident in past in last two decades (Perumal, 1994:8; Hammond, Clayton and Arnold, 2008:1).

Table 1: New admissions to the South African Institute of Chartered Accountants (SAICA) by decade

	White		Asian		Coloured		African		Other		Total	
	n	%	n	%	n	%	n	%	n	%	n	%
1930s	88	100.0	0	0.0	0	0.0	0	0.0	0	0.0	88	100.0
1940s	325	100.0	0	0.0	0	0.0	0	0.0	0	0.0	325	100.0
1950s	793	99.9	0	0.0	0	0.0	0	0.0	1	0.1	794	100.0
1960s	1312	99.5	2	0.2	2	0.2	0	0.0	2	0.2	1318	100.0
1970s	1909	97.3	45	2.3	4	0.2	1	0.1	2	0.1	1961	100.0
1980s	3389	93.7	168	4.6	35	1.0	18	0.5	6	0.2	3616	100.0
1990s	7383	87.9	602	7.2	147	1.8	249	3.0	19	0.2	8400	100.0
2000s	9638	73.6	1711	13.1	502	3.8	1228	9.4	23	0.2	13102	100.0
Total	**24837**		**2528**		**690**		**1496**		**53**		**29604**	

Source: SAICA Help Desk, Tyron Lewis, August 5, 2009

Increasing the number of black accountants and auditors is a national imperative which all stakeholders are working to address. The efforts to balance the scales of race and gender have started to bear fruit. The number of Black candidates taking the CA qualifying examinations has increased dramatically in the recent past, and the pass rate of Black candidates in the professional qualifying examinations increased from 41% in 2007 to 73% in 2008 (Mulder, 2009:5).

Mulder (2009:5) revealed the following statistics:

- Out of 28 483 CAs, a best ever 7 569 (26%) are women and 4 145 (14%) are Black;
- In the 20 to 25 age group, 44% of CAs are Black;
- In the 20 to 25 age group, females make up 52% of the group total;
- A record high 47% of CA trainees are currently Black, while 50% of the total are women;
- In 2008, 17% of first-time qualifying examination candidates were African, 5% Coloured, 14% Asian and the remaining 64% White; and
- 33 Chartered Accountants have a disability.

While the numbers may be viewed with optimism for transformation of the profession, the country's demographics are a stark reminder that the profession still has a long way to go (Khumalo, 2009:5).

1.3   THE STATEMENT OF THE RESEARCH PROBLEM

In the diverse and competitive South African environment, previously excluded racial groups in the chartered accountancy (CA) profession appear to be riding the wave of exclusion. South Africa has a shortage of Black chartered accountants. This situation has arisen due to a combination of political, socio-economic and related educational reasons during the four decades of apartheid rule.

In recent years, numerous academic ventures have commenced in an attempt to increase the number of Black chartered accountants (Weil and Wegner, 1997:307).

The accountancy profession developed a CA Charter complying with the Broad-Based Black Economic Empowerment (B-BBEE) Act with the aim of increasing the number of Black people in the CA profession to more closely reflect the country's population demographics. These efforts are beginning to translate into a more diverse CA workforce, albeit very slowly. The goals of accounting firms will not be achieved if these personnel are not effectively managed. Managers in accounting firms need to develop diversity management skills to be effective in their job because this will result in improved productivity, reduced absenteeism, decreased staff turnover and increased employee job satisfaction (Swanepoel, 2000:7).

Managers in the accounting firms are appointed to their positions without formal qualifications in management or training in diversity management.

1.4   THE PURPOSE OF THE STUDY

Saunders, Lewis and Thornhill (2007:32) state that the objectives are more generally acceptable to the research community as evidence of the research is a clear sense of purpose and direction.

Saunders, Lewis and Thornhill (2007:32) further contend that research objectives are likely to lead to greater specificity than research or investigative questions.

The primary objectives of the study are:

- To determine the KZN accounting firms' managers' and trainees' perceptions of diversity management in the accountancy profession;
- To determine the KZN accounting firms' managers' and trainees' perceptions of the Chartered Accountancy profession Charter (CA Charter); and
- To identify the accounting firms' managers' and trainees' perceptions of managerial competencies required by managers to effectively manage diversity in KwaZulu-Natal.

The findings of this study will provide valuable insights for the accounting firms' managers and the chartered accountancy profession.

1.5   KEY QUESTIONS TO BE ANSWERED IN THE RESEARCH

The key research questions are listed below:

- What are the accounting firms' managers' and trainees' perceptions of diversity management in the accounting firms in KwaZulu-Natal?
- What are the accounting firms' managers' and trainees' perceptions of the CA Charter?
- What are the accounting firms' managers' and trainees' perceptions of   managerial competencies required by managers to effectively manage diversity in KwaZulu- Natal?

1.6   THE LIMITATIONS OF THE STUDY

The study will be limited to the KwaZulu-Natal province (geographical limitation). Accounting firms that are in the Durban and surrounding areas will be considered for this study. Due to financial and logistical constraints, the researcher has decided to conduct the survey in Durban and surrounding areas. A country- wide survey would have been ideal for this study.

The contact details of all the accounting firms in KwaZulu-Natal will be obtained from the head office of the South African Institute of Chartered Accountants (SAICA).

1.7 THE OUTLINE OF THE STUDY

The study is divided into the following chapters:

Chapter 1: Introduction

This chapter presents the background of the study, the statement of the research problem, the purpose of the study, the definitions of terms and outline of the chapters.

Chapter 2: Managerial Competencies

This chapter presents the concept of competencies, the competency models and the managerial competencies as defined by Hellriegel, Jackson and Slocum (2005:2-26).

Chapter 3: Diversity Management

This chapter presents a review of reversing exclusion initiatives in the accountancy profession in some racially diverse countries, examines diversity management: the concepts and dimensions of diversity, the imperatives for understanding and managing diversity, benefits gained by managing diversity, results of failure in managing diversity, managing and valuing diversity, affirmative action and diversity management, diversity forum and diversity training. This chapter also addresses the challenges for managing diversity in the accounting profession, a best practical model for creating an organisational culture that appreciates and values diversity, ways in which organisations implement a policy of diversity management, and ways in which organisations implement a policy of diversity management. Finally, the resistance to diversity is discussed.

Chapter 4: Research Methodology

This chapter presents the research methodology used in the study: the research design, research questions (guiding the substance of the research), research instrument, participants, pilot study, analysis and interpreting data, the statistical methodology for analysing and

interpreting the data, and ethical considerations.

Chapter 5:   Research Results

This chapter deals with analysis and interpretation of data. The Statistical Package for Social Sciences (SPSS) is used to analyse and interpret data. Statistical tests are used where applicable.

Chapter 6:   Discussion of Research Results

The data presented in Chapter 5 are interpreted into meaningful knowledge and information. Therefore, all significant relationships are highlighted and discussed in relation to relevant theory and research questions.

Chapter 7:   Conclusions and Recommendations
.
This chapter draws conclusions and also makes recommendations

1.6   CONCLUSION

This chapter has clearly outlined the background to the study, the research problem, the purpose of study, and limitations to the study as well as the outline of the study.

The next chapter presents an extensive literature review on managerial competencies.

CHAPTER 2

Managerial Competencies

2.1   INTRODUCTION

The changing nature of the workforce requires organisations to develop competent managers who can be entrusted with the responsibility to transform their organisations (Mbokazi, Visser and Fourie., 2004:1). The organisations must be able to identify and maintain an adequate number of qualified managers in order to effectively compete in the marketplace (Harvey and Richey, 2001; McKenna, 1998; Sinkovics, Bell, and Deans, 2004; cited by Wu and Lee., 2005:499). It is the competency of managers that determines the returns that organisations realise from their human capital (Boyatzis *et al*., 1992, as cited by Mbokazi, Visser and Fourie, 2004:1). Organisations need to effectively enforce manager selection with multiple intelligences as specific competencies (Harvey and Richey, 2001; Harvey *et al.*, 2002; cited by Wu and Lee, 2005:499). Organisations must also assist managers to identify and cultivate their competencies. This action will assist in maintaining sufficient staff of capable managers (Wu and Lee, 2005: 499).

This chapter discusses the concept of competencies, the competency models and the managerial competencies, as defined by Hellriegel, Jackson and Slocum (2005:4-26).

2.2   THE CONCEPT OF COMPETENCIES

There are two approaches to competencies, the United States (US) competency approach and the United Kingdom (UK) competency approach:

2.2.1 THE US COMPETENCY APPROACH
(ALSO CALLED WORKER-ORIENTATED APPROACH)

The concept of competency has been developed by David McClelland and The McBer & company – headed by Richard Boyatzis, in the early 1970s, initiated by the Amarican Management Association (AMA). AMA envisaged that the research would lead to a programme for the development of superior managers and reveal what makes managers competent and design a programme where managers could learn these competencies (Hefferman and Flood, 2000: 129 and Wu and Lee, 2005: 500).

McClelland's research set out to identify those variables that – unlike intelligence testing or other measures – successfully predicted job performance or success in life. He found what he termed "competencies" that can be shown to predict effective or superior performance in a job. He also found that by evaluating people for competencies it would be possible to predict their performance. Boyatzis built on McClelland's research and investigated which characteristics of managers are related to effective performance (Hefferman and Flood, 2000: 129; Wu and Lee, 2005:500). Schoonover *et al.* (2000); as cited by Wu and Lee. (2005:500), remark that competencies provide significant help with key problems such as: clarifying workforce standards and expectations; and aligning individuals with the organisation's business strategies.

Competency is broadly defined as an underlying characteristic of an employee. It could be a "motive, trait, skill, aspect of one's self-image or social role, or a body of knowledge which he or she uses to complete the tasks/job successfully (Boyatzis, 1982, as cited by Mbokazi, Visser and Fourie, 2004:2; Hefferman and Flood, 2000:129). This view is supported by Hellriegel, Jackson and Slocum, (2005:4) who define competency as a combination of knowledge, skills, attitudes and behaviours and other characteristics (KSABOs) that contribute to employee effectiveness. UNIDO (2002:8) concurs with the definition of Hellriegel et al. and further display the competency graphic (see Figure 1 for the competency graphic display).

Figure 1: Competency graphic display
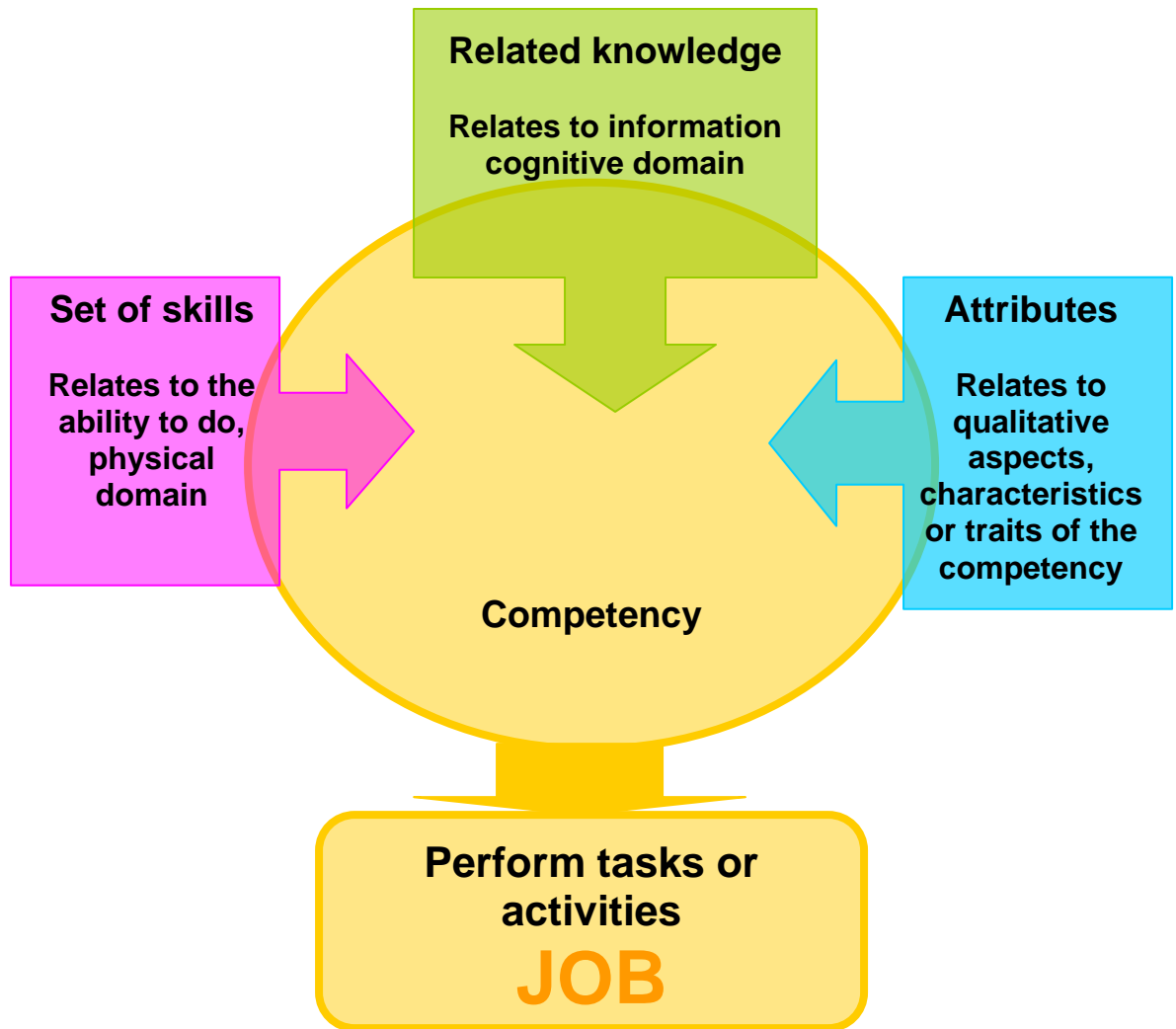
Source: UNIDO (2002: 9)

Figure 1 indicates that competency is a set of skills, related knowledge and characteristics or attributes that one needs to perform effectively tasks or activities.

2.2.2 THE UK COMPETENCY APPROACH
(ALSO CALLED WORK-ORIENTATED APPROACH)

The UK's Management Charter Initiative (MCI) emerged in 1988 to improve the performance of UK organisations by enhancing the quality of their managers (Siu, 1988: 254). The UK competency approach placed emphasis on the behavioural aspect of a competency by defining it as a set of behaviour patterns the employee needs to bring to a position in order to perform its tasks and functions with competence (Mbokazi, Visser and Fourie, 2004:2). The UK competency approach suggests not only skills and knowledge but also the range of qualities of personal effectiveness required to get a job done (Hefferman and Flood, 2000:129).

Through extensive research work with the employers and managers of large and small organisations within the industrial, public and industrial sectors, MCI identified standards of performance expected by employers of competent managers at different levels (senior, middle, first line and supervisory). The National Vocational Qualifications (NVQ) became the first nationally agreed statement of what effective management performance is and the levels of performance that employers expect. These NVQs have potential applications in a number of areas (Siu, 1998:255):

- Identify competencies that a manager already acquired;
- Identify training and development needs;
- Design learning approaches;
- Measure abilities against national standards;
- Select and recruit managers;
- Appraise managers' performance; and
- Decide promotion requirements.

Meyer and Semark (1996:99) provide a useful case both for and against the MCI approach in which he highlights the need for a flexible, holistic and situation specific approach to management competency. One of the basic criticisms of the work-oriented approach is that a

list of work activities does not sufficiently indicate the attributes required to accomplish those activities efficiently (Raven, 1994; cited by Sandberg, 2000:10).

For the purposes of this study, the US competency approach applies.

2.3   COMPETENCY MODEL

Wu and Lee (2005:499) state that it is now a leading company strategy to apply competency model to assist managers develop their competencies. The competency model is a set of competencies, namely, success factors which include the key behaviours required for excellent performance in a particular role (Schoonover, Schoonover, Nomerov, & Ehly, 2000, as cited by Wu and Lee, 2005: 499). The competency model can be used to identify the competencies which employees need to improve performance in their current job or to prepare for the jobs (Sinnott, Madison, and Pataki, 2002; as cited by Wu and Lee, 2005:499).

Developing and training of management on key competencies have become the focus of much attention during the past two decades (Mbokazi, Visser and Fourie, 2004:2). Several surveys report that numerous modern enterprises are progressively adopting competency models as essential management technologies to enhance their competitiveness (JPC-SED, 2002; Schoonover *et al*., 2000; as cited by Wu and Lee, 2005:499).

Mbokazi, Visser and Fourie (2004:2) indicated that managers need competencies for managing themselves, competencies to manage other people and competencies to manage the task. Mbokazi, Visser and Fourie (2004:2) further assert that Schein (1987) placed emphasis on the responsibility of the manager to, firstly, set objectives, plan, take decisions, and organise work in the organisation and to, secondly, motivate, measure, control and develop other people.

The Hellriegel, Jackson and Slocum (2005) managerial competency model applies to the study because it covers many managerial competency dimensions (See Table 2 for the Hellriegel *et al.* six clusters of management competencies and Figure 2 for the Hellriegel *et al*. managerial competencies model graphic display).

Table 2: Hellriegel *et al.* six clusters of management competencies

Communication competency
• Information communication
• Formal communication
• Negotiation
Planning and administration competency
• Information gathering, analysis and problem solving
• Planning and organising projects
• Time management
• Budgeting & financial management
Teamwork competency
• Designing teams
• Creating a supportive environment
• Managing team dynamics
Strategic action competency
• Understanding the industry
• Understanding the organisation
• Taking strategic actions
Global awareness competency
• Cultural knowledge & understanding
• Cultural openness & sensitivity
Self-management competency
• Integrity & ethical conduct
• Personal drive & resilience
• Balancing work & life issues
• Self-awareness & development

Source: Hellriegel *et al.* (2005: 5)

Figure 2: Managerial competencies model graphic display
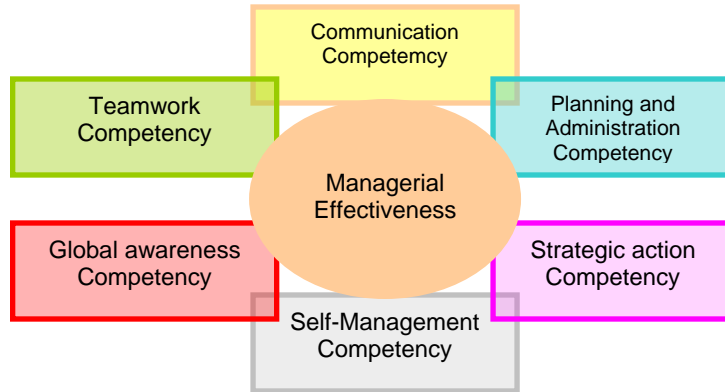
Source: Hellriegel *et al*. (2005:5)

2.4 MANAGERIAL COMPETENCIES

The managerial competencies are discussed below.

2.4.1 COMMUNICATION COMPETENCY

Communication competency refers to the effective transmission of information from one person to another (Ferreira, 2006:274). This includes informal communication, formal communication and negotiations. Managers are required to promote understanding between themselves and the diverse workforce through proper communication (Steyn, de Klerk and Steyn, 2006:323). It is estimated that an average person spends four fifths of his or her working life communicating (Bendix, 2004:305, cited by Ferreira, 2006:274). Communicating with a lot of managers does not mean that they are effective and efficient. A manager is an efficient communicator if he/she can transmit a message accurately in the least time. A manager is an effective communicator if a message is accurately understood by the other person (Kinicki and Williams, 2006:484).

Hellriegel *et al.* (2007:14) state that communication competency is the ability to effectively transfer and exchange information that leads to understanding between managers and others

in the firm. They further state that managing involves getting work done through other people (employees). Communication competency is essential to effective managerial performance and includes the following: *Informal communication* - A manager promotes two-way communication by asking for feedback, listening and creating a give-and-take conversation, has awareness of others' feelings, and builds strong interpersonal relationships with a diverse range of people (Hellriegel *et al.*, 2007:14). *Formal communication* - A manager informs people of relevant events and activities and keeps them up date; makes persuasive, high-impact public presentations and handles questions well; and writes clearly, concisely, and effectively, using a variety of computer-based resources (Hellriegel *et al*., 2007:14). *Negotiation* - A manager negotiates effectively on behalf of a team over roles and resources; is skilled at developing relationships and exercising influence upward with superiors; and takes decisive and fair actions when handling problem subordinates (Hellriegel *et al.*, 2007:14).

Hellriegel *et al.* (2007:14) state that management recruiters must look for people who can communicate effectively. Robbins (2001:283) asserts that research indicates that poor communication is probably the most frequently cited source of interpersonal conflict, because individuals spend approximately 70% of their working hours communicating – writing, reading, speaking and listening. Goodman, fandt, Michiltsch and Lewis (2007:266) assert that even a fairly simple and straightforward exchange of factual information is subject to distortion and miscommunication. They indicate the following three most important points to remember in meeting the challenge of communication competency: (a) expect to be misunderstood by at least some listeners and readers; (b) expect to misunderstand others; and (c) strive to reduce the degree of such misunderstandings, but one should never expect total elimination of them or the ability to anticipate all possible outcomes.

2.4.2   PLANNING AND ADMINISTRATION COMPETENCY

Planning and administration competency involves deciding what tasks need to be done, determining how they can be done, allocating resources to enable them to be done, and monitoring progress to ensure that they are done (Hellriegel *et al.*, 2007:15). Steyn and Steyn (2006:323) state that managers are required to plan properly in order to effectively and

efficiently achieve organisational goals and objectives. They further state that planning and administration competency comes to mind first when people think about managers and managing. Planning and administration competency includes the following dimensions: *Information gathering, analysis, and problem solving* - A manager monitors information and uses it to identify symptoms, problems, and alternative solutions; makes timely decisions; and takes calculated risks and anticipate the consequences. *Planning and organising projects* - A manager develops plans and schedules to achieve goals efficiently; assigns priorities to tasks and delegates responsibility; and determines, obtains, and organises necessary resources to accomplish the task. *Time management* - A manager handles several issues and projects at one time but doesn't spread himself/herself too thin; monitors and keeps to a schedule or changes schedule if needed; and works effectively under time pressure. *Budgeting and financial management* - A manager understands budgets, cash flows, financial reports, and annual reports and regularly uses such information to make decisions; keeps accurate and complete financial records; and creates budgetary guidelines for others and works within the guidelines given by others (Hellriegel *et al.*, 2007:16).

2.4.3   TEAMWORK COMPETENCY

Teamwork competency refers to accomplishing tasks through small groups of people who are collectively responsible and whose work is interdependent (Hellriegel *et al.*, 2007:15). Managers in companies that utilise teams can become more effective by: *Designing teams* - A manager formulates clear objectives that inspire team members to perform; appropriately staffs the team, taking into account the value of diverse ideas and technical skills needed; and defines responsibilities for the team as a whole and assigns tasks and responsibilities to individual team members as appropriate, as well as creates systems for monitoring team performance. *Creating a supportive* environment - A manager creates an environment in which effective teamwork is expected, recognised, praised, and rewarded; assists the team in identifying and acquiring the resources it needs to accomplish its goals and acts as a coach, counsellor, and mentor, being patient with team members as they learn. *Managing team dynamics* - A manager understands the strengths and weaknesses of team members and uses their strengths to accomplish tasks as a team; brings conflict and dissent into the open and uses it to enhance performance; and shares credit with others (Hellriegel *et al.*, 2007:17).

Managers are encouraged to use different types of teams such as problem-solving teams, self-managed teams, cross-functional teams and virtual teams because utilising work teams results in improved productivity, reduced absenteeism, decreased staff turnover and increased employee job satisfaction.

Robbins (2001:257) asserts that the evidence suggests that teams typically outperform individuals when the tasks being done require multiple skills, judgement, and experience. As organisations have structured themselves to compete more effectively and efficiently, they have turned to teams as a way to better utilise employee talents.

In South Africa, with the cultural diversity, it is highly likely that workforce and work-teams will be diverse. Managers are encouraged to manage diversity in their organisations and provide diversity training and education programmes for team members (Swanepoel, 2000:53). South African organisations that perform poorly in terms of profit, productivity and quality can only benefit by making greater use of teams, especially to become more competitive nationally and internationally and become more innovative (Swanepoel, 2000:51).

Robbins (2001:264-269) states that creating effective teams need the following factors: (a) abilities of members – technical expertise, problem-solving skills, decision-making skills and interpersonal skills; (b) size of work teams – about 10 to 12 members to ensure the cohesiveness, commitment, and mutual accountability necessary to achieve high performance; (c) allocating roles and diversity – select team members to ensure that there is diversity and that all various roles are filled and understand individual strengths; (d) member flexibility – select members who value flexibility; (e) member preference – give employees a chance to select themselves; (f) adequate resources – scarcity of resources reduces the ability of the team to perform its job effectively; (g) leadership and structure – Who does what? and team members must ensure that all members contribute equally; and (h) performance evaluation and reward systems – group-based appraisal must be considered by management.

2.4.4   STRATEGIC ACTION COMPETENCY

Strategic action competency refers to understanding the overall mission and values of the organisation and ensuring that one's actions and those of people one manages are aligned with them (Hellriegel *et al.*, 2007:17).

Hellriegel *et al.* (2007:17-18) state that strategic action competency includes the following dimensions: *Understanding the Industry* - A manager understands the industry and quickly recognises when changes in the industry create significant threats and opportunities; stays informed of the actions of competitors and strategic partners; and can analyse general trends in the industry and their implications for the future. *Understanding the organisation* - A manager understands the concerns of stakeholders; understands the strengths and limitations of various business strategies; and understands the distinctive competencies of the organisation. *Taking strategic actions* - A manager assigns priorities and makes decisions that are consistent with the firm's mission and strategic goals; recognises the management challenges of alternative strategies and addresses them; and establishes tactical and operational goals that facilitate strategy implementation.

Managers and other employees who understand the industry can accurately anticipate strategic trends and prepare for the future needs of the organisation, and they are less likely to find themselves looking for new jobs when the organisation changes direction (Hellriegel *et al.*, 2007:17).

2.4.5   GLOBAL AWARENESS COMPETENCY

Since 1994, sanctions and restrictive import and export regulations have been lifted, and South Africa has become part of the global village. South African organisations are forming joint ventures with foreign partners (Swanepoel, 2000:5)

Global awareness competency refers to a manager's ability to draw on the human, financial, information, and material resources from multiple countries and serving markets that span multiple cultures (Hellriegel *et al*., 2007:18).

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Hellriegel *et al.* (2007:18) further state that managers must be prepared to develop a global awareness competency because they will probably work for an organisation that has an international component.

This competency has the following dimensions: *Cultural knowledge and understanding* - A manager stays informed of political, social, and economic trends and events around the world; recognises the impact of global events on the organisation; and understands, reads, and speaks more than one language fluently. *Cultural openness and sensitivity* - A manager understands the nature of national, ethnic, and cultural differences and is open to examining these differences honestly and objectively; is sensitive to cultural cues and is able to adapt quickly to novel situations; and appropriately adjusts his/her own behaviour when interacting with people from various national, ethnic, and cultural backgrounds (Hellriegel *et al.*, 2007:20).

Since 1994, sanctions and restrictive import and export regulations have been lifted, and South Africa has become part of the global village. South African organisations are forming joint ventures with foreign partners (Swanepoel, 2000:5). Globalisation affects a manager's people skills in at least two ways: (a) managers are increasingly likely to find themselves in a foreign assignment where they will manage a workforce that is different in needs, aspirations, and attitudes; and (b) even in their own country, managers will find themselves with bosses, peers, and other employees who were born and raised in different cultures. He asserts that to work effectively with these people, one has to understand their culture, how it has shaped them, and how to adapt one's management style to their differences (Robbins, 2001:13).

Northcliff Melville Times (29 October 1999), cited by Swanepoel (2000:5), states that in few places in the world can one find such a diverse workforce as in South Africa. Our organisations are heterogeneous in terms of gender, age, race and ethnicity (11 official languages!). In addition, South Africa has an influx of Asian workers, as well as workers from neighbouring and other African countries. In Johannesburg, the Linden police station needs linguists fluent in Chinese, Portuguese, French and other languages to assist them.

2.4.6   SELF-MANAGEMENT COMPETENCY

Self-management competency refers to taking responsibility for one's life at work and beyond (Hellriegel *et al.*, 2007:21).

Williams (2007:534) asserts that self-management (also known as self-control) is a control system in which managers and workers control their own behaviour by setting their own goals, monitoring their own progress, and rewarding themselves for goal achievement.

Hellriegel *et al.* (2007:21) assert that when things are not going well, employees tend to blame their difficulties on the situations in which they find themselves in or blame their difficulties on others.

Self-management competency includes the following dimensions: *Integrity and ethical conduct* - A manager has clear personal standards that serve as a foundation for maintaining a sense of integrity and ethical conduct; is willing to admit mistakes; and accepts responsibility for his/her own actions. *Personal drive and resilience* - A manager seeks responsibility and is ambitious and motivated to achieve objectives; works hard to get things done; and shows perseverance in the face of obstacles and bounces back from failure. *Balancing work and life issues* - A manager strikes a reasonable balance between work and other life activities so that neither aspect of living is neglected; takes good care of him/herself, mentally and physically, and uses constructive outlets to vent frustration and reduce tension; and assesses and establishes own life- and work-related goals. *Self-awareness and development* - A manager has clear personal and career goals; uses strengths to advantage while seeking to improve or compensate for weaknesses; and analyses and learns from work and life experiences (Hellriegel *et al.*, 2007:23).

Research shows that people, who take advantage of the development and training opportunities that employers offer, learn much from them and advance more quickly than those who do not take advantage of them. Derailment awaits managers who fail to develop their competencies. A derailed manager is one who has moved into a position of managerial responsibilities. The most common reasons for derailment are: (1) problems with interpersonal relationships (weak communication competence) and inability to lead a team

(weak in teamwork competency); (2) inability to learn, develop, and adapt (weak in self-management competency); (3) performance problems (weak in planning and administration competency); and (4) having a narrow functional perspective (lacking strong strategic action and global awareness competencies) (Hellriegel *et al*., 2007:22).

2.4   OTHER COMPETENCY MODELS

Mbokazi, Visser and Fourie (2004:3) outline some of the models indicating numerous management competencies. These management competencies are briefly summarised in Table 3.

Table 3: Other competency models

Katz (1974)	Boyatzis (1982)	Mintzberg (1980)	Williamson (1981)
	Leadership	Leadership skills	
Human skills	Human resource	Interpersonal role	Interpersonal leadership
Conceptual skills	Directing subordinates	Information role	Management control
	Focus on others		
		Decisional role	Drive
Technical skills	Goal & action management		Decision-making
	Specialised knowledge		Administrative
Peter (1984)	**Bennis & Nanus(1985)**	**Schein (1987)**	**Stewart (1987)**
Interpersonal skills	Management of trust	Interpersonal skills	Managing other people
Management of meaning	Management of meaning	Analytical skills	Managing business
Management of self	Management of self		Managing yourself
Administrative skills Work values	Management of attention		
Hofmeyer (1990)	**Mann & Staudenmier (1991)**	**Saville & Holdsworth Ltd (SHL) (1994)**	**Mc Dermott (1995)**
Strategic planning	Leadership skills Change management	Leadership	Strategic leadership
People skills interpersonal skills	Team building skills	Interpersonal	Team participation

Analoui (1995)	Education Review Office (1995)	Cockerill, Hunt & Schroder (2000)	Profiles International Inc. (2000)
Analytical skills Financial management skills	Performance management	Analytical	
		Business awareness	Personal development
		Dynamism	
Technical skills Marketing skills	Skills to implement business strategy Quality control skills	Operational	
Analoui (1995)	**Education Review Office (1995)**	**Cockerill, Hunt & Schroder (2000)**	**Profiles International Inc. (2000)**
			Communication & leadership
Managing other people	Interpersonal relationships adaptability	Inspirational	Relationships & adaptability
Managing work	Results-oriented intellectual	Thinking achieving	Task management & production
Managing self		Developmental	Self-development & development of others
	Technical		

Source: Mbokazi *et al.* (2004:3)

The managerial competencies outlined in Table 3 were not applied in the study. Only the Hellriegel, Jackson and Slocum (2005) managerial competencies model applies to the study as it covers many managerial competencies.

2.5   CONCLUSION

The managerial competencies determine the effectiveness of managers in their job performance. Therefore, it is essential for managers to have a thorough understanding of the six managerial competencies discussed above.

It is essential for managers to continuously develop their managerial competencies because the challenges they are facing on the job are constantly changing. Identifying one's strengths and development needs is the first important step in the process of improving one's

managerial performance (Hellriegel *et al.*, 2005:26). Chapter three presents an extensive literature review on diversity management.

CHAPTER 3

Diversity Management

3.1 INTRODUCTION

Internationally, there is a gradual shift of focus in theory and practice from managing affirmative action to that of managing diversity (Greybe and Uys, 2001:185). In many parts of the world, political, social and economic changes have resulted in an increased diversity workforce, creating additional challenges for the accountancy profession managers. The South African accountancy profession is no exception (Uys, 2003a:30).

This chapter presents the review of reversing exclusion initiatives in the accountancy profession in some racially diverse countries, examine diversity management: the concepts and dimensions of diversity, benefits gained by managing diversity, results of failure in managing diversity, managing and valuing diversity, affirmative action and diversity management, diversity forum and diversity training. Moreover, this chapter focuses on the challenges of managing diversity in the accountancy profession, the strategies for managing diversity and ways in which organisations implement a policy of diversity management. Finally, the resistance to diversity will be discussed.

3.2 REVERSING EXCLUSION IN THE ACCOUNTANCY PROFESSION IN SOME RACIALLY DIVERSE COUNTRIES: A GLOBAL PERSPECTIVE

The constitution of the accountancy profession at independence, in many racially diverse ex-colonies, was the legacy of the prejudicial exclusion of non-whites in the colonial era. The new post-independence governments actively intervened to reverse the exclusion of indigenous peoples and secure the success of local professionalisation projects (Sian, 2007:835).

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Kenya: In Kenya, affirmative action programmes were instituted by government as restitution for the injustices suffered under colonisation. Perumal (1994:15) states that affirmative action for equal employment opportunity is aimed at the elimination of discrimination against those persons previously treated unfairly by the employment policies and practices of a given institution.

A study undertaken in Kenya, reversing exclusionary closure in the accountancy profession and facilitating the entry of Africans, suggests that, in accountancy, some societies continued to experience discrimination (Sian, 2007:867). He further states that there was evidence of tokenism as many of the pioneer Africans were given positions with grand titles but little associated responsibility. Evidence presented suggests that whilst the Africanisation policy may have been successful in assisting entry to the profession, its consequences impaired progress in a non-African dominated environment. Maphai (1992:7), as cited by Perumal (1994:64), assert that affirmative action leads to tokenism where companies have Blacks and women purely to fill some kind of quota system. This tragedy of such situations is that the Black is promoted to a management position but is not empowered to perform the required duties.

Trinidad and Tobago: In both Trinidad and Tobago and Jamaica, the post-independence governments also acted to encourage the entry of Black accountants to the profession and legislated for the creation of a local professional body (Annisette, 1999 and Bakre, 2005, cited by Sian, 2007:868).

Fiji: The experiences of various countries, including Fiji, show that affirmative action works in complex ways and involves interplay of economic, political and cultural factors (Retuva, 2002:131, cited by Nandan and Alam, 2005:13). The affirmative action goals are not achieved and the beneficiaries are mostly privileged individuals and groups linked to the established power structure (Nandan and Alam, 2005:13).

Malaysia: In Malaysia, an ex British colony, the Government's intervention in professional organisations was seen as an attempt to orchestrate social change through the implementation of its "New Economic Policy". The objective was to increase the number of Bumiputra (indigenous) accountants, who had been previously marginalised (Susela, 1999, as cited by

Sian, 2007:835).

New Zealand: In New Zealand, Kim (2004:112) discloses that the Chinese seem to have experienced difficulties in gaining access to the accountancy profession. Whites still constitute more than 78% of New Zealand accountants and very little attention has been given to the issue of racial disparity by both the accountancy profession and accounting academia. Kim (2004:95) further asserts that the existence of ongoing imperialism against Chinese and the politics of "difference" have been the most efficient tools in excluding the Chinese accountants from the centre of the power structure within the accountancy profession in New Zealand.

United States of America: Simon (1986:50), as cited by Perumal (1994:17), asserts that the concept of affirmative action finds its origins in the United States of America. Perumal (1994:17) further states that this is confirmed in a study by Maphai (1989:2) who adds that it began as a series of executive orders to implement equal opportunity for Blacks. In America, discrimination on the basis of race was outlawed by Title VII of the Civil Rights Act of 1964. Prior to this, the profession had exercised "relentless discrimination" against Black entrants and Black CPA's, arguing consistently that clients would not accept non-white auditors (Hammond, 1997, 2002; Hammond and Streeter, 1994, as cited by Sian, 2007:836). The Civil Rights movement and the implementation of affirmative action programmes led to a significant shift in public attitude and, in accountancy, to the profession endorsing the active recruitment of Black CPAs by the end of the 1960s (Hammond, 2002, as cited by Sian, 2007:836). It was only in the 1960s that executive orders, issued under Kennedy, made provisions to include Blacks and women in employment legislation and further offered strict penalties for non compliance (Perumal, 1994:18).

South Africa: In South Africa, several laws have been introduced to ensure workplace equity; the most important is the Broad-Based Black Economic Empowerment (B-BBEE) Act (No. 53 of 2003). Jack and Harris (2007:5) indicate that Black Economic Empowerment (BEE) has been in existence in various forms since the fall of the apartheid government. It is merely Black people demanding a slice of the economic cake. The South African government defines B-BBEE as an integrated and coherent socio-economic process that directly contributes to the economic transformation of South Africa and brings about significant

increases in the numbers of Black people (Dti, 2003:12).

The following objectives are outlined in the B-BBEE strategy document released by the Department of Trade and Industry:

- Increase participation of Black people in the economy;
- Increase the number of Black people who own and control existing and new enterprises in the priority sectors of the economy;
- A significant increase in the number of new Black enterprises, Black-empowered enterprises and Black-engendered enterprises;
- A significant increase in the number of Black people in executive and senior management of enterprises;
- Increase proportion of the ownership and management of economic activities vested in community and broad-based enterprises and co-operatives;
- Increase ownership of land and productive assets of Black people;
- Accelerated and shared economic growth; and
- Promote access to finance by Black people and reduce income inequalities.

(Source: Department of Trade and Industry, 2007:13-14)

The CA Charter: The SAICA and 14 stakeholders developed and signed in Bruma, Gauteng on 30 November 2007, a Chartered Accountancy (CA) Charter that is in line with the B-BBEE act. The CA Charter aims to reverse the race-based exclusion in the accountancy profession.

The vision of the CA Charter is to grow the number of Black people in the Chartered Accountancy profession to reflect the country's population demographics and to empower and enable them to meaningfully participate in and sustain the growth of the economy, in the process of advancing equal opportunity and equitable income distribution (CA Charter, 2007:6).

The overall objective of the CA Charter is to promote economic growth and transformation to enable meaningful participation of Black people to increase equitable income distribution and bring about equal opportunities.

The objectives of the CA Charter are clearly expressed in the CA Charter document released by the charter council. The Charter has the following objectives:

CA Profession
- The achievement of a meaningful change in racial and gender composition as well as throughput pass percentages of persons studying towards a CTA or equivalent at accredited higher education institutions, so that ultimately the membership of the CA profession will reflect the demographics of South Africa;
- Bring about a meaningful change in both the racial and gender composition of persons on accountancy learnerships, so that ultimately the CA membership composition will reflect the demographics of the country; and
- Supporting the development and upliftment of rural and local communities through wealth creation, by means of skills development (of school learners and educators as well as Black business), on the one hand, and socio-economic development projects, on the other, thereby increasing equitable income distribution and equal opportunities for all.

CA Sector
- Bringing about a meaningful change in the racial and gender composition of ownership and management structures within the CA sector so as to reflect the demographics of the country;
- Achieving meaningful change in the racial and gender composition of all persons employed in the sector, including the granting of bursaries to Black students and learners on learnerships, by means of skills development programmes, so that ultimately the composition of the CA sector will reflect the demographics of South Africa;
- Promoting and using preferential procurement policies that will provide emerging Black enterprises, and especially those in the CA sector, with opportunities to expand their output to attain sustainable development; and
- Supporting the development and upliftment of local and rural communities through socio-economic development projects, thereby increasing equitable income distribution and equal opportunities for all. (CA Charter, 2007:9)

Ignatius Sehoole, SAICA executive president and chairperson of the Charter council, said

that "transformation will take too long if left purely on economic forces and active intervention on a very large scale would be required to redress the situation" (Financial Mail, 2008:72).

Jack and Harris (2007:215) state that one cannot be apologetic about B-BBEE. One cannot allow pessimism to make one throw the baby of B-BBEE out with the water of concerns and resistance to the whole concept of BBE. B-BBEE is a necessity of apartheid legacy and is needed to narrow the socio-economic gap that exists.

Jack and Harris (2007:215) further state that one must be cognisant of and remain alert to the voices when implementing BEE. Extremism and aggression in implementation can result in an imbalanced situation that will lead to economic instability. Equally, one cannot follow a laissez-faire attitude by expecting the market to drive BEE implementation. The markets have not driven meaningful BEE in the first decade of democracy.

Stanley Subramoney, the Charter council member (large practices representative) indicated that "the CA Charter is a milestone for the profession and milestone for the country as well. As profession we must be proud of this charter, we will make significant difference to the chartered accountancy profession" (B-BBEE Broadcast, 2008).

Phillip Hourquebie, the Charter council member (SAICA representative) emphasized that "we are united around a common vision now. I can confidently say we understand what we need to do to achieve the vision collectively and individually" (B-BBEE Broadcast, 2008). The overall objective of the CA Charter is to promote economic growth and transformation to enable meaningful participation of Black people to increase equitable income distribution and bring about equal opportunities (CA Charter, 2007:9).

Stanley Subramoney said that "the accountancy profession will apply to the Government to gazette the CA Charter as a sector code. All stakeholders are to abide by the spirit and letter of the magnificent peace of CA Charter. The Charter council made by eminent persons from the CA profession and commerce and industry play an oversight role to the processes and progress. Companies and firms will submit on voluntary basis their ratings and will seek advice from the charter council" (B-BBEE Broadcast, 2008).

Stanley Subramoney stressed that the role for SAICA is to provide administrative and secretarial support.

Charter council duties are to oversee implementation, provide challenge and guidance, collate scorecards, compile reports, monitor progress against targets, review targets, if appropriate, and report to government (B-BBEE Broadcast, 2008).

The benefits of the CA Charter are to develop skills, increase the trainee pipeline, unite the profession around B-BBEE vision, enhance the CA designation, create equal opportunity and income distribution, enhance reputation of the profession, contribute to growth in the economy and increase the CA (SA) population (B-BBEE Broadcast, 2008).

In terms of the BEE scorecard, the Charter outlines the Chartered Accountancy profession's seven elements and weighting points attached to each element. The weighting points per codes of good practice compared to the Chartered Accountancy profession Charter are presented in Table 4.

Table 4: Weighting points per code of good practice

KEY ELEMENT	Code	CA Sector
Ownership	20%	20%
Management control	10%	10%
Employment equity	15%	20%
Skills development	15%	20%
Preferential procurement	20%	10%
Enterprise development	15%	15%
Socio-economic development contribution	5%	5%
Total	100%	100%

Source: CA Charter (2007:5)

Philip Hourqubie, CEO Ernst & Young and Charter council member, explained that "the main difference between the charter and the scorecard is that skills development is weighted higher in the charter (20 against 15 in the scorecard) because skills are crucial to the industry, while procurement has been downgraded from 20 to 10" (Financial Mail, 2008:72).

Stanley Subramoney, presented a view that "practitioners should view the CA Charter as a tool to grow our profession, not as a compliance scorecard. We want to attract the best quality skills out there and the spirit of the charter should be embraced" (B-BBEE Broadcast, 2008).

Qualifying small enterprises (QSE) are required to choose any four of the seven elements of B-BBEE mentioned below (Refer to Table 5).

Table 5: Weighting points for the QSE

KEY ELEMENT	Element weighting for QSE	
Ownership	25%	
Management control	25%	
Employment equity	25%	
Skills development	25%	any four may be selected
Preferential procurement	25%	
Enterprise development	25%	
Socio-economic development contribution	25%	
Total	100%	

Source: CA Charter (2008:6)

Any enterprise with an annual total revenue of between R5 million and R35 million qualifies as QSE. The Accountancy profession has prepared a generic scorecard for the CA sector as it is required by the B-BBEE Act (No. 53 of 2003).

Smit *et al.* (2002), as cited by Bates *et al.* (2006:32), assert that diversity is not affirmative action. While affirmative action is necessary to correct past imbalances, it cannot be seen as diversity. Affirmative action is government initiated, whereas diversity is totally natural. Affirmative action is imposed by law on people and organisations. The acknowledgement of diversity, on the other hand, is a voluntary act of understanding other people.

Smit, Palmer, Theron and Van Der Merwe (1997:455) state that some organisations simply ignore diversity of the workforce and treat their diverse workforce as if it were homogeneous.

Smit *et al.* (1997:456) further state that the results are usually reflected by poor performance of individuals as well as the organisation.

With the anticipated growth of the demographically represented workforce to be presented by the CA Charter in the accounting firms in South Africa, the issue of managing diverse workforce has to come to the forefront.

3.3   THE CONCEPTS AND DIMENSIONS OF DIVERSITY

The accounting managers in South Africa are faced with a challenge of adapting to a workforce that is increasing in diversity. Diversity is the presence of people with subjective identities based on unique primary (inborn) and secondary (learnt) attributes in one social system (Cilliers, 2007:33). These identities influence behaviour on the individual, group and organizational levels, leading people to behave in terms of power relations, subgroup affiliations and inter-group dynamics. Three categories of diversity have been described, namely, functional or structural diversity which refers to differences based on organizational functions and tasks such as administrative versus operational, business diversity, which refers to markets, products and services offered and workforce diversity, which implies different types of employees with different types of attributes (Uys, 2003a:31). Demographic diversity reflects the degree of mix of characteristics of the people who make up an organisation's workforce, while cultural diversity refers to the full mix of the cultures and subcultures to which members of the workforce belong (Hellriegel *et al.*, 2007:368-369).

There are several important primary and secondary dimensions of diversity (see Figure 3). The primary dimensions of diversity include inborn differences or differences that can hardly change (unchangeable) and have ongoing impact throughout one's life. These dimensions are age, ethnicity, gender, physical abilities/qualities, race and sexual orientation. These dimensions are the core elements through which people shape their view of the world and are closely related to culture (Smit, 1997:425-426). The assumption is that the greater the number of primary differences between people, the more difficult it is to establish trust and mutual respect. This leads to "culture clashes" which could have devastating affects on human relations in the organization (Cilliers, 2007:34).

FIGURE 3: Primary and secondary dimensions of diversity
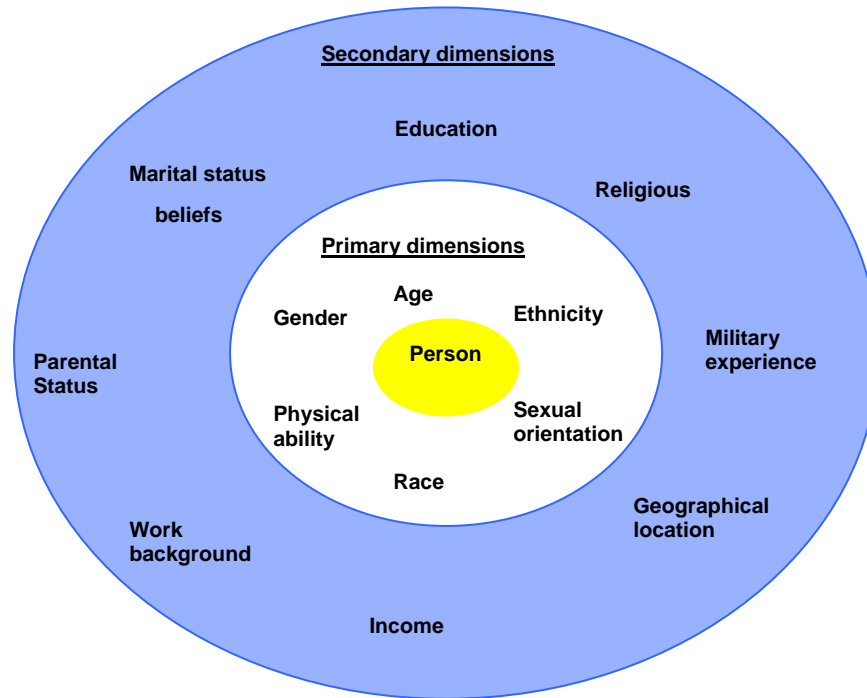
Source: Nel *et al.* (1997:426)

The secondary dimensions of diversity can be acquired or changed throughout one's lifetime. These dimensions tend to have less impact than those of the core, but nevertheless have some impact on the way persons sees the world. These dimensions are education, religious beliefs, military experience, geographical location, income, work background, parental status, communication style, and marital status (Smit, 1997:426). These dimensions normally add complexity to the individual's self-image. The interaction between the primary and secondary dimensions shapes the individual's values, priorities and perceptions. The assumption is that effective human relations among diverse employees in the organization are possible only when the differences are accepted and valued (Cilliers, 2007:34).

3.4 BENEFITS GAINED BY MANAGING DIVERSITY

Research results indicate that diversity management initiatives at organizations increased productivity, competitiveness and workplace harmony (Uys, 2003a:40). Follow-up studies, of diversity management drives, suggested improvements in the organisation's culture and fairer treatment of people of colour and women. Other research findings suggested that diversity management resulted in an increased understanding of the diverse needs of groups within the population, that creativity increased, that employees were more committed to the organization and that retention increased and absenteeism decreased (Uys, 2003a:40). Theories and case studies on diversity management support the vision that, if managed well, diversity can help improve organizational effectiveness (Uys, 2003a:40).

The advantages of managing cultural diversity effectively include (Nel *et al.*, 2004:181):
- It stimulates, rather that stifles, individual participation and creativity;
- It increases the flow of ideas;
- It attracts and retains the best skills;
- It improves employer-employee relations;
- It increases the morale of the workforce, rather than create suspicions and hostilities amongst employees;
- It reduces tension, confusion and counter-productivity in the workforce;
- It leads employers to view differences as valuable assets rather than unwanted liabilities; and
- It increases the motivational levels of organisational members.

Robinson and Dechant (1997:229) propose the following business reasons for managing diversity:
- Better utilisation of talent (attracting, retaining and promoting excellent employees from different backgrounds);
- Improve market-place understating;
- Enhance leadership effectiveness;
- Increase creativity and innovation;
- Increase quality of team problem-solving; and

- Build effective global relationships.

3.5 RESULTS OF FAILURE IN MANAGING DIVERSITY

Failure to manage the potential difficulties associated with diversity can lead to the following problems: high turnover costs, higher absenteeism, lawsuits, failure to compete well for talent and reduced organizational performance (Uys, 2003a:41). Organisations that cannot change will be faced with higher employee turnover and higher recruitment and training costs. Employee conflicts may result in sabotage or high absenteeism can be expected. Misunderstandings can lead to expensive discrimination litigation (Grobler, 2006:75).

Ignoring diversity issues in the organisation costs time, money and efficiency and leads to the following consequences (UCF Human Resources, 2009:1):
- Unhealthy tensions;
- Loss of productivity because of increased conflict;
- Inability to attract and retain talented people of all kinds;
- Complaints and legal actions; and
- Inability to retain valuable employees, resulting in lost investments in recruitment and training.

The following negative impacts of diversity management on the bottom line can result (Robinson and Dechant, 1997: 228-9):
- Higher turnover costs;
- Higher absenteeism rates; and
- Lawsuits on sexual, race and age discrimination.

3.6 MANAGING AND VALUING DIVERSITY

There are three different methods or paradigms for managing diversity: the discrimination and fairness paradigm, the access and legitimacy paradigm and the learning and effectiveness paradigm.

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3.6.1   THE DISCRIMINATION AND FAIRNESS PARADIGM

The discrimination and fairness paradigm focuses on equal opportunity, fair treatment, recruitment of minorities, and strict compliance with the equal employment opportunity laws. Successful diversity management, therefore, is usually measured by how well companies achieve recruitment, promotion, and retention goals for women, people of different racial/ethnic backgrounds, or other underrepresented groups (Williams, 2007:402). There are benefits of the discrimination and fairness paradigm: it does tend to increase demographic diversity in an organisation, and it often succeeds in promoting fair treatment of employees (Thomas and Ely., 1996:4). The limitations of this paradigm: its colour-blind, gender-blind ideal is to some degree built on the implicit assumption that "we are all the same" or we aspire to "being all the same". The company operates as if every person were of the same race, gender, and nationality. It is unlikely that leaders, who manage diversity under this paradigm, will explore how people's differences generate a potential diversity of effective ways of working, leading, viewing the market, managing people, and learning (Thomas and Ely., 1996:4).

3.6.2   THE ACCESS AND LEGITIMACY PARADIGM

The access and legitimacy paradigm focuses on the acceptance and celebration of differences to ensure that the diversity within the company matches the diversity found among primary shareholders, such as customers, suppliers, and local communities (Williams, 2007:403). Thomas and Ely (1996:6) state that the strength for access and legitimacy paradigm is market-based motivation and the potential for competitive advantage that it suggests are often qualities an entire company can understand and, therefore, support. Thomas and Ely further state the limitation of this paradigm that organisations tend to emphasize the role of cultural differences in a company without really analysing those differences to see how they actually affect the work that is done.

3.6.3 THE LEARNING AND EFFECTIVENESS PARADIGM

The learning and effectiveness paradigm focuses on integrating deep-level diversity-differences, such as attitudes, personality, beliefs and values, into the actual work of the organisation. People feel valued not only on the bases of surface-level diversity (i.e., gender, race/ethnicity), but also for all their knowledge, skills, abilities, and experiences (Williams, 2007:404). The learning and effectiveness paradigm promotes equal opportunity for all individuals, acknowledges cultural differences among people and recognizes the value in those differences and lets the organisation internalise differences among employees so that it learns and grows because of them (Thomas and Ely., 1996:9). Williams (2007:403) summarises the paradigms for managing diversity as follows (see Table 6):

Table 6: Paradigms for managing diversity (Summary)

Diversity Paradigm	Focus	Success measured by	Benefits	Limitations
Discrimination and fairness	Equal opportunity fair treatment recruitment of minorities strict compliance with laws	Recruitment, promotion, and retention goals for underrepresented group	Fairer treatment increased demographic diversity	Focus on surface-level diversity
Access and Legitimacy	Acceptance and celebration of differences	Diversity in company matches diversity of primary stakeholders	Establishes a clear business reason for diversity	Focus on surface-level diversity
Learning and effectiveness	Integrating deep-level differences into organisation	Valuing people on the basis of individual knowledge, skills, and abilities	Values common ground distinction between individual and group differences, less conflict, backlash, and divisiveness bringing different talents and perspectives together.	Focus on deep-level diversity is more difficult to measure and quantify

Source: Williams (2007:403)

Valuing diversity (or diversity awareness programmes) have evolved from moral and ethical imperatives to recognize and appreciate culturally diverse people (Uys, 2003a:31). Programmes designed to "value diversity" have made great strides in addressing diversity at the individual and inter-personal levels, but usually do not ascend to organizational level.

Consequently, organizational issues and organizational systems are excluded from the process of redress (Uys, 2003a:32). While valuing diversity aims to recognize and tolerate, managing seeks to harness and capitalize on sensitivity to salient differences to create a more dynamic and competitive organizational culture (Uys, 2003a:32).

3.7 AFFIRMATIVE ACTION AND DIVERSITY MANAGEMENT

Affirmative action (AA) falls under the broad umbrella of equal opportunity, which is legislated through the Employment Equity (EE) Act of 1998/Broad-Based Black Economic Empowerment (B-BBEE) Act No. 53 of 2003. The key principle underlying the EE Act/ B-BBEE Act includes the equal treatment of all individuals regardless of the race, gender or ethnic origin (Department of Trade and Industry, 2003:12).

Pursuing affirmative action (AA) alone, in the hope that the representation it brings about will contribute to the management of diversity in the organization is an ill-founded assumption which threatens to be more crippling to the organization than enabling. Optimizing the potential of the workforce is essentially a managerial task, best achieved through managing its inherent diversity. Affirmative action for equal employment opportunity is aimed at the elimination of discrimination against those persons previously treated unfairly by the employment policies and practices of a given institution (Perumal, 1994:15).

While affirmative action is necessary to correct past imbalances, it cannot be seen as diversity. Affirmative action is government initiated, whereas diversity is totally natural. Affirmative action is imposed by law on people and organisations. The acknowledgement of diversity, on the other hand, is a voluntary act of understanding other people (Smit et al., 2002, as cited by Bates *et al.*, 2006:32).

Management of diversity enables the manager to move beyond affirmative action. Reasons for the shift in perspective are the frustrations being experienced in managing affirmative action, the growing tendency among employees to utilise differences and the world–wide battle for survival among companies (Thomas, 1991:20-21, cited by Greybe and Uys, 2001:187-188).

Managing diversity is defined as a planned, systematic and comprehensive managerial process for developing an organisational environment in which all employees, with similarities and differences, can contribute to the strategic and competitive advantage of the organisation, and where no-one is excluded on the basis of factors unrelated to productivity (Thomas, 1996, cited by Grobler, 2006:75).

Grobler (2006:75) states that the organisation must be clear about motivation of managing diversity. Being in compliance with affirmative action legislation is not enough. The organisation must recognise the business necessity of having a diverse workforce and tapping the potential of the diverse workforce. The organisation's motivation must be well articulated in the organisations' mission statements or strategic plans. Grobler (2006:75) further states that, unlike affirmative action, managing diversity is not a short-term strategy to correct imbalances in the workplace. Managing diversity is a long-term process and it demands the top management identification and commitment to set in motion mechanisms to access the potential of all employees.

The goal of managing diversity, on the other hand, is more holistic – treating people as individuals, recognizing that each employee has different needs and will require different kinds of help to succeed (Geler, 1992, as cited by Inyang, 2007:93).

Lategan (1999:8) asserts that what is needed is a shift in mindset – a shift from understanding diversity as a threat to organising it as a strategic asset. This shift entails a move from managing diversity to making it one of the competitive advantages of the organisation or company.

The "core idea behind managing diversity seems to be to encourage organizations to recognize differences" (Liff, 1997:13, as cited by Inyang, 2007:93). The employment equity organisations differ from diversity management organisations in the following ways (See Table 7).

TABLE 7: A comparison between employment equity focused organisations and those more concerned with diversity management

Employment equity/B-BBEE	Diversity management
• Changes the appearance of an organisation in relation to its demographic employee profile	• Changes the way an organisation functions in relation to its cultural employee profile
• Changes the mix of people based on limited primary dimensions of diversity (race, gender and disability)	• Changes the mix of people based on all levels and types of the dimensions of diversity
• Focuses on demographic variables in terms of numbers and proportions of employee race, gender and disability	• Focuses on the contribution of different viewpoints, perspectives and mental models to business effectiveness
• Focuses primarily on differences and compromise	• Focuses on differences, similarities and synergy
• Does not necessarily adapt organisational strategies, structures, systems, style, skills or shared values	• Continuously adapts organisational strategies, structures, systems, style, skills and shared values to maximise the benefits of diversity
• Less likely to lead to empowerment and transformation	• More likely to lead to empowerment and transformation
• Anti-discrimination	• Pro-inclusivity
• An end in itself – a result to be achieved	• The means to an end – an ongoing process and spiral of growth
• Externally driven by legislation	• Internally driven to build centres of excellence
• Legally mandated; social and moral justification	• Voluntary; a business imperative

Source: Luiz (2006:178)

3.8   GENERATIONAL DIVERSITY IN THE WORKPLACE

Four distinctively diverse generations are employed in organisation's workforce: Veterans, Baby boomers, Generation Xers, and Generation Yers (Holtzman, Kruger and Srock., 2005:129). These generations interact daily in the workplace, creating environments characterised by individual and generational enmity where attitudes of "us" versus "them" and "every man and woman for himself and herself" surface (Zemke et al., 2000:5 as cited by Holtzman, Kruger and Srock., 2005:129). Below are the differences between core values for the generational diversity in the workplace:

The Profile for Veterans (Born between 1922 and 1943)

- The core values: dedication, discipline, sacrifice, hard work, duty before pleasure, delayed rewards, conformity, consistency and uniformity, sense of history, and oriented toward the past; respect for authority, adherence to the rules, preference for hierarchy; patience; conservative spending, and a deep sense of personal organisational and national honour.

The Profile for Baby Boomers (Born between 1943 and 1960)

- The core values: optimism, team orientation, personal gratification, health and wellness, personal growth, youth, hard work, and involvement.

The Profile for Generation Xers (Born between 1960 and 1980)

- The core values: appreciation of diversity, ability to think globally, the balance of work and home, technoliteracy, work should be fun, casual approach to authority, self-reliance, and pragmatism.

The Profile for Generation Yers (Born between 1980 and 2000)

- The core values: a sense of civic duty, confidence, optimism, achievement, sociability, morality, street smarts, and an appreciation of diversity (Harvey and Allard, 2005: 130-132)

3.9   A SOLUTION TO WORKPLACE DIVERSITY: OPENNESS IN SUPERIOR-SUBORDINATE COMMUNICATION

McGregor (1960), as cited by Sadri et al. (2002:229), distinguishes between Theory X and Theory Y managers as follows:

Theory X Managers

- like to maintain most, if not all, control; and
- assume that employees are lazy and lacking initiative.

Theory Y Managers

- prefer to delegate and to share responsibility and decision making with their subordinates; and
- emphasise the independence, responsibility and growth of individuals in organisations.

Euske and Roberts (1987), as cited by Sadri and Tran (2002:229), state that theorists reasoned that improving relational communication would increase job satisfaction and worker involvement, thus leading to higher productivity. O'Reilly and Anderson (1980); Pincus (1986), as cited by Sadri and Tran (2002:230), state that research has reflected that the link between effective communication and employee satisfaction is stronger than the link between communication and employee productivity. The importance of perceived openness in superior-subordinate communication is undeniable. It can help companies develop good management-employee relations and thus improve overall job performance.

3.10   DIVERSITY FORUM

The business must establish the diversity forum to address the challenges of diversity it faces. The diversity forum develops ideas and approaches to increase diversity in the workplace. The diversity forum should prepare the mission statement that embodies the basic premise that diversity initiatives must lead to improved business profitability and longetivity in order to be accepted and practised within the workplace (Hammond, Watkins, and Weston, 2001:3). Diversity forum is also called diversity council/committee or advisory committee (Pactraining, 2010:2).

The diversity forum is voluntary. It is constituted from middle to senior management. It acts as a sounding board, prompt and communication forum for leadership. Its main aim is to focus solely on issues of diversity. It plays a role in suggesting, reviewing and acting on policy. It plays a participative role in statutory committees that review statutory laws and plays an educational and support role. It is imperative for an organisation to have a diversity forum because it provides a formal communication channel within the executive and senior management, places diversity on the agenda of leaders and finds Black talent and assists in developing that talent (Jong-Wook, 2006:11-14).

The diversity forum offers a solid pilot programme that can be used as the model for similar forums throughout the organisation and its offices across the country. The diversity forum should focus primarily on the recruitment, retention and advancement of Blacks, and women. The focus on these items will help to make initiatives manageable. The diversity forum should meet monthly to discuss the various initiatives underway. Designated committees such as recruitment, mentoring, barrier reduction and communications address each of the initiatives. The diversity forum should publish a quarterly newsletter with updates on the status of the initiatives and other information or ideas or concerns on diversity issues. The organisation should post on the organisation's intranet the diversity forum information, newsletters, and internet links (Hammond, Watkins and Weston, 2001:4).

The diversity forum is a means, not an end. Each organisation can choose the strategy that best suits its intentions and strategies to enhance diversity. The involvement of people in such a people centred strategy does, however, make sense, whatever the approach (Jong-Wook, 2006:16).

3.11   DIVERSITY TRAINING

Grobler (2006:79) states that the awareness and valuing-diversity training programmes have not been met with great success in South Africa. The possible reasons for their lack of success include:

(i)   No follow-up activities after initial training;

(ii)   Few or no incentives for managers to increase the diversity of their work groups; and

(iii)   Top management's view of diversity as an HR issue, not as a key to the organisation's long-term success.

Reports on practitioners' activities suggest that diversity programmes are frequently limited to awareness or skill-building training (Agocs and Burr., 1996:37).

Grobler (2006:79) further states that the first group to undergo cultural change within an organisation that has the motivation and the requisite leadership to change attitudes should be top management. Managerial and employee training should soon follow, focusing primarily on stereotyping and the dimensions of diversity. Education in managing diversity as a resource is on going and will be unique to each organisation's needs.

Agocs and Burr (1996:37), state that the content of diversity training usually includes information on changing demographics, and often about bias, prejudice and stereotypes, but not discrimination. Typically, training sessions provide experiential and self-assessment exercises and role playing and some sessions include briefings on diverse cultures, sometimes by panels of "representatives" of various groups. Some programmes conclude with personal action planning and contracting.

3.12   THE CHALLENGES OF MANAGING DIVERSITY IN THE ACCOUNTANCY PROFESSION

Diversity management faces considerable challenges in the accountancy profession. The absence of benchmarks in the accountancy profession is a major limitation to managing diversity. In addition, the severe capacity and resource constraints in the accountancy sector places diversity management low on the priority list of many managers who do not recognize it as a strategic and urgent need. Accounting firms are large bureaucratic organizations, and change will, predictably, come slowly (Gay and Bamford, 2007:262).

The lack of accountability for diversity management within the accountancy profession enables the perpetuation of the status quo. Arguably the greatest challenge facing long term, sustainable diversity management is the inequalities in education and training of future accountancy professionals. Current disparities in opportunities for education translate into differential access to employment (Inyang, 2007:97).

The accountancy sector is directly affected by the failure of the South African education schooling system to produce students who are adequately skilled in mathematics and accounting, and who are eligible for entry into institutions of higher learning. The inherent gender and racial disparities in primary and secondary education cannot be meaningfully corrected at the tertiary education level, and will inevitably manifest in the workforce. Diversity preparedness of accountancy managers and employees is lacking and will need to be addressed through awareness programmes and training. Diversity management would certainly not have been included in the conventional management skills set of many present managers in the system. In addition, many managers in the accountancy profession, particularly accounting firms, have little or no general management education, let alone formal training in diversity management.

In terms of race, the SAICA membership statistics indicate that Blacks are still grossly underrepresented in the profession. Black Africans, who comprise 79% of the South African population, constitute a mere 5% of the CA profession.

The gender statistics also reflect that the accountancy profession is dominated by males. The

chartered accountancy profession has introduced a Charter that is inline with the Broad-Based Black Economic Empowerment Act (No. 53 of 2003). The South African Government defines B-BBEE as an integrated and coherent socio-economic process that directly contributes to the economic transformation of South Africa and brings about significant increases in the numbers of Black people represented in the economy (Department of Trade and Industry, 200312). The vision of the CA Charter is to grow the number of Black people in the CA profession to reflect the country's population demographics and to empower and enable them to meaningfully participate in and sustain the growth of the economy, in the process of advancing equal opportunity and equitable income distribution (CA-Charter-Council, 2008:6). The challenge for the CA Charter is to prove equal to the task of reversing the race-based exclusion in the accountancy profession.

A survey of the National Association of Black Accountants' (NABA) membership conducted by Howard University's Center for Accounting Education (CAE) in the United States of America reveals the following (DiversityInc, 2006:1):

- Racial bias continues to impede Blacks' career objectives. Of more than 400 survey respondents, nearly 60 percent feel their race has biased employer decisions. Almost half believe that higher-level work and advancement opportunities are disproportionately given to less-experienced White colleagues;
- Diversifying the workforce can temper these disparities, but hiring Black accountants does not guarantee an environment of inclusion. An environment of inclusion requires the participation, more than the presence, of diverse groups;
- There are few visible role models for Blacks in the industry; and
- Firms are happy to hire Blacks with middle- or upper-class backgrounds, because they believe these new employees will more quickly assimilate to the firm culture but the majority of Blacks do not come from such backgrounds, and these students sometimes feel alienated.

There is still the perception of White managers that Black staff are not adequately skilled to produce work of equal quality as their White counterparts. Blacks continue to feel that their managers give them inferior tasks and allocate them to less important clients than their White counterparts, with many Black accountants feeling like they are "used as tokens" (Hammond,

Clayton and Arnold, 2008:14).

A survey conducted by Sadler and Erasmus (2003:149) identifies the following important barriers:

- The limited nature of the work given to the Black trainee accountants to do and the resulting limited work experience that they gain;
- A lack of Black mentors in management positions in the accounting firms;
- Racial bias on the part of accounting firm supervisors; and
- A lack of recognition of and respect for the work completed by Black trainee accountants.

Language has historically been used in the profession as a tool of exclusion. While some Black trainees are fluent in both English and Afrikaans, most are not (Hammon, Clayton and Arnold, 2008:11). Blacks, who are unable to communicate in Afrikaans, may face 'social closure' in a firm of predominantly Afrikaans speaking individuals, with detrimental social and professional implications. The White power structure of South African society is also reflected in the fact that the main professional journal, Accountancy SA, is published in English and Afrikaans only. When raised as a complaint in a letter to the editor in 1994, the editorial reply cited the large Afrikaans-speaking membership and the paucity of members of other language groups for the exclusion of the nine other official South African languages (Hammond, Clayton and Arnold, 2008:12-13).

3.13   A BEST PRACTICE MODEL FOR CREATING AN ORGANISATIONAL CULTURE THAT APPRECIATES AND VALUES DIVERSITY

The multi-faceted, complex nature of diversity makes crafting and executing effective strategies for diversity management a challenging task. Understandably, there have been several models and strategies put forward by a multitude of stakeholders. Booysen *et al.* (2003:33-36), as cited by Nel *et al.* (2004:180-181), provide a systematic model for the management of diversity. A systematic approach is used when an organisation is perceiving diversity as a strategic and transformational issue:

Step 1: Top management commitment

Top management should show the link between valuing diversity and business excellence and they should wholeheartedly participate in the planning and implementation of the diversity initiative, and commit resources.

Step 2: Establish a diversity leadership team to guide the diversity initiatives

A leadership team should comprise a vertical and horizontal cross-section of the company, reflect the demographic diversity and include representatives from top management and other stakeholders and develop a team charter, familiarise itself with diversity and act as role model for the rest of the organisation.

Step 3: Conduct an assessment of the organisational climate, needs and issues

The diversity leadership team oversees the assessment of the organisational climate, needs and purpose. Assessment will assist to understand the perception that organisational members have of diversity issues and to determine to what extent diversity is perceived as an equity issue and to what extent it is valued. Feedback must be given to the entire team for the need to change and, therefore, reduce resistance.

Step 4: Craft a vision that values diversity

Diversity vision explains a future desired state regarding diversity. A diversity vision has two dimensions: it touches the heart and mind of each employee and it states why it is important to the organisation.

Step 5: Develop and implement a strategic plan for valuing diversity

Objectives, strategies and plans must be developed from the baseline assessment. Training features in most organisational diversity plans, but should be linked with the assessment needs, and carefully designed and presented. Training should include awareness training, knowledge training and the transference of specific diversity skills, such as communication

skills. Other strategic plans should include changing existing human resources practices, such as recruitment, orientation, performance management and promotion policies.

Step 6: Evaluate and measure results

The impact of the diversity initiative on the business, attitudes and organisational culture must be measured by comparing progress against the first baseline assessment.

Step 7: Ensure integration and accountability

A successful diversity initiative results in an organisational culture that really values diversity. The values and skills of the initiative should become an integral part of the fabric of the organisation, its values, operations, systems, policies and everyday practices. Management should be held accountable for leading diversity throughout the organisation. Pioneering companies should incorporate diversity goals into the performance review and reward systems of managers.

There should be an open channel of communication throughout the process (Nel *et al.*, 2004:180–181).

3.14   WAYS IN WHICH ORGANISATIONS IMPLEMENT A POLICY OF DIVERSITY MANAGEMENT

Smit (1997:436) states that managing diversity is a management orientation which is not limited to one department or a specific management level of the organisation. There must be commitment of the whole organisation if any success is to be achieved. Table 8 reflects the range of diversity management policies which organisations implement:

Table 8: The range of diversity management policies which organisations implement

The organisational diversity continuum
No diversity efforts: - Non-compliance with affirmative policies   - Belief is a monoculture organisation   - No policies on managerial and economic empowerment   **Diversity efforts:**   - Compliance with affirmative action   - Inconsistent enforcement of diversity policies   - Very little is done in the area of managerial and economic empowerment   - No organisational support with respect to education and diversity training   - Inconsistent or poor managerial commitment   **Broad-based diversity efforts:**   - Effective implementation of affirmative action policies   - Managerial commitment to managerial and economic empowerment-culture of enabling employees   - Ongoing education and diversity training programmes   - Managerial commitment tied to organisational rewards   - Organisational assessment of diversity policies to create an organisational culture which is supportive of diversity

Source: Smit (1997:436).

The lack of attention to diversity needs within such organisations sends a strong message to their employees that the dynamics of difference are not important. A concerted effort is required by management to reap the benefits of diversity and to create an organisational culture which is inclusive of diverse groups (Smit, 1997:435-436).

3.15   DIVERSITY RESISTANCE DEFINITION

Thomas and Plaut (2008:5) define diversity resistance as a range of practices and behaviours within and by organisations that interfere, intentionally or unintentionally, with the use of diversity as an opportunity for learning and effectiveness.

The above definition is outcome based because it moves beyond focusing on emotions and seeks to understand both the individual and organisational behaviours and practices that impede diversity initiatives and access and fair treatment of blacks and female workers in organisations (Thomas and Plaut, 2008:5).

3.16   RESISTANCE TO DIVERSITY

The organisational scholars have talked about resistance to diversity and diversity initiatives largely in terms of White male criticism (Solomon 1991, cited by Thomas and Plaut., 2008:5). The criticism is largely focused on emotional responses of White males who perceive growing interest in diversity as a threat to their career opportunities and development. These emotions are largely driven by feelings that White men are being out numbered and that other workers, most probably Blacks and females, are taking away their opportunities and jobs (Jacques 1997, cited by Thomas and Plaut. 2008:5).

According to Catalyst (2009:1) resistance to diversity may take on many different forms and are briefly summarised below:

Perceptions: Employee perceptions to diversity efforts if not communicated clearly, may include:

- Belief that unearned benefits or disadvantages will be given to blacks or White women;
- Perception that one has to be part of a specific group to be promoted;
- Equating the goal of diversity effort with tokenism;
- View that diversity is diversity and inclusion efforts separate employees by emphasising groups over individuals;
- Perception that the development of some employees blocks the advancement of others;
- Sense of being singled out or punished; and
- Sense of being dominated by "political correctness".

Behaviours: Some examples of resistant employee behaviours include:

- Disseminating rumours about why certain promotions or development opportunities are given;
- Blaming that ill-considered promotions are made for the sake of making quotas;
- Ignoring or giving very low priority to programme implementation and policy compliance related to a diversity initiative;
- Making dismissive jokes regarding inclusion efforts;
- Taking legal option because an individual believes his or her retention and advancement has been adversely impacted by diversity programmes or policies; and
- Believing or communicating that the teambuilding process is time consuming, arduous or doomed to fail.

3.17   CONCLUSION

Managers must value diversity and help everyone work to their full potential. This means enabling every member of one's workforce to perform to his or her potential (Schermerhorn, 2001:10).

Companies must view diversity as a key strategic tool for ensuring success in the highly competitive markets. The globalisation of business will undoubtedly continue to escalate. Therefore, diversity will continue to influence the thinking and behaviours of managers (Goodman, Fandt, Michiltsch and Lewis., 2007:14).

Diverse views and perspectives lead to a broader assessment and evaluation of organisational problems and opportunities. Organisations that encourage a wide range of different ideas and views and have learned to manage diverse groups are more likely to produce plans that are comprehensive and fully developed. It is imperative to learn to manage diverse work groups well (Goodman *et al.*, 2007: 118).

The United Nations (UN) Expert Group Meeting on Managing Diversity in the Civil Service has identified "best practice organisations" as follows: Best practice organisations value people and cultivate an environment where cultural awareness, sensitivity, fairness and

integrity prosper. All employees believe that they can progress if they are qualified, motivated and work hard (Reichenberg, 2001:29, as cited by Human, 2005:46).

Most workplace diversity initiatives fail because many people do not have a complete understanding of what managing diversity entails. They are either overly concerned with numbers, make wrong assumptions about the type of work individuals can accomplish, or fear the adverse consequences that such programmes might have on them. To ensure the success of diversity programmes, managers and supervisors need to demonstrate their commitment to such programmes and, more important, communicate to all employees the relevance, importance and benefits of such programmes to all employees (Sadri and Tran, 2002:235).

The next chapter (chapter 4) will present the research methods adopted in this study.

CHAPTER 4

Research Methodology

4.1 INTRODUCTION

Sekaran (2003:5) describes research as an organised, systematic, data-based, critical, objective, scientific inquiry or investigation into a specific problem. Sekeran (2003:21) further describes scientific research as an organised and systematic process where the researcher(s) carefully identify problems, gather and analyse data scientifically, and draw conclusions.

The scientific research must be organised and undergo planning, including performing literature reviews of past research and evaluating what questions need to be answered (Experiment-resources, 2008:1).

For the purposes of this study the scientific research applies.

This chapter focuses on the research methodology procedures used in undertaking the present study. The researcher has divided this chapter into eight (8) sections: the research objectives, the research design, the research instrument, the selection of respondents, the pilot study, the analysis and interpreting data, the statistical methodology for analysing and interpreting the data, and finally the ethical considerations.

4.2 THE OBJECTIVES OF THE STUDY

The primary objectives of the study are:

- To determine the KZN accounting firms' managers' and trainees' perceptions of diversity management in the accounting profession;

- To determine the KZN accounting firms' managers' and trainees' perceptions of the Chartered Accountancy profession Charter (CA Charter); and

- To identify the accounting firms' managers' and trainees' perceptions of managerial competencies required by managers to effectively manage diversity in KwaZulu- Natal.

The research design that ensured that information gathered is consistent with the identified research objectives is explained in the next section.

4.3   THE RESEARCH DESIGN

The research design informs the reader about the nature of the study.

Mouton (2005:55) defines research design as a plan or blueprint of how one intends to conduct the research. Strydom, Du Toit and Gerber-Nel (2002:13) define research design as a plan according to which the research investigation will be conducted. It specifies the data that will be required and the broad framework of procedures for the collection, processing and analysing of the data

Mouton (2005:56) summarises research design as follows:

(i) Focuses on the end product: What kind of study is being planned and what kind of result is aimed at?;

(ii) Point of departure is equal to research problem or question; and

(iii) Focuses on the logic of research: What kind of evidence is required to address the research question adequately?

The researcher has decided to undertake a quantitative research design in the form of surveys. Mouton (2005:148) asserts that surveys are studies that are usually quantitative in nature and which aim to provide a broad overview of a representative sample of a large population.

The comparison between quantitative and qualitative research methods is briefly explained below.

4.3.1   QUANTITATIVE VERSUS QUALITATIVE RESEARCH

4.3.1.1   QUANTITATIVE RESEARCH:

Cooper and Schindler (2008:164) assert that quantitative research attempts precise measurement behaviour, knowledge, opinions, or attitudes.

Quantitative research is conducted using a variety of methods which use measurement to record and investigate aspects of social reality (Bless, Higson-Smith and Kagee, 2009:184).

Quantitative research methods are observation, experiments and surveys. These methods are briefly explained below:

Observation: observation research is used in many areas of investigation where people would not answer interview questions correctly because they do not know the correct reply and they are unwilling to tell because of embarrassment or from reasons of pride or prestige. A larger sample is involved (Bickerton, Bickerton and Pardesi, 2001:58). The observation data is generally more expensive to obtain than survey data. It is necessary to station observers at the place of research and this requires that observer to wait, doing nothing between the events to be observed. This unproductive time is an increased cost (Perumal, 1988:115).

Experiments: experiments are used where the researcher is trying to establish a cause-and-effect relationship i.e. marketing and sales results (Strydom, Du Toit and Gerber-Nel, 2002:19).

There are two types of experiments: laboratory experiments and field experiments. Laboratory experiments are experiments which takes place in an artificial or laboratory setting. Laboratory experiments are artificial in the sense that situations are created for testing

purposes. For example, the effect of price changes on sales for products A, B, C and D needs to be tested. In the case of artificial laboratory experiments, the marketer will set up an artificial store and homeowners are asked to go through the "store" and select products as if they are on a regular shopping trip. The second is the field experiment which, as the name implies, is conducted in the field. The price of products is changed in a chosen supermarket and the sales are then recorded (Aaker and Day, 1983:247, as cited by Perumal, 1988:116).

Surveys: a survey consists of collecting a large volume of information from a significant number of people selected from a large group. A survey provides an original source of information and is regarded as the only way of finding out motives, opinions and buying intentions of a large number of people (Bickerton, Bickerton and Pardesi, 2001:59). The researcher should consider these factors when conducting research through survey: flexibility, amount, and accuracy of the information required and the time and money available. Survey research can be undertaken by gathering information using one of the following methods: (i) telephone interviews (telephone interviews refer to direct communication); (ii) postal (questionnaires are posted to potential respondents, who are requested to return the completed form); (iii) e-mail surveys (a questionnaire can be created on the internet and completed by, say, members of a specific group); and (iv) personal interviews (personal interviews are a two-way communication research method) (Strydom, Du Toit and Gerber-Nel, 2002:19). Babbie (1990), cited by Creswell (2003:14) describes surveys as the cross-sectional and longitudinal studies using questionnaires or structured interviews for the collection of data, with the aim of generalising from a sample to a population.

Furthermore, Bickerton, Bockerton and Pardesi (2001:59) indicate that a survey consists of collecting a large volume of information from a significant number of people or form a large group. A survey provides an original source of information and is regarded as the only way of finding out motives, opinions and intentions of a large number of people.

Kress (1990:100), as cited by Perumal (1994:246), state that in a mail survey there can be no interviewer bias; nor are respondents influenced or inhibited by the presence of an interviewer. They will accordingly be more willing to answer sensitive questions.

Statistical surveys are used to collect quantitative information about items in a population and the researcher can analyse information using descriptive and inferential statistics. A survey may focus on opinions or factual information depending on its purpose and many surveys involve administrating questions to individuals. When the questions are administered by a researcher, the survey is called a structured interview or a researcher-administrated survey. When the questions are administered by the respondent, the survey is referred to as a questionnaire (Saunders, Lewis and Thornhill, 2007:138-139)

Advantages of self-administered surveys - mailed, faxed, or couriered (Cooper and Schindler, 2008:223):

- It is an efficient way of collecting information from an expanded geographic coverage without increase in costs;
- Surveys are perceived as more anonymous;
- They are relatively easy to administer because they require minimal staff;
- Surveys allow participants to think about questions.

For the purposes of this study, surveys were employed.

4.3.1.2   QUALITATIVE RESEARCH:

Cooper and Schindler (2008:162) affirm that qualitative research includes an array of interpretive techniques which seek to describe, decode, translate, and otherwise come to terms with the meaning, not the frequency, of certain more or less naturally occurring phenomena in the social world.

Qualitative research is conducted by using a variety of methods which use qualifying words and descriptions to record and investigate aspects of social reality (Bless, Higson-Smith and Kagee, 2009:184). The array of techniques includes focus groups, individual depth interviews, case studies, ethnography, grounded theory, action research, and observation (Cooper and Schindler, 2008: 162).

Qualitative research was not undertaken in this study. Table 9 provides a distinction between qualitative and quantitative methodologies:

The distinctions between qualitative and quantitative methodologies are given below:

Table 9: Qualitative versus Quantitative research

	Qualitative	Quantitative
Focus research	- Understands and interpret	- describe, explain and predict
Researcher involvement	- High, researcher is participant or catalyst	- Limited; controlled to prevent bias
Research purpose	- in-depth understanding; theory building	- Describe or predict; build and test theory
Sample design	- Nonprobability; purposive	- Probability
Sample size	- Small	- Large
Research design	- May evolve or adjust during the course of the project - Often uses multiple methods simultaneously or sequentially - Consistency is not expected - Involves longitudinal approach	- Determined before commencing the project - uses single method or mixed methods - Consistency is critical - Involves either a cross-sectional or a longitudinal approach
Participant preparation	- Pretasking is common	- No preparation desired to avoid biasing the participant
Data type and preparation	- Verbal or pictorial descriptions - Reduced to verbal codes (sometimes with computer assistance)	- Verbal descriptions - Reduced to numerical codes for computerised analysis
Data analysis	- Human analysis following computer or human coding; primarily nonquantitative - Forces researcher to see the contextual framework of the phenomenon being measured – distinction between facts and judgements less clear - Always ongoing during the project	- Computerised analysis – statistical and mathematical methods dominate - Analysis may be ongoing during the project - Maintains clear distinction between facts and judgements
Insights and meaning	- Deeper level of understanding is the norm; determined by type and quantity of free-response questions - Researcher participation in data collection allows insights to form and be tested during the process	- Limited by the opportunity to probe respondents and the quality of the original data collection instrument - Insights follow data collection and data entry, with limited ability to interview participants
Research sponsor involvement	- May participate by observing research in real time or via taped interviews	- Rarely has either direct or indirect contact with participant

Feedback turnaround	-Smaller sample sizes make data collection faster for shorter possible turnaround - Insights are developed as the research progresses, shortening data analysis	- Larger sample sizes lengthen data collection; internet methodologies are shortening turnaround but inappropriate for many studies - Insight development follows data collection and entry, lengthening research process; interviewing software permits some tallying of responses as data collection progresses
Data security	- More absolute given use of restricted access facilities and smaller sample sizes	- Act of research in progress is often known by competitors; insights may be gleaned by competitors for some visible, field-based studies.

Source: Cooper *et al.* (2008:165)

4.4   THE RESEARCH INSTRUMENT

4.4.1   THE QUESTIONNAIRE

Two parallel worded versions of the questionnaires were used to collect data, one for accounting firm managers and one for trainee accountants.

Bless, Higson-Smith and Kagee (2009:184) describe questionnaire as a research instrument consisting of a series of questions resulting to the research topic to be answered in writing by respondents. Questionnaires are often designed for statistical analyses of the responses. De Vos, Strydom, Fouchie and Delport (2010:166) assert that the basic objective of a questionnaire is to obtain facts and opinions about a phenomenon from people who are informed on a particular issue.

The questionnaires were divided into two sections and structured to obtain the following information for each section:

Section A: Relates to biographical information

Section B: This section is divided into sub-sections as follows:

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B1 – Broad-Based Black Economic Empowerment (B-BBEE). Assesses the KZN accounting firms managers' and trainees' perceptions of the CA Charter;

B2 – Diversity. Assesses the KZN accounting firms managers' and trainees' perceptions of diversity management in the accountancy profession; and

B3 – Managerial competencies. Assess the KZN accounting firms managers' and trainees' perceptions of managerial competencies required by managers to effectively manage diversity.

The questionnaires for this study are attached as appendices 1 and 2.

4.4.2   CONSTRUCTION OF THE QUESTIONNAIRE

The questionnaires were clear in wording as there was no interviewer to explain what was not clear.

Klopper (2008:1-3) outline the principles of questionnaire construction as follows:

- Target the vocabulary and grammar to the population to be surveyed;
- Avoid ambiguity, confusion and vagueness;
- Avoid emotional language, prestige bias and leading questions;
- Avoid double-barrelled questions;
- Do not assume the respondent is an expert on themselves (unless one has no choice);
- Avoid asking questions beyond a respondent's capabilities;
- Avoid false premises;
- Avoid asking about future intentions;
- Avoid negatives and especially double negatives; and
- Put difficult, embarrassing or threatening questions towards the end of the survey or interview.

4.4.2.1   CLOSED-ENDED QUESTIONS

The closed-ended questions or specific questions are used to obtain specific information or to confirm a fact or opinion. The participants are allowed to choose from either a pre-existing set of dichotomous answers, such as yes/no, or ranking scale response options (Saunders, Lewis and Thornhill, 2007:330).

4.4.2.2   LIKERT-SCALE RESPONSES

A Likert item is simply a statement which the respondent is asked how strongly he or she agrees or disagrees with a statement or statements. Often, five ordered response levels are used: The format of a typical five-level Likert item is: strongly disagree; disagree; neither agree nor disagree (neutral); agree; and strongly agree (Saunders, Lewis and Thornhill, 2007:372-373). Dillman (2000) as cited by Saunders, Lewis and Thornhill (2007:373) gives advice to researchers to keep the same order of response categories to avoid confusing respondents.

4.4.2.3   OPEN-ENDED QUESTIONS

The open-ended questions are designed to encourage a full, meaningful answer using the subjects' own knowledge and/or feelings. It is the opposite of closed–ended questions, which encourage a short or single word answer. Open-ended questions also tend to be more objective and less leading than closed-ended questions. Open-ended questions typically begin with words such as "why", "what" and "how" or phrase such as "tell me about …." Often, they are not technically a question but a statement which implicitly asks for a response (Media College, 2008:1).

Many researchers use a combination of closed-ended and open-ended questions. Often, researchers use closed-ended questions in the beginning of their survey, and then allow for expansive answers once the respondent has some background on the issue and is "warmed up" (Colorado State University, 1993-1999:1).

The researcher employed both the closed-ended and open-ended questions in constructing the questionnaires. Questionnaires were created on the Microsoft Office Word 2003. Klopper (2008:5) states that there are lots of reasons for choosing one form over the other. Here are some of the issues (See Table 10):

Table 10: Advantages and disadvantages of closed-ended and open ended questions

	Advantage	**Disadvantage**
Closed-ended	- Easy and quick to answer - Answers across respondents and easy to compare - Answers easier to analyse on computer - Response choices make questions clearer - easy to replicate study	- Can put ideas in respondents head - Respondents with no opinion answer anyway - Respondents can fell constrained/frustrated - Many choices can be confusing - Can not tell if respondents misinterpreted the question - Fine distinctions may be lost - Clerical mistakes easy to make - Force respondents into simple responses
Open-ended	- Permit unlimited number of answers - Respondents can qualify and clarify responses - Can find the unanticipated responses - Reveal respondents thinking processes	- Respondents give answers with different level of detail - Answers can be irrelevant - Inarticulate or forgetful respondents are at disadvantage - Coding responses is subjective and tedious - Requires more respondents time and effort - Intimidates respondents -When respondents omits a response, can't tell if its because of belief or forgetfulness

4.4.3   CHARACTERISTICS OF A GOOD MEASURING INSTRUMENT

The characteristics of good measuring instrument are briefly summarised below:

- Validity

Babie, (2004:143) as cited by De Vos *et al.*(2010:160) describe validity as the extent to which an empirical test measures what it is actually suppose to measure. Validity is divided into three: Content validity is described as the extent to which the research instrument provides adequate coverage of the investigative questions guiding the study (Cooper and Schindler, 2008: 289-295), Criterion-related validity involves comparing the scores on an instrument with another measure that is believed to be valid (Bless, Higson-Smith and Kagee, 2009:156-158) and Construct validity is described as the extent to the instrument provide desired evidence based on theory and other related concepts (De Vos *et al.,* 2010:162 and Bless, Higson-Smith and Kagee, 2009:159).

- Reliability

According to De Vos (2010:162) a measure is reliable to the degree that it supplies stable and consistent results (if the measure is not reliable, then it can't be valid).

- Stability

According to Cooper and Schindler (2008:289-195) a measure possesses stability if you can secure consistent results with repeated measurements of the same person with the same instrument. Cooper and Schindler (2008:289-195) further provide difficulties that can occur in the test-retest methodology and cause a downward bias in stability include:
- o   Time delay between measurements – leads to situational factor changes;
- o   Insufficient time between measurements – permits the respondent to remember previous answers and repeat them, resulting in biased reliability indicators;
- o   Respondent's discernment of a study's disguised purpose – may introduce bias if the respondent holds opinions related to the purpose but not assessed with current measurement questions; and

o Topic sensitivity – respondent can form new and different opinions before the retest.

- Practicality

According to Cooper and Schindler (2008:289-195) practicality is a sound measurement concerned with economy (cost effective), convenience (easy to administer), interpretability (easy to interpret the results).

4.4.4   ADMINISTRATION OF THE QUESTIONNAIRE

Questionnaires format:

On the first page of the questionnaire, respondents were told to answer all the questions carefully and honestly; they were also told that responses will be treated as confidential and will be valuable to the study.

Section A incorporated personal and company details and Section B incorporated B-BBEE, Diversity management and Managerial competencies as defined by Hellriegel, Jackson and Slocum (2005:6). Questionnaires are attached as appendices 1 and 2.

The questionnaires were accompanied by a covering letter (to be retained by respondent) and consent form (to be retained by the researcher) in the University of KwaZulu-Natal letterhead stating the objectives of the research and encouraging managers and trainee accountants (non-managers) to participate in the study were delivered and collected from respondents in the Durban and surrounding areas. The researcher was granted permission to conduct research by SAICA. The letter received from SAICA supporting the project, accompanied the questionnaires (attached as Appendix 4). The aim was to get a high response rate.

De Vos *et al.* (2010:168) state that, sometimes, fieldworkers deliver questionnaires by hand, so that respondents can complete them in their own time, and collect them again later. It is important that an appointment be made for collecting the questionnaires again, and this should be preferably be not more than 48 hours after delivery. By handling questionnaires in this way, much time is generally saved.

The anonymity/confidentiality was protected by not revealing the names of respondents (trainee accountants and managers) or names of the accounting firms in the completed dissertation.

4.5 THE SELECTION OF RESPONDENTS

4.5.1 DRAWING A SAMPLE

Perumal (1994:250) states that drawing a representative sample includes considering the universe from which a sample is selected. This statement is supported by Lancaster (2005:147); a sample is part of a population (or universe). Lancaster goes on to say that a sample is chosen to reflect the characteristics of the population so that, by careful analysis, one can learn about the wider population.

Universe refers to the entire collection of people who share defined characteristics. Population refers to the entire group of people, events or things of interest that the researcher wishes to investigate, i.e. those people, events or things that are potentially accessible to the researcher (Sekeran, 2003:265). The population is all the people about whom a study is meant to generalise (Jackson, 2008:18).

In this study, the manager population can be explained as the total number of managers employed in the accounting firms in KwaZulu-Natal. The trainee accountant population can be explained as the total number of trainee accountants employed in the accounting firms in KwaZulu-Natal.

The interval or systematic and stratified sampling methods were used in this study. Systematic sampling: a researcher selects elements at equal intervals but starting at with a randomly selected element of the population list (Bless, Higson-Smith and Kagee, 2009:102). The stratified sampling is useful tools when used as part of other sampling techniques. Stratification involves dividing the population or universe into different groups (strata) so that each element of the population belongs to one and only one stratum. Then random

sampling (using simple or interval sampling method) with each stratum is performed (Bless, Higson-Smith and Kagee, 2009:102-103).

4.5.2   SAMPLE SIZE

A prospective, descriptive and analytical, cross-sectional design was employed. The South African Institute of Chartered Accountants provided the researcher with the lists of managers and trainee accountants in the accounting firms in KwaZulu-Natal and respondents were accordingly drawn using both systematic sampling. This dissertation presents the results of the responses for 45 managers (n=60) and 114 trainees (n=120) that were analysed.

It is possible that non-response might occur in this study. Bryman (2008:696) describes non-response as a source of non-sampling error that occurs when some members of sample refuse to participate in the research or can not be contacted or for some reason can not supply the required data. Bryman (2008:648) suggests the following two strategies for boosting response rate: Firstly, Contact prospective respondents before sending a questionnaire and secondly, Follow-up non-respondents at least once.

4.6   THE PILOT STUDY

Strydom *et al.* (2002:13) state that pilot tests are conducted to detect weaknesses in the design of the questionnaire and research instruments, and also provide the researcher with sound basis for determining and refining the sample. During the pilot test, subjects are drawn from the target population and the procedures and protocols of the research project are evaluated.

The questionnaire was pre-tested on a focus group of chartered accountants, SAICA Eastern Region council. Pre-testing is a rehearsal, an important preventative measure (helps to detect weaknesses) and revise procedures. At this stage, control was exercised to prevent possible problems. The pilot test assisted the researcher to decide whether the study is feasible or not and whether it is worthwhile to continue or not.

4.7   ANALYSING AND INTERPRETING THE DATA

Once the fieldwork was completed, the data was processed. Data processing entails editing and coding the collected data to facilitate analysis. Data analysis involves reducing the accumulated data to a manageable size to allow the researcher to summarise, compare, synthesise and apply statistical techniques with a view to eventually interpreting the results (Strydom, Du Toit and Gerber-Nel, 2002:14). Editing detects errors and omissions, corrects them when possible, and certifies that maximum data quality standards are achieved. The editor's purpose of editing is to guarantee that data are: accurate, consistent with the intent of question and other information in the survey, uniformly entered, complete and arranged to simplify coding and tabulation (Cooper and Schindler, 2008:415). Coding involves assigning numbers or other symbols to answers so that the responses can be grouped into a limited number of categories (Cooper and Schindler, 2008:415). In quantitative research, codes acts as tags that are placed on data about people or other units of analysis. The maim aim is to assign the data relating to each variable to groups, each of which is considered to be a category of the variable in question. Numbers are then assigned to each category to allow the information to be processed by the computer (Bryman and Bell, 2003: 725).

Once the questionnaire was received from respondent, it was thoroughly checked and coded with a reference number. From the 45 managers' questionnaires, none (0) was spoilt and from 114 trainees' questionnaires, none (0) was spoilt. Below is a summary of dispatched questionnaires and received responses (Table 11):

Table 11: Dispatched questionnaires and received responses

Position	Sample	Responses received	%
Managers	60	45	75
Trainees	120	114	95
Total	180	159	88

The above table indicates that the response rate is 88% (159 responses received out of 180 questionnaires)

4.8   THE STATISTICAL METHODOLOGY FOR ANALYSING AND INTERPRETING THE DATA

Saunders, Lewis and Thornhill (2007:433) descriptive statistics help researchers to describe and compare variables numerically. Saunders, Lewis and Thornhill (2007:433) further state that research questions and objectives guide the researcher for the choice of statistics.

All statistical analysis was two-sided and was done using SPSS version 15.0 (SPSS Inc., Chicago, Illinois, USA). For all statistical comparisons, the 5% significance level was used.

4.8.1   DESCRIPTIVE STATISTICAL ANALYSIS OF THE DATA

Cooper and Schindler (2008:436) state that descriptive statistical measures are used to depict the centre, spread, and shape of distributions and are helpful as preliminary tools for data description.

Descriptive statistics in the form of frequency and percentage were computed for the variables

4.8.2   MEASURES OF CENTRAL TENDENCY

- **Mean**

Mean represents the balance point (or centre of gravity) of a distribution (De Vos *et al.*, 2010:233). The average response is calculated by using the formula:

$$\bar{x} = \frac{\sum_{i=1}^{n} x_i}{n}$$

4.8.3 MEASURES OF VARIABILITY

- **Standard deviation**

The standard deviation summarises how far away from the average that the values typically are (Cooper and Schindler, 2008: 439). The symbol for the sample standard deviation is s and for the population deviation is σ. The formula for calculating standard deviation is as follows:

$$s = \sqrt{\frac{\sum\limits_{i=1}^{n}(X_i - \overline{X})^2}{n-1}}$$

For the results of this study mean and standard deviation were computed for the dimensions in Section 3 of the questionnaire.

4.8.4 INFERENTIAL STATISTICS

- **Chi-square test**

Bryman and Bell (2003:369) state that the Chi-square test is a test of statistical significance that is typically utilised to establish how confident one can be that the findings displayed in a contingency table can be generalised from a probability sample to a population.

The first step in the chi-square test is to calculate the chi-square statistic. The chi-square statistic is calculated by finding the difference between observed and theoretical frequency for each possible outcome, squaring them, dividing each by the theoretical frequency, and taking the sum of the results (Sekeran, 2003:402).

The formula used to calculate the chi-square test is:

$$\chi^2 = \sum_{i=1}^{n} \frac{(O_i - E_i)^2}{E_i}$$

Where,

O$_i$ = an observed frequency,

E$_i$ = an expected (theoretical) frequency, asserted by the null hypothesis;

n = the number of possible outcomes of each event.

Sekeran (2003:403) further states that the Chi-square helps one to see whether or not two nominal variables are related. The interpretation rule for this test statistic can be summarised as follows: A sigma value or p value of 0.05 means that there is a statistically significance relationship between responses of two statements with nominal scales. A sigma value or p value greater than 0.05 means there is no statistically significance relationship.

Pearson's two sample chi-square test was used in the study to compare between managers and trainees for categorical nominal or ordinal variables.

- **T-test calculations**

The t-test assesses whether the means of two groups are statistically different from each other (Sekeran, 2003:424).

The formula used to calculate the T-test:

$$t = \frac{\bar{\chi}_1 - \bar{\chi}_2}{var\sqrt{(\frac{1}{n1}) + (\frac{1}{n2})}}$$

$$Var = \sqrt{\frac{n_1 s_1^2 + n_2 s_2^2}{n_1 + n_2 - 2}}$$

In the study the data was compared between group managers and trainees using Mann-Whitney T-tests for quantitative normally distributed variables (dimensions).

- **Kolmogorov-Smirnov test**

Saunders, Lewis and Thornhill (2007:447) describe Kolmogorov-Smirnov test as a statistical test used to determine the probability that an observed set of values for each category of a variable differs from a specified distribution.

In the study the one-sample Kolmogorov-Smirnov test was used to complete the normal distribution testing.

- **Reliability**

Sekaran (2003:307) states that cronbach's alpha is a reliability coefficient that indicates how well the items in a set are positively correlated to one another. Cronbach's alpha was computed to determine reliability of the data (Lickert scale data in Section 3).

Cronbach's alpha values that are higher than 0.6 indicate a high degree of internal consistency amongst the items. This shows that the items correlate well together and together measure a common construct. The cronbach's alpha was calculated separately for the managers and trainees data.

The results of the reliability test indicates that items in sections Q3.3.1 to Q3.3.6 can be grouped together to calculate overall scores (since they measure common constructs) for Communication competency, Planning & administration competency, Teamwork competency, Strategic action competency, and Global awareness competency and Self-management competency. Table 12 reflects the cronbach's alpha.

Table 12: Cronbach's alpha

		Group	Cronbach's alpha	Number of Items
Communication competency	Q3.3.1	Managers	0.806	10
		Trainees	0.951	10
Planning & administration Competency	Q3.3.2	Managers	0.949	12
		Trainees	0.936	12
Teamwork competency	Q3.3.3	Managers	0.868	9
		Trainees	0.957	9
Strategic action competency	Q 3.3.4	Managers	0.920	10
		Trainees	0.929	10
Global awareness competency	Q3.3.5	Managers	0.781	6
		Trainees	0.838	6
Self–management competency	Q3.3.6	Managers	0.954	12
		Trainees	0.950	12

4.8   ETHICAL CONSIDERATION

The research complied with ethical consideration of dealing with human subjects and ethical clearance was obtained from the Human Research Ethics Committee (HREC) of the UKZN. The UKZN ethical clearance certificate is attached as appendix 3.

4.10   CONCLUSION

This chapter has outlined the research tools and procedures that have been used in the study. The tools and procedures covered that ensure the smooth collection of data are the following: the research questions; the research design; the research instrument; the selection of respondents; the pilot study; analysis and interpreting data; and ethical considerations.

The next chapter will focus on the analyses of the data collected.

CHAPTER 5

Research Results

5.1   INTRODUCTION

This chapter will present the results obtained from the questionnaires completed by the accounting firms' managers and trainee accountants. A total of 45 questionnaires were completed by managers out of 60 questionnaires dispatched and a total of 114 questionnaires were completed by trainee accountants out of 120 questionnaires dispatched in KwaZulu-Natal. Both questionnaires are attached as Appendix 1 and Appendix 2 respectively. This represents a response rate of 75% for the survey of accounting firm managers and a response rate of 95% for the survey of accounting firm trainees.

All the statistical analyses will be two-sided and was done using SPSS version 15.0 (SPSS Inc., Chicago, Illinois, USA). For all statistical comparisons, the five percent (5%) significance level was used. Pearson's two-sample chi square tests were used to compare between managers and trainees for categorical nominal or ordinal variables.

The results obtained from the statistical analysis of the data are presented in various tables in the next section.

5.2   DEMOGRAPHIC PROFILE OF MANAGERS AND TRAINEES

The information on the demographic profile of managers and trainees was collected to present their profiles and to provide a basis for analysis of the important aspects. Tables 13 - 19 depict the demographic profile of managers and trainees.

5.2.1   GENDER - MANAGERS AND TRAINEES

The quantitative data (in Table 13) on gender, obtained from the questionnaires, yielded the following results:

Table 13: Gender – Managers and Trainees

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Male	38	84.4	54	47.4	90	56.6
Female	7	15.6	60	52.6	69	43.4
Total	45	100.0	114	100.0	159	100.0

The data comprised 45 managers and 114 trainees. The data in Table 13 reflects the distribution of male and female respondents between the two groups. There were more male managers (84.4%) than female managers (15.6%). The managers in the accounting firms are dominantly males. The results indicate that there is no gender equality in the accounting firms in management positions in KwaZulu-Natal. There were (47.4%) male trainees and (52.6%) female trainees. The results indicate more females are now joining the accountancy traineeship in the accounting firms.

5.2.2   AGE IN YEARS OF THE RESPONDENTS

The age (years) for the respondents obtained from the questionnaires in discussed in Table 14.

Table 14: Age Distribution

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
21-30	1	2.2	110	96.5	122	76.7
31-40	14	31.1	4	3.5	17	10.7
41-50	16	35.6	0	0.0	11	6.9
51-60	10	22.2	0	0.0	7	4.4
Above 60	4	8.9	0	0.0	2	1.3
Total	45	100.0	114	100.0	159	100.0

The data in the Table 14 reflects that the majority of the trainees (96.5%) were between 21 and 30 years, while the majority of managers (35.6%) were between 41 and 50 years.

5.2.3 RACE GROUP FOR RESPONDENTS

The race group for the respondents is discussed in Table 15.

Table 15: Race group distribution

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
White	20	44.4	22	19.3	31	19.5
Indian	20	44.4	29	25.4	45	28.3
African	5	11.1	59	51.8	81	50.9
Coloured	0	0.0	4	3.5	2	1.3
Total	45	100.0	114	100.0	159	100.0

The data in the Table 15 reflects the distribution by race group. The majority of the trainees were African (51.8%). The White and Indian managers dominate equally the management positions in the accounting firms (44.4% each). Only 11.1% of the respondents were African managers.

5.2.4   EDUCATIONAL QUALIFICATION OF RESPONDENTS

Table 16 reflects the educational qualifications of both managers and trainees.

Table 16: Qualifications' distribution

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Matric	0	0.0	3	2.6	3	1.9
Diploma	0	0.0	6	5.3	6	3.8
Degree	9	20.0	64	56.1	73	45.9
Honours	35	77.8	41	36.0	76	47.8
Masters	1	2.2	0	0.0	1	0.6
Total	45	100.0	114	100.0	159	100.0

Table 16 reflects that 77.8% of managers had an honours qualification as compared to 36% of the trainees. Only 1 (2.2%) of the managers had a masters degree qualification. 56.1% of the trainee accountants had a bachelors degree, 5.3% had a diploma and 2.6% had a matric qualification.

The results indicate that all managers in the accounting firms in KZN are highly qualified. The results also indicate that the majority of trainees have bachelors degrees and honours degrees and very few had diploma and matric.

5.2.5   JOB LEVEL (POSITION)

The Table 17 reflects the job level of managers and trainees.

Table 17: Job Level (Position)

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Partner	21	46.7	0	0.0	21	13.2
Director	4	8.9	0	0.0	4	2.5
Senior manager	2	4.4	0	0.0	2	1.3
Manager	10	22.2	0	0.0	10	6.3
Supervisor	8	17.8	0	0.0	8	5.0
Trainee	0	0.0	114	100.0	114	71.7
Other	0	0.0	0	0.0	0	0.0
Total	45	100.0	114	100.0	159	100.0

Percentages and totals are based on respondents. a Group

Table 17 reflects that 46.7% of the respondents are employed as partners, 8.9% are employed as directors, 4.4% are employed as senior managers and 22.2% are employed as managers and 17.8% are employed as supervisors. There are trainees in management positions.

5.2.6   PART 1 OF QUALIFYING EXAMINATION

Table 18 reflects the part 1 or qualifying examination responses.

Table 18: Part 1 of qualifying examination

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Passed	35	77.8	21	18.4	56	35.2
Failed	2	4.4	8	7.0	10	6.3
Enrolled	0	0.0	10	8.8	10	6.3
Not applicable	8	17.8	75	65.8	83	52.2
Total	45	100.0	114	100.0	159	100.0

Table 18 reflects that 77.8% managers had passed part 1 of the qualifying examinations and 17.8% indicated "Not applicable". 18.4% of the trainees had passed part 1 of the qualifying examinations, 7.0% had failed, 8.8% had enrolled and 65.8% indicated "Not applicable".

5.2.7   PART 2 OF THE QUALIFYING EXAMINATION

Table 19 reflects the part 2 of qualifying examination responses.

Table 19: Part 2 of qualifying examination

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Passed	35	77.8	16	14.0	51	32.1
Failed	0	0.0	4	3.5	4	2.5
Enrolled	0	0.0	1	0.9	1	0.6
Not applicable	10	22.2	93	81.6	103	64.8
Total	45	100.0	114	100.0	159	100.0

Table 19 reflects that 77.8 managers had passed part 2 of the qualifying examination and 10% of managers had indicated "not applicable". 14% of the trainees had passed part 2 of the qualifying examination, 3.5% of the trainees had failed, 0.9% had enrolled and 81.6% had indicated "not applicable".

5.3 BEHAVIOURS AND PERCEPTIONS OF MANAGERS AND TRAINEES REGARDING B-BBEE CHARTER/CA CHARTER

Below are the results based on behaviours and perceptions of managers and trainees regarding B-BBEE Charter/CA Charter (Tables 20 - 32).

5.3.1 RESPONDENTS' VIEW ON WHETHER B-BBEE SCORECARD HAS BEEN COMPILED AND SUBMITTED TO SAICA AS IT IS REQUIRED BY THE B-BBEE CHARTER/CA CHARTER

The results in Table 20 reflect the responses of managers and trainees to question B1.1.

Table 20: Respondents' view on whether B-BBEE scorecard has been complied and submitted to SAICA

| | Group | | | | Total | |
| | Managers | | Trainees | | | |
	Count	%	Count	%	Count	%
Yes	30	66.7	51	44.7	81	50.9
No	7	15.6	4	3.5	11	6.9
Not sure	8	17.8	59	51.8	67	42.1
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	18.653	2	0.000*

The responses of managers and trainees, as reflected in Table 20 is significantly different at the 95% level ($p < 0.05$). Significantly more trainees (51.8%) were not sure that their accounting firm has compiled a B-BBEE scorecard and submitted it to SAICA as it is required by the B-BBEE charter/CA Charter, as compared to 66.7% of managers who indicated 'yes' ($p < 0.05$).

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5.3.2 RESPONDENTS' VIEW ON WHETHER THE B-BBEE POLICY WILL PLACE WHITE EMPLOYEES AT A DISADVANTAGE

The results in Table 21 reflect the responses of managers and trainees to question B1.2.

Table 21: Respondents' view on whether the B-BBEE policy will place White employees at a disadvantage

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	13	28.9	38	33.3	51	32.1
No	26	57.8	60	52.6	86	54.1
Not sure	6	13.3	16	14.0	22	13.8
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	0.368	2	0.832

Table 21 reflects that the results of the chi-square test indicate that there is no significant difference at the 95% level (p>0.05) between trainees and managers with regard to their responses to the question. The majority of both managers (57.8%) and trainees (52.6%) did not believe that B-BBEE policy will place White employees at a disadvantage.

5.3.3 RESPONDENTS' VIEW ON WHETHER THE CA CHARTER IS AN EFFECTIVE B-BBEE PLAN

The results in Table 22 below reflect the responses of managers and trainees to the question.

Table 22: Respondents' view on whether the CA charter is an effective B-BBEE plan

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	18	40.0	47	41.2	65	40.9
No	7	15.6	10	8.8	17	10.7
Not sure	20	44.4	57	50.0	77	48.4
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	1.606	2	0.448

Table 22 reflects that 50% of trainees reported they are not sure whether the CA Charter is an effective B-BBEE plan, as compared to 44.4% of managers who reported "not sure" (p>0.05). 41.2% of trainees and 40% of managers reported they believe that the CA Charter is an effective B-BBEE plan.

Table 23: Suggestions for an effective B-BBEE plan

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
B-BBEE is a state-of-mind and should not be rules-based	1	2.2	0	0.0	1	0.6
Candidates should be employed based on merit	0	0.0	1	0.9	1	0.6
Charter does not focus on an effective method to transfer skills. Therefore, it will not be an effective plan	0	0.0	1	0.9	1	0.6
Emphasis should be on staff development and overall employment of AA staff	1	2.2	0	0.0	1	0.6
Needs higher ownership coalescence and consider qualitative factors than quantitative factors	1	2.2	0	0.0	1	0.6
Never read the charter nor knew of its existence	0	0.0	1	0.9	1	0.6
Not many of trainees are aware of the CA Charter or what its objectives are	0	0.0	1	0.0	1	0.6
Ownership should be more emphasized than what it is now	1	2.2	0	0.0	1	0.6
The CA Charter can be adjusted to include merit ratings	0	0.0	1	0.9	1	0.6
The CA Charter must be adjusted to include merit ratings	0	0.0	1	0.9	1	0.6
The CA Charter must address trainees problems	0	0.0	1	0.9	1	0.6
White people are certainly affected. Therefore, the CA Charter will cause the brain drain in South Africa	0	0.0	1	0.9	1	0.6
These charter plans are drafted by the same people that do not want Black CA's. I suggest we scrap the existing charter and focus on developing the standard of education in Black Universities	1	2.2	0	0.0	1	0.6

	Count	%	Count	%	Count	%
In theory Yes, but are all stakeholders keen on implementation? Is it enforceable? I think for any BEE Charter to work, adopt the stick approach or else we are sitting in a rocking chair.	0	0.0	1	0.9	1	0.6
No suggestion.	40	88.9	106	92.9	146	91.8
Total	45	100.0	114	100.0	159	100.0

5.3.4 RESPONDENTS' VIEW ON WHETHER MANAGERS ENSURE THAT PREVIOUSLY DISADVANTAGED EMPLOYEES HAVE NECESSARY SKILLS TO ENHANCE TO SENIOR POSITIONS

The results in Table 24 reflect the responses of managers and trainees to the question B1.4.

Table 24: Respondents' view on whether managers ensure that previously disadvantaged employees have necessary skills to enhance to senior positions

	Group				Total	
	Managers		Trainees		Managers	
	Count	%	Count	%	Count	%
Yes	41	91.1	58	50.9	99	62.3
No	1	2.2	33	28.9	34	21.4
Not sure	3	6.7	23	20.2	26	16.4
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	22.765	2	0.000*

Table 24 reflects that 91.1% of managers indicated "Yes" they ensure that previously

85

disadvantaged employees have the necessary skills to enhance to senior positions, while a 28.9% of trainees indicated "No" they do not believe that their managers ensure that previously disadvantaged employees have the necessary skills to enhance to senior positions and 20.2% of trainees indicated "Not sure" ($p < 0.05$).

5.3.5 RESPONDENTS' VIEW ON WHETHER B-BBEE WILL LEAD TO POORLY QUALIFIED BLACK CANDIDATES BEING EMPLOYED BY THE FIRM?

The results in Table 25 reflect the responses of managers and trainees to question B1.5.

Table 25: Respondents' view on whether B-BBEE will lead to poorly qualified Black candidates being employed by the firm?

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	11	24.4	34	29.8	45	28.3
No	26	57.8	60	52.6	86	54.1
Not sure	8	17.8	20	17.5	28	17.6
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	0.489	2	0.783

A larger proportion of managers indicated "No" (57.8%) while a larger proportion of trainees indicated "No" (52.6%). The difference between managers' and trainees' responses is not significant at the 95% level ($p > 0.05$).

5.3.6 RESPONDENTS' VIEW ON WHETHER AN ACCOUNTING FIRM HAS A PLAN TO RETAIN BLACK EMPLOYEES

The results in Table 26 reflect the responses of managers and trainees to question B1.6.

Table 26: Respondents' view on whether an accounting firm has a plan to retain Black employees

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	38	84.4	43	37.7	81	50.9
No	2	4.4	39	34.2	41	25.8
Not sure	5	11.1	32	28.1	37	23.3
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	28.901	2	0.000*

Table 26 reflects that a larger proportion of managers (84.4%) indicated "Yes" the accounting firm has a plan to retain Black employees. 34.2% of trainees indicated "No" and 28.1% of trainees indicated "Not sure" that the accounting firm has a plan to retain Black employees. The difference between managers' and trainees' responses is significant at the 95% level (p<0.05).

5.3.7 RESPONDENTS' VIEW ON WHETHER REMUNERATION IS REGARDLESS OF SEX, RACE, COLOUR OR CREED

The results in Table 27 reflect the responses of managers and trainees to question B1.7.

Table 27: Respondents' view on whether remuneration is regardless of sex, race, colour or creed

| | Group | | | | Total | |
| | Managers | | Trainees | | | |
	Count	%	Count	%	Count	%
Yes	31	68.9	67	58.8	98	61.6
No	2	4.4	22	19.3	24	15.1
Not sure	12	26.7	25	21.9	37	23.3
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	5.563	2	0.062

Table 27 reflects that a larger proportion of managers (68.9%) and trainees (58.8%) indicated "Yes" the remuneration in the accounting firms is regardless of sex, race, colour or creed, followed by 26.7% of managers and 21.9% of trainees who indicated not sure. Only 4.4% of managers indicated "No" and 19.3% of trainees indicated "No" the remuneration in the accounting firm is regardless of sex, race, colour or creed. The difference between managers' and trainees' responses is not significant at the 95% level (p>0.05).

5.3.8 RESPONDENTS' VIEW ON WHETHER B-BBEE IS CONTRIBUTING NEGATIVELY TO THE FIRM'S PRODUCTIVITY AND PROFITABILITY

The results in Table 28 reflect the responses of managers and trainees to question B1.8.

Table 28: Respondents' view whether the B-BBEE is contributing negatively to the firm's productivity and profitability

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	4	8.9	11	9.6	15	9.4
No	29	64.4	67	58.8	96	60.4
Not sure	12	26.7	36	31.6	48	30.2
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	0.450	2	0.799

Table 28 reflects that a larger proportion of managers (64.4%) disagreed that and a large proportion of trainees (58.8%) disagreed that B-BBEE is contributing negatively to the firm's productivity and profitability. 26.7% of managers and 31.6% of trainees indicated "Not sure" whether B-BBEE is contributing negatively to the firm's productivity and profitability. 8.9% of managers and 9.6% of trainees agreed that B-BBEE is contributing negatively to the firm's productivity and profitability (p>0.05).

Table 29 reflects the suggestions to question B1.8

Table 29 - B1.8 suggestions

		Group		Total
		Managers	Trainees	
Increased stress levels	Count	2	6	8
Lower standards	Count	0	4	4
Demotivated employees	Count	0	6	6
High staff turnover rate	Count	0	3	3
More time spent on training and development	Count	4	4	8
No suggestion		39	91	130
Total	Count	45	114	159

Table 29 reflects that 4 managers and 4 trainees indicated B-BBEE is contributing negatively to the firm's productivity and profitability because more time is spent on training and development. 2 managers and 6 trainees indicated B-BBEE is contributing negatively to the firm's productivity and profitability because it leads to increased stress levels of employees. 39 managers and 91 trainees had indicated no suggestion.

5.3.9   RESPONDENTS' VIEW ON WHETHER THEY HAVE KNOWLEDGE OF THE CA CHARTER

The results in Table 30 reflect the responses of managers and trainees to question B1.9.

Table 30: Respondents' view on whether they have knowledge of the CA Charter

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	29	64.4	48	42.1	77	48.4
No	7	15.6	58	50.9	65	40.9
Not sure	9	20.0	8	7.0	17	10.7
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	18.257	2	0.000*

The results in Table 30 show that 64.4% of managers indicated "Yes" they do have the knowledge of the CA Charter, as compared to 50.9% of trainees who indicated "No" they do not have knowledge of the CA Charter. 20% of managers indicated "Not sure" while 42.1% of trainees indicated "Yes" they have knowledge of the CA Charter. The results are significant at the 95% level (p<0.05).

5.3.10 RESPONDENTS' VIEW ON WHETHER THE CA CHARTER IS AN EXCELLENT PLATFORM TO QUALIFY MORE BLACK CHARTERED ACCOUNTANTS

The results in Table 31 reflect the responses of managers and trainees to question B1.10.

Table 31: Respondents' view whether the CA Charter is an excellent platform to qualify more Chartered Accountants

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	22	48.9	48	42.1	70	44.0
No	4	8.9	11	9.6	15	9.4
Not sure	19	42.2	55	48.2	74	46.5
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	0.609	2	0.738

Table 31 reflects that a larger proportion of managers (48.9%) indicated "Yes" the CA Charter is an excellent platform to qualify more Black Chartered Accountants, while a larger proportion of trainees (55%) indicated "Not sure". 42% of managers indicated "Not sure" whether the CA Charter as an excellent platform to qualify more Black Chartered Accountants, while 42.1% of trainees regard the CA Charter as an excellent platform to qualify more Black Chartered Accountants. The difference between managers and trainees responses is not significant at the 95% level (p>0.05).

Table 32 reflects the responses on remedial actions for the CA Charter as written by respondents.

Table 32: Remedial Actions for the CA Charter

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Charter should focus holistically on skills development, both technical knowledge and interpersonal skills in order to qualify more Black Chartered Accountants	0	0.0	1	0.9	1	0.6
Firstly, Improve quality of Maths in public schools in order to get students with Good Maths marks	1	2.2	0	0.0	1	0.6
Greater intervention is required	1	2.2	0	0.0	1	0.6
It is a useful base to start, however it is the change of mind-shift that will make things happen	1	2.2	0	0.0	1	0.6
Unless provisions are made to make it enforceable because currently everyone is happy carrying on without much attention to the charter	0	0.0	1	0.9	1	0.6
Increase ownership score	1	2.2	0	0.0	1	0.6
Less score should be given to management	1	2.2	0	0.0	1	0.6
No suggestion	40	88.9	112	98.3	152	95.6
Total	45	100.0	114	100.0	159	100.0

5.4 BEHAVIOURS AND PERCEPTIONS OF MANAGERS AND TRAINEES REGARDING DIVERSITY

The quantitative data obtained from the diversity questions is discussed below. Adaptation to questions for trainees are shown in parenthesis.

5.4.1 DO(ES) YOU(R) (MANAGER) ENSURE IN YOUR ACCOUNTING FIRM THAT THE EMPLOYEES REPRESENT THE DEMOGRAPHICS OF THE COUNTRY?

The results in Table 33 reflect the responses of managers and trainees to question B2.1.

Table 33: Respondents' view on whether managers ensure that employees represent the demographics of the country

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	32	71.1	70	61.4	102	64.2
No	10	22.2	27	23.7	37	23.3
Not sure	3	6.7	17	14.9	20	12.6
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	2.248	2	0.325

The difference between managers' and trainees' responses is not significant at the 95% level (p>0.05). The majority of both managers (71.1%) and trainees (61.4%) agreed that managers ensure that the employees represent the demographics of the country in the accounting firms. However, 22.2% of managers and 23.7% of trainees disagreed that managers ensure that the

employees represent the demographics of the country in the accounting firms. (Table 33)

5.4.2 DO(ES) YOU(R) (MANAGER) ADDRESS DIVERSITY BARRIERS IN YOUR ACCOUNTING FIRM IN ORDER TO HAVE A WORKFORCE THAT IS PRODUCTIVE AND UNITED?

The results in Table 34 reflect the responses of managers and trainees to question B2.2.

Table 34: Respondents' view on whether managers address diversity barriers in the accounting firm

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	36	80.0	72	63.2	108	67.9
No	4	8.9	26	22.8	30	18.9
Not sure	5	11.1	16	14.0	21	13.2
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	4.869	2	0.088

The results in Table 34 reveal that there is no significant difference at the 95% level (p>0.05). The majority of managers (80%) and trainees (63.2%) agreed that managers address diversity barriers in the accounting firm in order to have a workforce that is productive and united. 8.9% of managers and 22.8% of trainees indicated "No", while 14% of trainees were not sure if managers address diversity barriers and 11.1% of managers were not sure if they address diversity barriers.

Table 35 reflects a reason given by one respondent

Table 35: Reason to B 2.2

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
No reason	44	97.8	114	100.0	158	99.4
We have an EE Forum	1	2.2	0	.0	1	0.6
Total	45	100.0	114	100.0	159	100.0

Table 35 shows that 1 manager indicted they have an employment equity forum in the accounting firm where they address diversity barriers.

5.4.3 DO(ES) YOU(R) (MANAGER) ENCOURAGE SOCIAL GATHERING OF DIVERSE EMPLOYEES IN YOUR ACCOUNTING FIRM?

The results in Table 36 reflect the responses of managers and trainees to question B2.3.

Table 36: Respondents' views on whether managers encourage social gathering of diverse employees

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	40	88.9	89	78.1	129	81.1
No	2	4.4	17	14.9	19	11.9
Not sure	3	6.7	8	7.0	11	6.9
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	df	P
Pearson Chi-Square	3.430	2	0.180

The results in Table 36 reveal that there is no significant different at the 95% level (p>0.05). The majority of managers (88.9%) agreed that they encourage social gathering of diverse employees in their firms and 78.1% of trainees also indicated "Yes". 4.4% of managers and 14.9% of trainees disagreed. 6.7% of managers and 7% of trainees indicated "Not sure".

5.4.4 DO(ES) YOU(R) (MANAGER) ENSURE THAT DIVERSITY IS A NON-NEGOTIABLE AGENDA ITEM AT ALL RELEVANT MEETINGS IN YOUR FIRM?

The results in Table 37 reflect the responses of managers and trainees to question B2.4.

Table 37: Respondents' views on whether managers ensure that diversity is a non-negotiable agenda item at all relevant meetings

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	33	77.3	56	49.1	89	56.0
No	5	11.1	32	28.1	37	23.3
Not sure	7	15.6	26	22.8	33	20.8
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	df	P
Pearson Chi-Square	8.184	2	0.017*

The results in Table 37 are significantly different at the 95% level (p<0.05). A total of 73.3%

of managers agreed that they ensure that diversity is a non-negotiable agenda item at all relevant meeting in our firms, as compared to 50.9% of trainees who indicated "No" (28.1%) and "Not sure" (22.8%), respectively.

5.4.5 DO(ES) YOU(R) (MANAGER) CHAMPION DIVERSITY IN YOUR ACCOUNTING FIRM BY PROVIDING THE FOLLOWING?

5.4.5.1 BECOME ROLE MODELS FOR BEHAVIOURS REQUIRED FOR CHANGE

Table 38 reflects the responses to question B2.5.1.

Table 38: Respondents' view on whether managers become role models for behaviours required for change

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	37	82.2	68	59.6	105	66.0
No	6	13.3	28	24.6	34	21.4
Not sure	2	4.4	18	15.8	20	12.6
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	df	P
Pearson Chi-Square	7.693	2	0.021*

The results in Table 38 are significantly different at the 95% level (p<0.05). 82.2% of managers agreed that they become role models for behaviours required for change and 59.6% of trainees agreed that their managers become role models for behaviours required for change. However 24.6% of trainees disagreed and 15.8% indicated "Not sure". 13.3% of

managers indicated they do not become role models for behaviours required for change and 4.4% of managers were "Not sure".

5.4.5.2   WRITE MISSION STATEMENT THAT DEFINES WHAT THEY MEAN BY DIVERSITY

Table 39 reflects the responses to question B2.5.2.

Table 39: Respondents' view on whether managers write mission statement that define what they mean by diversity

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	14	31.1	50	43.9	64	40.3
No	21	46.7	39	34.2	60	37.7
Not sure	10	22.2	25	21.9	35	22.0
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	df	P
Pearson Chi-Square	2.631	2	0.268

The differences between managers and trainees are not significant at the 95% level (p>0.05). 31.1% of managers agreed that they write a mission statement that defines what managers mean by diversity, compared to 43.9% reported by trainees. 46.7% of managers disagreed, compared to 34.2% reported by trainees. 22.2% of managers indicated "Not sure", compared to 21.9% of the same response by trainees.

5.4.5.3   PROVIDE FINANCIAL SUPPORT TO IMPLEMENT CHANGE

Table 40 reflects the responses to question B2.5.3.

Table 40: Respondents' view on whether managers provide financial support to implement change

		Group				Total	
		Managers		Trainees			
		Count	%	Count	%	Count	%
B2.5.3	Yes	23	51.1	52	45.6	75	47.2
	No	16	35.6	38	33.3	54	34.0
	Not sure	6	13.3	24	21.1	30	18.9
Total		45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	1.273	2	0.529

The differences between managers and trainees, as reflected in Table 40, are not significant at the 95% level (p>0.05). 51.1% of managers and 45.6% of trainees agreed that managers provide financial support to implement change. 35.6% of managers and 33.3% of trainees disagreed, whereas 13.3% of managers and 21.1% of trainees indicated "Not sure".

5.4.5.4   DIVERSITY COMMITTEE INCLUDES REPRESENTATIVES FROM TOP MANAGEMENT

Table 41 reflects the responses to question B2.5.4.

Table 41: Respondents' view on whether diversity committee includes representatives from top management

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	29	64.4	44	38.6	73	45.9
No	12	26.7	39	34.2	51	32.1
Not sure	4	8.9	31	27.2	35	22.0
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	10.178	2	0.006*

The differences between managers and trainees, as reflected in Table 41, are significant at the 95% level (p<0.05). 64.4% of managers and 38.6% of trainees agreed that diversity committee includes representatives from top management. However, 26.7% of managers and 34.2% of trainees disagreed, whereas 8.9% of managers and 27.2% of trainees were "Not sure".

5.4.5.5   DEMONSTRATE PERSONAL COMMITMENT TO DIVERSITY

Table 42 reflects the responses to question B2.5.5.

Table 42: Respondents' view on whether managers demonstrate personal commitment to diversity

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	37	82.2	48	42.1	85	53.5
No	6	13.3	33	28.9	39	24.5
Not sure	2	4.4	33	28.9	35	22.0
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	21.270	2	.000*

The differences between managers and trainees, as reflected in Table 42 are significant at the 95% level (p<0.05). 82.2% of managers agreed that they demonstrate personal commitment to diversity, as compared to 42.1% reported by trainees. 28.9% of trainees disagreed and 28.9% on trainees were "Not sure". Only a small percentage of managers indicated "No" (13.3%) and "Not sure" (4.4%).

5.4.5.6   NO ACTIONS TAKEN

Table 43 reflects the responses to question B2.5.6.

Table 43: Respondents' view that no action taken by managers to champion diversity

		Group				Total	
		Managers		Trainees			
		Count	%	Count	%	Count	%
B2.5.6	Yes	3	6.7	14	12.3	17	10.7
	No	33	82.2	68	59.6	105	66.0
	Not sure	5	11.1	32	28.1	37	23.3
Total		45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	df	P
Pearson Chi-Square	7.428	2	0.024*

The differences between managers and trainees, as reflected in Table 443, are significant at the 95% level (p<0.05). The majority of managers (82.2%) and trainees (59.6%) indicated "No". 11.1% of managers and 28,1% of trainees indicated "Not sure". 6.7% of managers indicated "Yes" and 12.3% of trainees indicated "Yes".

5.4.5.7 ANY OTHER SUPPORT TAKEN BY MANAGERS

Table 44 reflects the responses to question B2.5.7.

Table 44: Respondents' view on any other support provided by managers to champion diversity

		Group				Total	
		Managers		Trainees			
		Count	%	Count	%	Count	%
B2.5.7	Yes	5	11.1	7	6.1	12	7.5
	No	31	68.9	82	71.9	113	71.1
	Not sure	9	20.0	25	21.9	34	21.4
Total		45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	1.154	2	0.561

The differences between managers and trainees, as reflected in Table 44, are not significant at the 95% level (p>0.05). The majority of managers (68.9%) and trainees (71.9%) indicated "No" to any other support by managers. 20% of managers and 21.9% of trainees indicated "Not sure". Only 11.1% of managers and 6.1% of trainees indicated "Yes".

Table 45 reflects any other support specified by respondents.

Table 45: Any other support (specify)

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
No	43	95.6	110	96.5	153	96.3
Pay retention bonuses to retain top AA candidates	1	2.2	0	0.0	1	0.6
Studies, exams & financial assistance	1	2.2	0	0.0	1	0.6
Social committee and events every quarter	0	0.0	1	0.9	1	0.6
Social gathering	0	0.0	1	0.9	1	0.6
They provide diversity workshops	0	0.0	1	0.9	1	0.6
Diversity workshops	0	0.0	1	0.9	1	0.6
Total	45	100.0	114	100.0	159	100.0

Table 45 reflects that only 2 managers and 4 trainees specified any other support provided by their accounting firm.

5.4.6 DOES YOUR ACCOUNTING FIRM PROVIDE DIVERSITY TRAINING AND EDUCATION?

Table 46 reflects the responses to question B2.6.

Table 46: Respondents' view on whether management provide diversity training and education

| | Group | | | | Total | |
| | Managers | | Trainees | | | |
	Count	%	Count	%	Count	%
Yes	32	71.1	83	72.8	115	72.3
No	10	22.2	24	21.1	34	21.4
Not sure	3	6.7	7	6.1	10	6.3
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	df	P
Pearson Chi-Square	0.048	2	0.976

The differences between managers and trainees, as reflected in Table 46, are not significant at the 95% level (p>0.05). The majority of managers (71.1%) and trainees (72.8%) agreed that the accounting firm provide diversity education and training. 22.2% of managers and 21.1% of trainees disagreed and a small percentage of managers (6.7%) and trainees (6.1%) indicated "Not sure".

Respondents' were asked to indicate diversity training and education programmes provided by the accounting firm. Respondents were asked to choose more than one items. (Table 47)

Table 47: Diversity training and education programmes run by accounting firms

	Group		Total
	Managers	Trainees	
Awareness training programme	16	50	66
Orientation programme	27	37	64
Mentoring programme	22	40	62
Educational programme	18	35	53
Coaching programme	18	37	55
Career development programme	22	36	58
Other	2	4	6

Table 47 reflects the diversity training and education programmes provided by the accounting firms. 6 Managers and 50 trainees indicated diversity awareness training programme, 27 managers and 37 trainees indicated orientation programme, 22 managers and 40 trainees indicated mentoring programme, 18 managers and 35 trainees indicated educational programme, 18 managers and 37 trainees indicated coaching programme, 22 managers and 36 trainees indicated career development programme, 2 managers and 4 trainees indicated other programmes.

Respondents' were asked to indicate why diversity training and education programmes are not provided by the accounting firm. (Table 48)

Table 48: Why accounting firm is not running diversity training and education programmes

	Group		Total
	Managers	Trainees	
Lack resources	4	6	10
No management support	0	9	9
Imperfect execution of diversity plan	0	0	0
Gap between diversity policy and practice	0	0	0
Other (please specify)	2	4	6

Table 48 reflects that 4 managers and 6 trainees indicated accounting firm lack resources, 9 trainees indicated no management support and 2 managers and 4 trainees indicated other reasons.

5.4.7 DO YOU BELIEVE THAT YOUR ACCOUNTING FIRM SHOULD INCLUDE A COMMITMENT CLAUSE REGARDING DIVERSITY IN ITS MISSION STATEMENT?

Table 49 reflects the responses to question B2.7.

Table 49: Respondents' view on whether the accounting firm should include a commitment clause regarding diversity in its mission statement

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	27	60.0	73	64.0	100	62.9
No	12	26.7	22	19.3	34	21.4
Not sure	6	13.3	19	16.7	25	15.7
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	df	P
Pearson Chi-Square	1.131	2	0.568

The responses of managers and trainees, as reflected in Table 49, are not significantly different at the 95% level (p>0.05). The majority of both managers (60%) and trainees (64%) agrees that they believe the accounting firm should include a commitment clause regarding diversity in its mission statement. 26.7% of managers and 19.3% of trainees disagreed while 13.3% of managers and 16.7% of trainees indicated "Not sure".

Table 50 reflects the comments to question B2.7.

Table 50: Comments on whether the accounting firm includes commitment clause regarding diversity in its mission statement

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
No answer	44	97.8	114	100.0	158	99.4
It does in our firm's values	1	2.1	0	.0	1	0.6
Total	45	100.0	114	100.0	159	100.0

Table 50 reflects that only 1 manager indicated that their accounting firm includes a commitment clause regarding diversity in their firm's values.

5.4.8   DIVERSITY IS A KEY STRATEGIC ISSUE AND MUST NOT CLASH WITH OTHER IMPORTANT BUSINESS OBJECTIVES

Table 51 reflects the responses to question B2.8.

Table 51: Respondents' view on whether diversity is a key strategic issue and must not clash with other important business objectives

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Strongly disagree	0	0.0	2	1.8	2	1.3
Disagree	9	20.0	8	7.0	17	10.7
Neutral	10	22.2	16	14.0	26	16.4
Agree	17	37.8	50	43.9	67	42.1
Strongly agree	9	20.0	38	33.3	47	29.6
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	df	P
Pearson Chi-Square	9.422	4	0.051

The responses of managers and trainees, as reflected in Table 51, are significantly different at the 95% level (p>0.05). The majority of trainees (77.10%) agreed that diversity is a key strategic issue and must clash with other important business objectives, as compared to 57.8% of managers who agreed. Only 22.2% on managers and 14% of trainees indicated "Neutral" whereas 20% of managers and 8.8% of trainees disagreed.

5.4.9 DIVERSITY STRATEGIC PLANS SHOULD INCLUDE CHANGES IN EXISTING HUMAN RESOURCES PRACTICES, SUCH AS RECRUITMENT, ORIENTATION, PERFORMANCE MANAGEMENT AND PROMOTION POLICIES

Table 52 reflects the responses to question B2.9.

Table 52: Respondents' view on whether diversity strategic plans should include changes in existing human resources practices

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Strongly disagree	0	0.0	3	2.6	3	1.9
Disagree	3	6.7	7	6.1	10	6.3
Neutral	10	22.2	11	9.6	21	13.2
Agree	20	44.4	57	50.0	77	48.4
Strongly agree	12	26.7	36	31.6	48	30.2
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	df	P
Pearson Chi-Square	5.524	4	0.238

The responses of managers and trainees as reflected in Table 52 is not significantly different at the 95% level (p>0.05). The majority of managers 32 (71.1%) and trainees 93 (81.6%) agreed that the diversity strategic plans should include changes in existing human resources practices, such as recruitment, orientation, performance management and promotion policies. Only 22.2% of managers and 9.6% of trainees indicated "Neutral" with regard to the statement. 6.7% of managers and 8.7% of trainees disagreed with the statement.

5.4.10   IS THE ACCOUNTING FIRM LOSING TOP BLACK TALENT BECAUSE BLACK EMPLOYEES DO NOT FEEL VALUED OR HEARD?

Table 53 reflects the responses to question B2.10.

Table 53: Respondents' view on whether accounting firms are losing top Black talent because Black employees do not feel valued or heard

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Strongly disagree	5	11.1	15	13.2	20	12.6
Disagree	18	40.0	21	18.4	39	24.5
Neutral	5	11.1	16	14.0	21	13.2
Agree	9	20.0	31	27.2	40	25.2
Strongly agree	8	17.8	31	27.2	39	24.5
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	8.271	4	0.082

The responses of managers and trainees, as reflected in Table 53, are not significantly different at the 95% level (p>0.05). The majority of managers (51.1%) disagreed, while the majority of trainees (54.2%) agreed that the accounting firm is losing top Black talent because Black employees do not feel valued or heard. Only 37.8% of managers agreed and 31.6% of trainees indicated disagreed. 11.1% of managers and 14% of trainees were neutral.

5.4.11 WHO SHOULD DRIVE DIVERSITY PROGRAMMES FOR THE ACCOUNTING FIRM TO ACHIEVE BUSINESS EXCELLENCE?

Table 54 reflects the responses to question B2.11.

Table 54: Respondents' views on who should drive diversity programmes

	Group		Total
	Managers (45)	Trainees(114)	
	Ranking order (Count)	Ranking order (Count)	Ranking order (Count)
Top management	1 (37)	1 (84)	1 (121)
Human Resources Department	2 (25)	2 (42)	2 (67)
Transformation manager	3 (12)	4 (21)	4 (33)
Diversity committee/forum, leadership team, steering committee	4 (12)	3 (31)	3 (43)
Other	5 (0)	5 (5)	5 (5)

121 respondents (37 managers and 84 trainees) indicated that top management should drive diversity programmes for the accounting firm to achieve business excellence, 67 respondents (25 managers and 42 trainees) indicated that the Human Resources Department should drive the diversity programmes. 33 respondents (12 managers and 21 trainees) indicated that the transformation manager should drive the diversity programmes. 43 respondents (12 managers and 31 trainees) indicated that the diversity committee/forum/leadership team/steering committee should drive the diversity programmes.

5.4.12 DOES YOUR ACCOUNTING FIRM HAVE AN INCENTIVE SCHEME FOR MANAGERS WHO COOPERATE IN THE IMPLEMENTATION OF THE DIVERSITY MANAGEMENT PROGRAMME?

Table 55 reflects the responses to question B2.12.

Table 55: Respondents' view on whether there is an incentive scheme for managers who cooperate in the implementation of diversity management programme

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	10	22.2	15	13.2	25	15.7
No	21	46.7	37	32.5	58	36.5
Not sure	14	31.1	62	54.4	76	47.5
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	df	P
Pearson Chi-Square	7.129	2	.028*

The responses of managers and trainees, as reflected in Table 55, are significantly different at the 95% level (p<0.05). The majority of both managers (77.8%) and trainees (86.9%) indicated "No" (46.7% vs 32.5%) and "Not sure" (31.1% vs 54.4%) to the question whether the accounting firm should have an incentive scheme for managers who co-operate in the implementation of the diversity management programme. Only 22.2% of managers and 13.2% of trainees indicated "Yes" the accounting firm have an incentive scheme for managers who co-operate in the implementation of the diversity management programme.

Table 56 reflects the responses on incentives that are employed by the accounting firms

Table 56: Monetary/Non monetary compensation

		Group		Total
		Managers	Trainees	
Monetary compensation	Count	8	9	17
Non monetary compensation	Count	2	8	10
Other	Count	1	1	2

17 respondents (eight managers and nine trainees) indicated "monetary compensation" is employed as an incentive, 10 respondents (two managers and eight trainees) indicated "Non monetary" and 2 respondents indicated "other" (one manager and one trainee). (Table 56)

Table 57 reflects the monetary compensation specified by respondent.

Table 57: Monetary (specify)

		Group		Total
		Managers	Trainees	
Bonus element	Count	1	0	1

Only one manager specified the bonus element as a monetary incentive.

Table 58 reflects the non monetary compensation specified by respondent.

Table 58: Non-monetary (specify)

		Group		Total
		Managers	Trainees	
Recognition	Count	1	0	1

Only one manager specified recognition as a non-monetary incentive.

5.4.13 DOES YOUR ACCOUNTING FIRM MEASURE AND APPRAISE MANAGEMENT ON DIVERSITY PERFORMANCE USING THE FOLLOWING?

Table 59 reflects the responses to question B2.13.

Table 59: Measuring and appraising management on diversity performance

	Group		Total
	Managers	Trainees	
B2.13	Ranking order (Count)	Ranking order (Count)	Ranking order (Count)
External recruitment targets	4 (6)	4 (20)	4 (26)
Internal career development	1 (22)	1 (39)	1 (61)
Diversity climate	3 (8)	5 (17)	5 (25)
Consultation and communication	2(20)	3 (23)	2 (43)
Other	5 (5)	2 (30)	3 (35)

61 respondents (twenty two managers and thirty nine trainees) indicated that the firm measures and appraises management on diversity using internal career development, 43

respondents (twenty managers and twenty three trainees) indicated consultation and communication, 35 respondents (five managers and thirty trainees) indicated other, 26 respondents (six managers and twenty trainees) indicated external recruitment targets and 25 respondents (eight managers and seventeen trainees) indicated diversity climate. One trainee specified that he doubts if management is appraised on diversity. (Table 59)

5.4.14 MANAGING DIVERSITY IN YOUR FIRM LEADS TO THE FOLLOWING?

5.4.14.1 IMPROVE MOTIVATION

Table 60 reflects the responses to question B2.14.1.

Table 60: Respondents' view on whether managing diversity leads to improved motivation

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	36	80.0	83	72.8	119	74.8
No	3	6.7	16	14.0	19	11.9
Not sure	6	13.3	15	13.2	21	13.2
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	1.690	2	0.430

The responses of managers and trainees, as reflected in Table 60, are not significantly different at the 95% level (p>0.05). The majority of both managers (80%) and trainees (72.8%) agreed that managing diversity in the accounting firm improves motivation. 13.3% of managers and 13.2% of trainees indicated "Not sure" whereas 6.7% of managers and 14.0% of trainees disagreed.

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5.4.14.2 LOYALTY

Table 61 reflects the responses to question B2.14.2.

Table 61: Respondents' view on whether managing diversity leads to loyalty

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	31	68.9	71	62.3	102	64.2
No	7	15.6	22	19.3	29	18.2
Not sure	7	15.6	21	18.4	28	17.6
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	0.618	2	0.734

The responses of managers and trainees, as reflected in Table 61, are not significantly different at the 95% level (p>0.05). The majority of managers (68.9%) and trainees (62.3%) agreed that managing diversity in the accounting firm leads to loyalty. The same percentage of managers indicated "Not sure" (15.6%) and "No" (15.6%) and approximately the same percentage of managers and trainees indicated "Not sure" (19.3%) and "No" (18.4%).

5.4.14.3   COMMITMENT

Table 62 reflects the responses to question B2.14.3.

Table 62: Respondents' view on whether managing diversity leads to commitment

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	34	75.6	77	67.5	111	69.8
No	5	11.1	20	17.5	25	15.7
Not sure	6	13.3	17	14.9	23	14.5
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	1.201	2	0.548

The responses of managers and trainees, as reflected in Table 62, are not significantly different at the 95% level (p>0.05). The majority of managers (75.6%) and trainees (67.5%) agreed that managing diversity in the accounting firm leads to commitment. 11.1% of managers and 17.5% of trainees disagreed and 13.3% of managers and 14.9% of trainees were "Not sure".

5.4.14.4   SELF-CONFIDENCE

Table 63 reflects the responses to question B2.14.4

Table 63: Respondents' view on whether managing diversity leads to self-confidence

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	37	82.2	80	70.2	117	73.6
No	3	6.7	21	18.4	24	15.1
Not sure	5	11.1	13	11.4	18	11.3
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	df	P
Pearson Chi-Square	3.592	2	0.166

The responses of managers and trainees, as reflected in Table 63, are not significantly different at the 95% level (p>0.05). The majority of managers (82.2%) and trainees (70.2%) agreed that managing diversity in the accounting firm leads to self-confidence. 6.7% of managers and 18.4% of trainees disagreed and 11.1% of managers and 11.4% of trainees were "Not sure".

5.4.14.5 ENTHUSIASM

Table 64 reflects the responses to B2.14.5.

Table 64: Respondents' view on whether managing diversity leads to enthusiasm

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	33	73.3	71	62.3	104	65.4
No	5	11.1	24	21.1	29	18.2
Not sure	7	15.6	19	16.7	26	16.4
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	2.375	2	0.305

The responses of managers and trainees, as reflected in Table 64, are not significantly different at the 95% level (p>0.05). The majority of managers (73.3%) and trainees (62.3%) agreed that managing diversity in the accounting firm leads to enthusiasm. 11.1% of managers and 21.1% of trainees disagreed and 15.6% of managers and 16.7% of trainees were "Not sure".

5.4.14.6 DIGNITY

Table 65 reflects the responses to question B2.14.6.

Table 65: Respondents' view on whether managing diversity leads to dignity

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Yes	38	84.4	74	64.9	112	70.4
No	5	11.1	23	20.2	28	17.6
Not sure	2	4.4	17	14.9	19	11.9
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	6.211	2	0.045*

The responses of managers and trainees, as reflected in Table 65, are significantly different at the 95% level (p<0.05). The majority of managers (84.4%) and trainees (64.9%) agreed that managing diversity in the accounting firm leads to dignity. 11.1% of managers and 20.2% of trainees disagreed and 4.4% of managers and 14.9% of trainees were "Not sure".

5.4.14.7 STRESS DECREASES

Table 66 reflects the responses to question B2.14.7

Table 66: Respondents' view on whether managing diversity leads to decreased stress

		Group				Total	
		Managers		Trainees			
		Count	%	Count	%	Count	%
B2.14.7	Yes	23	51.1	52	45.6	75	47.2
	No	12	26.7	38	33.3	50	31.4
	Not sure	10	22.2	24	21.1	34	21.4
Total		45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	0.683	2	0.711

The responses of managers and trainees, as reflected in Table 66, are not significantly different at the 95% level (p>0.05). 51.1% of managers and 45.6% of trainees agreed that managing diversity in the accounting firm results in the decrease in stress. 26.7% of managers and 33.3% of trainees disagreed and 22.2% of managers and 21.1% of trainees indicated "Not sure".

5.4.14.8　　　　OTHER (SPECIFY)

Table 67 reflects the responses to question B2.14.8

Table 67: Respondents' view on whether managing diversity leads to other benefits

| | | Group | | | | Total | |
| | | Managers | | Trainees | | | |
		Count	%	Count	%	Count	%
B2.14.8	Yes	3	6.7	11	9.6	14	8.8
	No	39	86.7	91	79.8	130	81.8
	Not sure	3	6.7	12	10.5	15	9.4
Total		45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	1.020	2	0.600

The responses of managers and trainees, as reflected in Table 67, are not significantly different at the 95% level (p>0.05). The majority of managers (86.7%) and trainees (79.8%) disagreed that there are other benefits of managing diversity. 6.7% of managers and 9.6% of trainees indicated agreed and 6.7% of managers and 10.5% of trainees were "Not sure". One manager specified co-operation as a benefit.

5.4.15 DO YOU BELIEVE THAT PROBLEMS THAT WERE EXPERIENCED BY BLACK TRAINEE ACCOUNTANTS IN THE ACCOUNTING FIRMS PRIOR TO 1994 STILL EXIST TODAY?

Table 68 reflects the responses to question B2.15

Table 68: Respondents' view on whether the problems that were experienced by Black trainee accountants in the accounting firms prior to 1994 still exist today

		Group				Total	
		Managers		Trainees			
		Count	%	Count	%	Count	%
	Strongly disagree	2	4.4	22	19.3	24	15.1
	Disagree	16	35.6	16	14.0	32	20.1
	Neutral	6	13.3	11	9.6	17	10.7
	Agree	12	26.7	33	28.9	45	28.3
	Strongly agree	9	20.0	32	28.1	41	25.8
Total		45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	df	P
Pearson Chi-Square	13.424	4	0.009*

The responses of managers and trainees, as reflected in Table 68, are significantly different at the 95% level (p<0.05). 46.7% of managers and 49% of managers believe that the problems that were experienced by Black trainee accountants in the accounting firms prior 1994 still exist today. 40% of managers and 33.3% of trainees disagreed and 13.3% of managers and 9.6% of trainees were neutral.

Table 69 reflects the reasons given by respondents regarding question B 2.15.

Table 69: Reasons

	Group		Total
	Managers	Trainees	
	Count	Count	Count
Certainly not in bigger firms, but possible still in the small firms	1	0	1
The problem is not as widespread as previously	1	0	1

Only two managers specified reasons, as indicated in Table 69. One manager indicated that the problems that were experienced by Black trainee accountants in the accounting firms prior 1994 are no longer bigger in the big accounting firms, but possible still exist in the smaller accounting firms.

5.4.16   DO YOU FEEL ATTACHED TO THE FOLLOWING TYPES OF PEOPLE?

5.4.16.1   THOSE TRAINEE ACCOUNTANTS WHO SPEAK THE SAME LANGUAGE AS YOU?

Table 70 reflects the responses to question B2.16.1.

Table 70: Trainee accountants who speak the same language as you

| | Group | | | | Total | |
| | Managers | | Trainees | | | |
	Count	%	Count	%	Count	%
Not at all attached	4	8.9	2	1.8	6	3.8
Not very attached	3	6.7	6	5.3	9	5.7
Slightly attached	12	26.7	25	21.9	37	23.3
Very attached	21	46.7	79	69.3	100	62.9
Not sure	5	11.1	2	1.8	7	4.4
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	df	P
Pearson Chi-Square	13.819	4	0.008*

The responses of managers and trainees, as reflected in Table 70, are significantly different at the 95% level (p<0.05). The majority of managers (73.4%) and trainees (71.2%) felt more attached to trainees who speak the same language as themselves.

5.4.16.2 THOSE TRAINEE ACCOUNTANTS WHO DO NOT SPEAK THE SAME LANGUAGE AS YOU?

Table 71 reflects the responses to question B2.16.2

Table 71: Trainee accountants who do not speak the same language as you

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Not at all attached	5	11.1	6	5.3	11	6.9
Not very attached	17	37.8	32	28.1	49	30.8
Slightly attached	10	22.2	44	38.6	54	34.0
Very attached	7	15.6	30	26.3	37	23.3
Not sure	6	13.3	2	1.8	8	5.0
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	15.331	4	0.004*

The responses of managers and trainees, as reflected in Table 71, are significantly different at the 95% level (p<0.05). 48.9% of managers were not attached to individuals who spoke different language as themselves, compared to 64.9% of trainees who were attached to individuals who spoke different language as themselves. Only 37.8% of managers felt attached to individuals who spoke different language as themselves, compared to 33.4% of trainees who reported that they were not attached to individuals who spoke different language as themselves.

5.4.16.3 THOSE TRAINEE ACCOUNTANTS WHO BELONG TO THE SAME RACE GROUP AS YOU?

Table 72 reflects the responses to question B2.16.3.

Table 72: Trainee accountants who belong to the same group as you

	Group				Total	
	Managers		Trainees			
	Count	%	Count	%	Count	%
Not at all attached	5	11.1	0	0.0	5	3.1
Not very attached	6	13.3	6	5.3	12	7.5
Slightly attached	10	22.2	30	26.3	40	25.2
Very attached	19	42.2	76	66.7	95	59.7
Not sure	5	11.1	2	1.8	7	4.4
Total	45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	Df	P
Pearson Chi-Square	25.308	4	0.000*

The responses of managers and trainees, as reflected in Table 72, are significantly different at the 95% level (p<0.05). The majority of managers (64.4%) and trainees (93%) felt more attached to individuals who were of the same race group as themselves.

5.4.16.4   THOSE TRAINEE ACCOUNTANTS WHO DO NOT BELONG TO THE SAME GROUP AS YOU?

Table 73 reflects the responses to B2.16.4

Table 73: Trainee accountants who do not belong to the same group as you

		Group				Total	
		Managers		Trainees		Managers	
		Count	%	Count	%	Count	%
B2.16.4	Not at all attached	5	11.1	5	4.4	10	6.3
	Not very attached	13	28.9	24	21.4	37	23.3
	Slightly attached	12	26.7	56	49.1	68	42.8
	Very attached	9	20.0	24	21.1	33	20.8
	Not sure	6	13.3	5	4.4	11	6.9
Total		45	100.0	114	100.0	159	100.0

Chi-Square Tests

	Value	df	P
Pearson Chi-Square	10.727	4	0.030*

The responses of managers and trainees, as reflected in Table 73, are significantly different at the 95% level (p<0.05). The majority of managers (46.7%) and trainees (70.2%) felt more attached to individuals from a different race group as themselves.

5.5 RESPONDENTS' RESPONSE ON MANAGERIAL COMPETENCIES NEEDED BY MANAGERS TO MANAGE DIVERSITY IN THE ACCOUNTING FIRM

The respondents were requested to indicate under each managerial competency the managerial tasks that they believe managers need to effectively manage diversity in the accounting firm. Tables 74 – 132 give the results:

5.5.1 COMMUNICATION AS A MANAGERIAL COMPETENCY

Below are the perceptions of managers and trainees on management tasks (under communication competency) required by accounting firms' managers in managing diverse workforce (Tables 74 – 83).

5.5.1.1 PROMOTES TWO-WAY COMMUNICATION BY ASKING FOR FEEDBACK, LISTENING AND CREATING A GIVE-AND-TAKE CONVERSATION

Table 74 reflects the responses to question B3.3.1.1.

Table 74: Promotes two-way communication by asking for feedback, listening and creating a give-and-take conversation

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.1.1	Strongly disagree	0	0.0	0	0.0	0	0.0
	Disagree	0	0.0	7	6.1	7	4.4
	Neutral	1	2.2	5	4.4	6	3.8
	Agree	25	55.6	59	51.8	84	52.8
	Strongly agree	19	42.2	43	37.7	62	39.0
Total		45	100.0	114	100.0	159	100.0

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Chi-Square tests

chi-square	Df	P
3.419462	3	0.331

The responses of managers and trainees, as reflected in Table 74, are not significantly different at the 95% level (p>0.05). The majority of both managers (97.8%) and trainees (89.5%) firmly believe that managers need to promote two-way communication by asking for feedback, listening and creating a give-and-take conversation. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.1.2   HAS AWARENESS OF OTHERS' FEELINGS

Table 75 reflects the responses to question B3.3.1.2.

Table 75: Has awareness of others' feelings

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.1.2	Strongly disagree	0	0.0	2	1.8	2	1.3
	Disagree	0	0.0	9	7.9	9	5.7
	Neutral	3	6.7	7	6.1	10	6.3
	Agree	23	51.1	52	45.6	75	47.2
	Strongly agree	19	42.2	44	38.6	63	39.6
Total		45	100.0	114	100.0	159	100.0

Chi-Square tests

Chi-square	Df	P
4.670051	4	0.323

The responses of managers and trainees, as reflected in Table 75, are not significantly different at the 95% level (p>0.05). The majority of both managers (93.3%) and trainees (84.2%) firmly believe that managers need to have awareness of others' feelings. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.1.3   BUILDS STRONG INTERPERSONAL RELATIONSHIPS WITH PEOPLE

Table 76 reflects the responses to question B3.3.1.3.

Table 76: Builds strong interpersonal relationships with people

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.1.3	Strongly disagree	0	0.0	1	0.9	1	0.6
	Disagree	0	0.0	10	8.8	10	6.3
	Neutral	1	2.2	8	7.0	9	5.7
	Agree	27	60.0	55	48.2	82	51.6
	Strongly agree	17	37.8	40	35.1	57	35.8
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
6.582332	4	0.160

The responses of managers and trainees, as reflected in Table 76, are not significantly different at the 95% level (p>0.05). The majority of both managers (97.8%) and trainees (83.3%) firmly believe that managers need to build strong interpersonal relationships with people. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.1.4 INFORMS PEOPLE OF RELEVANT EVENTS AND ACTIVITIES AND KEEPS THEM UP TO DATE

Table 77 reflects the responses to question B3.3.1.4.

Table 77: Informs people of relevant events and activities and keeps them up to date

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.1.4	Strongly disagree	0	0.0	1	0.9	1	0.6
	Disagree	1	2.2	8	7.0	9	5.7
	Neutral	6	13.3	7	6.1	13	8.2
	Agree	31	68.9	54	47.4	85	53.5
	Strongly agree	7	15.6	44	38.6	51	32.1
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
11.88236	4	0.018*

The responses of managers and trainees, as reflected in Table 77, are significantly different at the 95% level (p<0.05). The majority of both managers (85.5%) and trainees (86%) firmly believe that managers need to have awareness of others' feelings. 13.3% of managers and 6.1% of trainees were neutral with regard to the statement that the manager informs people of relevant events and activities and keeps them up to date. 2.2% of managers and 7.9% of trainees did not agree with the statement that the manager informs people of relevant events and activities and keeps them up to date. The finding means that the managers and trainees have different perceptions towards this management task.

5.5.1.5 MAKES PERSUASIVE, HIGH-IMPACT PUBLIC PRESENTATIONS AND HANDLES QUESTIONS WELL

Table 78 reflects the responses to question B3.3.1.5.

Table 78: Makes persuasive, high-impact public presentations and handles questions well

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.1.5	Strongly disagree	0	0.0	1	0.9	1	0.6
	Disagree	1	2.2	8	7.0	9	5.7
	Neutral	18	40.0	14	12.3	32	20.1
	Agree	22	48.9	52	45.6	74	46.5
	Strongly agree	4	8.9	39	34.2	43	27.0
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
21.74706	4	0.000*

The responses of managers and trainees, as reflected in Table 78, are significantly different at the 95% level (p<0.05). The majority of both managers (57.8%) and trainees (79.8%) firmly believe that managers need to make persuasive, high impact public presentations and handle questions well. 40% of managers and 12.3% of trainees were neutral with regard to the statement that the manager makes persuasive, high impact public presentations and handles questions well. 2.2% of managers and 7.9% of trainees disagreed with the statement that the manager makes persuasive, high impact public presentations and handles questions well. The finding means that the managers and trainees have different perceptions towards this management task.

5.5.1.6   WRITES CLEARLY, CONCISELY, AND EFFECTIVELY, USING A VARIETY OF COMPUTER-BASED RESOURCES

Table 79 reflects the responses to question B3.3.1.6.

Table 79: Writes clearly, concisely, and effectively, using a variety of computer-based resources

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.1.6	Strongly disagree	0	0.0	0	0.0	0	0.0
	Disagree	5	11.1	9	7.9	14	8.8
	Neutral	7	15.6	8	7.0	15	9.4
	Agree	28	62.2	62	54.4	90	56.6
	Strongly agree	5	11.1	35	30.7	40	25.2
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
8.144341	3	0.043*

The responses of managers and trainees, as reflected in Table 79, are significantly different at the 95% level (p<0.05). The majority of both managers (73.3%) and trainees (85.1%) firmly believe that managers need to write clearly, concisely, and effectively, using a variety of computer-based resources. 15.6% of managers and 7% of trainees were neutral with regard to the statement the manager writes clearly, concisely, and effectively, using a variety of computer based resources. 11.1% of managers and 7.9% of trainees disagreed with the statement that the manager writes clearly, concisely, effectively, using a computer based resources. The finding means that the managers and trainees have different perceptions towards this management task.

5.5.1.7   UNDERSTANDS AND MOTIVATES PEOPLE BOTH INDIVIDUALLY AND IN GROUPS

Table 80 reflects the responses to question B3.3.1.7.

Table 80: Understands and motivates people both individually and in groups

		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.1.7	Strongly disagree	0	0.0	1	0.9	1	0.6
	Disagree	0	0.0	7	6.1	7	4.4
	Neutral	2	4.4	6	5.3	8	5.0
	Agree	21	46.7	47	41.2	68	42.8
	Strongly agree	22	48.9	53	46.5	75	47.2
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	P
3.463341	4	0.483

The responses of managers and trainees, as reflected in Table 80, are not significantly different at the 95% level (p>0.05). The majority of both managers (95.6%) and trainees (87.7%) firmly believe that managers need to understand and motivate people both individually and in groups. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.1.8 NEGOTIATES EFFECTIVELY ON BEHALF OF A TEAM OVER ROLES AND RESOURCES

Table 81 reflects the responses to question B3.3.1.8.

Table 81: Negotiates effectively on behalf of a team over roles and resources

		Group				Total	
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.1.8	Strongly disagree	0	0.0	1	0.9	1	0.6
	Disagree	1	2.2	7	6.1	8	5.0
	Neutral	5	11.1	6	5.3	11	6.9
	Agree	32	71.1	51	44.7	83	52.2
	Strongly agree	7	15.6	49	43.0	56	35.2
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
14.1644	4	0.007*

The responses of managers and trainees, as reflected in Table 81, are significantly different at the 95% level (p<0.05). The majority of both managers (86.7%) and trainees (87.7%) firmly believe that managers need to negotiate effectively on behalf of a team over roles and resources. 11.1% of managers and 5.3% of trainees were neutral with regard to the statement that the manager negotiates effectively on behalf of a team over roles and resources. 2.2% of managers and 7% of trainees disagreed with the statement that the manager negotiates effectively on behalf of a team over roles and resources. The finding means that the managers and trainees have different perceptions towards this management task.

5.5.1.9 IS SKILLED AT DEVELOPING RELATIONSHIPS AND EXERCISING INFLUENCE UPWARD WITH SUPERIORS

Table 82 reflects the responses to question B3.3.1.9

Table 82: Is skilled at developing relationships and exercising influence upward with superiors

| | | Group | | | | | |
| | | Managers | | Trainees | | Total | |
		Count	%	Count	%	Count	%
B3.3.1.9	Strongly disagree	0	0.0	0	0.0	0	0.0
	Disagree	0	0.0	7	6.1	7	4.4
	Neutral	3	6.7	10	8.8	13	8.2
	Agree	29	64.4	50	43.9	79	49.7
	Strongly agree	13	28.9	47	41.2	60	37.7
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
6.991428	3	0.072

The responses of managers and trainees, as reflected in Table 82, are not significantly different at the 95% level (p>0.05). The majority of both managers (93.3%) and trainees (85.1%) firmly believe that managers need to be skilled at developing relationships and exercising influence upward with superiors. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.1.10 TAKES DECISIVE AND FAIR ACTIONS WHEN HANDLING PROBLEM SUBORDINATES

Table 83 reflects the responses to question B3.3.1.10.

Table 83: Takes decisive and fair actions when handling problem subordinates

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.1.10	Strongly disagree	0	0.0	4	3.5	4	2.5
	Disagree	1	2.2	7	6.1	8	5.0
	Neutral	1	2.2	3	2.6	4	2.5
	Agree	19	42.2	48	42.1	67	42.1
	Strongly agree	24	53.3	52	45.6	76	47.8
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	P
2.987189	4	0.560

The responses of managers and trainees, as reflected in Table 83, are not significantly different at the 95% level (p>0.05). The majority of both managers (95.5%) and trainees (87.7%) firmly believe that managers need to take decisive and fair actions when handling problem subordinates. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.2   PLANNING AND ADMINISTRATION AS A MANAGERIAL COMPETENCY

Below are the perceptions of managers and trainees on management tasks (under planning and administration competency) required by accounting firms' managers in managing diverse workforce (Tables 84 – 95).

5.5.2.1   MONITORS INFORMATION AND USES IT TO IDENTIFY SYMPTOMS, PROBLEMS, AND ALTERNATIVE SOLUTIONS

Table 84 reflects the responses to question B3.3.2.1.

Table 84: Monitors information and uses it to identify symptoms, problems, and alternative solutions

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.2.1	Strongly disagree	0	0.0	0	0.0	0	0.0
	Disagree	1	2.2	6	5.3	7	4.4
	Neutral	4	8.9	8	7.0	12	7.5
	Agree	24	53.3	59	51.8	83	52.2
	Strongly agree	16	35.6	41	36.0	57	35.8
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
0.844319	3	0.839

The responses of managers and trainees, as reflected in Table 84, are not significantly different at the 95% level (p>0.05). The majority of both managers (88.9%) and trainees (87.7%) firmly believe that managers need to monitor information and use it to identify symptoms, problems, and alternative solutions. The finding reveals that the managers and trainees have similar perceptions towards this management task.

5.5.2.2   MAKES TIMELY DECISIONS

Table 85 reflects the responses to question B3.3.2.2.

Table 85: Makes timely decisions

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.2.2	Strongly disagree	0	0.0	3	2.6	3	1.9
	Disagree	1	2.2	3	2.6	4	2.5
	Neutral	4	8.9	6	5.3	10	6.3
	Agree	23	51.1	58	50.9	81	50.9
	Strongly agree	17	37.8	44	38.6	61	38.4
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	P
1.886071	4	0.757

The responses of managers and trainees, as reflected in Table 85, are not significantly different at the 95% level (p>0.05). The majority of both managers (88.9%) and trainees (89.5%) firmly believe that managers need to make timely decisions. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.2.3 TAKES CALCULATED RISKS AND ANTICIPATES THE CONSEQUENCES

Table 86 reflects the responses to question B3.3.2.3.

Table 86: Takes calculated risks and anticipates the consequences

		Group				Total	
		Managers		Trainees			
		Count	%	Count	%	Count	%
B3.3.2.3	Strongly disagree	0	0.0	3	2.6	3	1.9
	Disagree	2	4.4	3	2.6	5	3.1
	Neutral	7	15.6	11	9.6	18	11.3
	Agree	28	62.2	64	56.1	92	57.9
	Strongly agree	8	17.8	33	28.9	41	25.8
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
4.282926	4	0.369

The responses of managers and trainees, as reflected in Table 86, are not significantly different at the 95% level (p>0.05). The majority of both managers (80%) and trainees (85.1%) firmly believe that managers need to take calculated risks and anticipate the consequences. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.2.4 DEVELOPS PLANS AND SCHEDULES TO ACHIEVE GOALS EFFECTIVELY

Table 87 reflects the responses to question B3.3.2.4.

Table 87: Develops plans and schedules to achieve goals effectively

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.2.4	Strongly disagree	0	0.0	2	1.8	2	1.3
	Disagree	2	4.4	1	0.9	3	1.9
	Neutral	3	6.7	10	8.8	13	8.2
	Agree	23	51.1	57	50.0	80	50.3
	Strongly agree	17	37.8	44	38.6	61	38.4
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
3.15395	4	0.532

The responses of managers and trainees, as reflected in Table 87, are not significantly different at the 95% level (p>0.05). The majority of both managers (88.9%) and trainees (88.6%) firmly believe that managers need to develop plans and schedules to achieve goals effectively. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.2.5 ASSIGNS PRIORITIES TO TASKS AND DELEGATES RESPONSIBILITY

Table 88 reflects the responses to question B3.3.2.5.

Table 88: Assigns priorities to tasks and delegates responsibility

| | | Group | | | | | |
| | | Managers | | Trainees | | Total | |
		Count	%	Count	%	Count	%
B3.3.2.5	Strongly disagree	0	0.0	1	0.9	1	0.6
	Disagree	1	2.2	1	0.9	2	1.3
	Neutral	4	8.9	4	3.5	8	5.0
	Agree	25	55.6	56	49.1	81	50.9
	Strongly agree	15	33.3	52	45.6	67	42.1
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
4.13174	4	0.388

The responses of managers and trainees, as reflected in Table 88, are not significantly different at the 95% level (p>0.05). The majority of both managers (88.9%) and trainees (94.7%) firmly believe that managers need to assign priorities to tasks and delegate responsibility. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.2.6 DETERMINES, OBTAINS, AND ORGANIZES NECESSARY RESOURCES TO ACCOMPLISH THE TASK

Table 89 reflects the responses to question B3.3.2.6.

Table 89: Determines, obtains, and organizes necessary resources to accomplish the task

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.2.6	Strongly disagree	0	0.0	2	1.8	2	1.3
	Disagree	2	4.4	3	2.6	5	3.1
	Neutral	3	6.7	7	6.1	10	6.3
	Agree	22	48.9	61	53.5	83	52.2
	Strongly agree	18	40.0	41	36.0	59	37.1
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
1.414364	4	0.842

The responses of managers and trainees, as reflected in Table 89, are not significantly different at the 95% level (p>0.05). The majority of both managers (88.9%) and trainees (89.5%) firmly believe that managers need to assign priorities to tasks and delegate responsibility. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.2.7 HANDLES SEVERAL ISSUES AND PROJECTS AT ONE TIME BUT DOESN'T SPREAD SELF TOO THIN

Table 90 reflects the responses to B3.3.2.7.

Table 90: Handles several issues and projects at one time but doesn't spread oneself too thin

		Group				Total	
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.2.7	Strongly disagree	0	0.0	1	0.9	1	0.6
	Disagree	2	4.4	7	6.1	9	5.7
	Neutral	8	17.8	11	9.6	19	11.9
	Agree	23	51.1	63	55.3	86	54.1
	Strongly agree	12	26.7	32	28.1	44	27.7
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
2.468502	4	0.650

The responses of managers and trainees, as reflected in Table 90, are not significantly different at the 95% level (p>0.05). The majority of both managers (77.8%) and trainees (83.3%) firmly believe that managers need to handle several issues and projects at one time but don't spread themselves too thin. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.2.8 MONITORS AND KEEPS TO A SCHEDULE OR CHANGES SCHEDULE IF NEEDED

Table 91 reflects the responses to B3.3.2.8.

Table 91: Monitors and keeps to a schedule or changes schedule if needed

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.2.8	Strongly disagree	0	0.0	2	1.8	2	1.3
	Disagree	1	2.2	5	4.4	6	3.8
	Neutral	8	17.8	7	6.1	15	9.4
	Agree	30	66.7	63	55.3	93	58.5
	Strongly agree	6	13.3	37	32.5	43	27.0
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
10.90145	4	0.028*

The responses of managers and trainees, as reflected in Table 91, are significantly different at the 95% level ($p<0.05$). The majority of both managers (80%) and trainees (87.8%) firmly believe that managers need to monitor and keep a schedule or change schedule, if needed. 17.8% of managers and 6.1% of trainees were neutral with regard to the statement that the manager monitors and keeps a schedule or changes schedule if needed. 2.2% of managers and 6.2% of trainees disagreed with the statement that the manager monitors and keeps a schedule or changes schedule, if needed. The finding means that the managers and trainees have different perceptions towards this management task.

5.5.2.9   WORKS EFFECTIVELY UNDER TIME PRESSURE

Table 92 reflects the responses to question B3.3.2.9.

Table 92: Works effectively under time pressure

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.2.9	Strongly disagree	0	0.0	1	0.9	1	0.6
	Disagree	3	6.7	5	4.4	8	5.0
	Neutral	4	8.9	6	5.3	10	6.3
	Agree	21	46.7	60	52.6	81	50.9
	Strongly agree	17	37.8	42	36.8	59	37.1
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
1.635629	4	0.802

The responses of managers and trainees, as reflected in Table 92, are not significantly different at the 95% level (p>0.05). The majority of both managers (84.5%) and trainees (89.4%) firmly believe that managers need to work effectively under time pressure. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.2.10 UNDERSTANDS BUDGETS, CASH FLOWS, FINANCIAL REPORTS, AND ANNUAL REPORTS, AND REGULARLY USES SUCH INFORMATION TO MAKE DECISIONS

Table 93 reflects the responses to question B3.3.2.10.

Table 93: Understands budgets, cash flows, financial reports, and annual reports, and regularly uses such information to make decisions

				Group			
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.2.10	Strongly disagree	1	2.2	0	0.0	1	0.6
	Disagree	1	2.2	6	5.3	7	4.4
	Neutral	9	20.0	6	5.3	15	9.4
	Agree	18	40.0	60	52.6	78	49.1
	Strongly agree	16	35.6	42	36.8	58	36.5
Total		45	100.0	114	100.0	159	100.0

Chi-square

Chi-square	Df	P
11.70243	4	0.020*

The responses of managers and trainees, as reflected in Table 93, are significantly different at the 95% level (p<0.05). The majority of both managers (75.6%) and trainees (89.4%) firmly believe that managers need to understand budgets, cash flows, financial reports, and annual reports and regularly use such information to make decisions. 20% of managers and 5.3% of trainees were neutral with regard to the statement that the manager understands budgets, cash flows, financial reports, and annual reports and regularly uses such information to make decisions. 4.4% of managers and 5.3% of trainees disagreed with the statement that the manager understands budgets, cash flows, financial reports, and annual reports and regularly uses such information to make decisions. The finding means that the managers and trainees have different perceptions towards this management task.

5.5.2.11   KEEPS ACCURATE AND COMPLETE FINANCIAL RECORDS

Table 94 reflects the responses to question B3.3.2.11.

Table 94: Keeps accurate and complete financial records

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.2.11	Strongly disagree	1	2.2	0	0.0	1	0.6
	Disagree	2	4.4	2	1.8	4	2.5
	Neutral	6	13.3	5	4.4	11	6.9
	Agree	21	46.7	64	56.1	85	53.5
	Strongly agree	15	33.3	43	37.7	58	36.5
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
7.906713	4	0.095

The responses of managers and trainees, as reflected in Table 94, are not significantly different at the 95% level (p>0.05). The majority of both managers (80%) and trainees (93.8%) firmly believe that managers need to keep accurate financial records. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.2.12 REATES BUDGETARY GUIDELINES FOR OTHERS AND WORKS WITHIN THE GUIDELINES GIVEN BY OTHERS

Table 95 reflects the responses to question B3.3.2.12.

Table 95: Creates budgetary guidelines for others and works within the guidelines given by others

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.2.12	Strongly disagree	1	2.2	0	0.0	1	0.6
	Disagree	0	0.0	5	4.4	5	3.1
	Neutral	8	17.8	5	4.4	13	8.2
	Agree	23	51.1	58	50.9	81	50.9
	Strongly agree	13	28.9	46	40.4	59	37.1
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	P
12.72674	4	0.013*

The responses of managers and trainees, as reflected in Table 95, are significantly different at the 95% level (p<0.05). The majority of both managers (80%) and trainees (91.3%) firmly believe that managers need to create budgetary guidelines for others and work within the guidelines given by others. 17.8% of managers were neutral with the statement that the manager creates budgetary guidelines for others and works within the guidelines given by others, as compared to 4.4% of trainees. The finding means that the managers and trainees have different perceptions towards this management task.

5.5.3   TEAMWORK AS A MANAGERIAL COMPETENCY

Below are the perceptions of managers and trainees on management tasks (under teamwork competency) required by accounting firms' managers in managing diverse workforce (Tables 96 – 104).

5.5.3.1   FORMULATES CLEAR OBJECTIVES THAT INSPIRE TEAM MEMBERS TO PERFORM

Table 96 reflects the responses to question B3.3.3.1.

Table 96: Formulates clear objectives that inspire team members to perform

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.3.1	Strongly disagree	0	0.0	1	0.9	1	0.6
	Disagree	0	0.0	7	6.1	7	4.4
	Neutral	1	2.2	10	8.8	11	6.9
	Agree	23	51.1	48	42.1	71	44.7
	Strongly agree	21	46.7	48	42.1	69	43.4
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	P
5.899238	4	0.207

The responses of managers and trainees, as reflected in Table 96, are not significantly different at the 95% level (p>0.05). The majority of both managers (97.8%) and trainees (84.2%) firmly believe that managers need to formulate clear objectives that inspire team members to perform. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.3.2 APPROPRIATELY STAFFS THE TEAM, TAKING INTO ACCOUNT THE VALUE OF DIVERSE IDEAS AND TECHNICAL SKILLS

Table 97 reflects the responses to question B3.3.3.2

Table 97: Appropriately staffs the team, taking into account the value of diverse ideas and technical skills

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.3.2	Strongly disagree	0	0.0	1	0.9	1	0.6
	Disagree	0	0.0	7	6.1	7	4.4
	Neutral	1	2.2	8	7.0	9	5.7
	Agree	29	64.4	44	38.6	73	45.9
	Strongly agree	15	33.3	54	47.4	69	43.4
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
10.62827	4	0.031*

The responses of managers and trainees, as reflected in Table 97, are significantly different at the 95% level (p<0.05). The majority of both managers (97.7%) and trainees (86%) firmly believe that managers need to appropriately staff the team, taking into account the value of diverse ideas and technical skills. Only 8% of trainees disagreed with the statement that managers need to appropriately staff the team, taking into account the value of diverse ideas and technical skills. The finding means that the managers and trainees have different perceptions towards this management task.

5.5.3.3   DEFINES RESPONSIBILITIES FOR THE TEAM AS A WHOLE AND ASSIGNS TASKS AND RESPONSIBILITIES TO INDIVIDUAL TEAM MEMBERS AS APPROPRIATE

Table 98 reflects the responses to question B3.3.3.3.

Table 98: Defines responsibilities for the team as a whole and assigns tasks and responsibilities to individual team members as appropriate

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.3.3	Strongly disagree	0	0.0	0	0.0	0	0.0
	Disagree	0	0.0	3	2.6	3	1.9
	Neutral	1	2.2	5	4.4	6	3.8
	Agree	28	62.2	53	46.5	81	50.9
	Strongly agree	16	35.6	53	46.5	69	43.4
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	P
4.040894	3	0.257

The responses of managers and trainees, as reflected in Table 98, are not significantly different at the 95% level ($p > 0.05$). The majority of both managers (97.8%) and trainees (93%) firmly believe that managers need to define the role for the team as a whole and assign tasks and responsibilities to individual team members as appropriate. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.3.4 CREATES AN ENVIRONMENT IN WHICH EFFECTIVE TEAMWORK IS EXPECTED, RECOGNIZED, PRAISED, AND REWARDED

Table 99 reflects the responses to question B3.3.3.4.

Table 99: Creates an environment in which effective teamwork is expected, recognized, praised, and rewarded

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.3.4	Strongly disagree	0	0.0	2	1.8	2	1.3
	Disagree	1	2.2	8	7.0	9	5.7
	Neutral	1	2.2	7	6.1	8	5.0
	Agree	22	48.9	41	36.0	63	39.6
	Strongly agree	21	46.7	56	49.1	77	48.4
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	P
4.484911	4	0.344

The responses of managers and trainees, as reflected in Table 99, are not significantly different at the 95% level (p>0.05). The majority of both managers (95.6%) and trainees (85.1%) firmly believe that managers need to create an environment in which effective teamwork is expected, recognized, praised, and rewarded. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.3.5   ASSISTS THE TEAM IN IDENTIFYING AND ACQUIRING THE RESOURCES IT NEEDS TO ACCOMPLISH ITS GOALS

Table 100 reflects the responses to question B3.3.3.5

Table 100: Assists the team in identifying and acquiring the resources it needs to accomplish its goals

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.3.5	Strongly disagree	0	0.0	0	0.0	0	0.0
	Disagree	0	0.0	7	6.1	7	4.4
	Neutral	3	6.7	6	5.3	9	5.7
	Agree	28	62.2	54	47.4	82	51.6
	Strongly agree	14	31.1	47	41.2	61	38.4
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
5.116526	3	0.163

The responses of managers and trainees, as reflected in Table 100, are not significantly different at the 95% level (p>0.05). The majority of both managers (93.3%) and trainees (88.6%) firmly believe that managers need to assist the team in identifying and acquiring the resources it needs to accomplish its goals. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.3.6   ACTS AS COACH, COUNSELOR, AND MENTOR, BEING PATIENT WITH TEAM MEMBERS AS THEY LEARN

Table 101 reflects the responses to question B3.3.3.6.

Table 101: Acts as coach, counsellor, and mentor, being patient with team members as they learn

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.3.6	Strongly disagree	0	0.0	1	0.9	1	0.6
	Disagree	0	0.0	9	7.9	9	5.7
	Neutral	0	0.0	9	7.9	9	5.7
	Agree	22	48.9	47	41.2	69	43.4
	Strongly agree	23	51.1	48	42.1	71	44.7
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	P
8.522348	4	0.074

The responses of managers and trainees as, reflected in Table 101, are not significantly different at the 95% level (p>0.05). The majority of both managers (99.9%) and trainees (83.3%) firmly believe that managers need to act as coach, counselor, and mentor, being patient with team members as they learn. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.3.7 UNDERSTANDS THE STRENGTHS AND WEAKNESSES OF TEAM MEMBERS AND USES THEIR STRENGTHS TO ACCOMPLISH TASKS AS A TEAM

Table 102 reflects the responses to question B3.3.3.7.

Table 102: Understands the strengths and weaknesses of team members and uses their strengths to accomplish tasks as a team

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.3.7	Strongly disagree	0	0.0	2	1.8	2	1.3
	Disagree	0	0.0	8	7.0	8	5.0
	Neutral	1	2.2	7	6.1	8	5.0
	Agree	20	44.4	47	41.2	67	42.1
	Strongly agree	24	53.3	50	43.9	74	46.5
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
5.633198	4	0.228

The responses of managers and trainees, as reflected in Table 102, are not significantly different at the 95% level (p>0.05). The majority of both managers (97.7%) and trainees (85.1%) firmly believe that managers need to understand the strengths and weaknesses of team members and use their strengths to accomplish tasks as a team. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.3.8 BRINGS CONFLICT AND DISSENT INTO OPEN AND USES IT TO ENHANCE PERFORMANCE

Table 103 reflects the responses to question B3.3.3.8.

Table 103: Brings conflict and dissent into open and uses it to enhance performance

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.3.8	Strongly disagree	0	0.0	2	1.8	2	1.3
	Disagree	2	4.4	9	7.9	11	6.9
	Neutral	5	11.1	17	14.9	22	13.8
	Agree	23	51.1	48	42.1	71	44.7
	Strongly agree	15	33.3	38	33.3	53	33.3
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	P
2.267593	4	0.687

The responses of managers and trainees, as reflected in Table 103, are not significantly different at the 95% level (p>0.05). The majority of both managers (84.4%) and trainees (75.4%) firmly believe that managers need to bring conflict and dissent into the open and uses it to enhance performance. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.3.9 SHARES CREDIT WITH OTHERS

Table 104 reflects the responses to B3.3.3.9.

Table 104: Shares credit with others

		Group				Total	
		Managers		Trainees			
		Count	%	Count	%	Count	%
B3.3.3.9	Strongly disagree	0	0.0	3	2.6	3	1.9
	Disagree	0	0.0	8	7.0	8	5.0
	Neutral	3	6.7	8	7.0	11	6.9
	Agree	18	40.0	42	36.8	60	37.7
	Strongly agree	24	53.3	53	46.5	77	48.4
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	P
4.745003	4	0.314

The responses of managers and trainees, as reflected in Table 104, are not significantly different at the 95% level (p>0.05). The majority of both managers (93.3%) and trainees (83.3%) firmly believe that managers need to share credit with others. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.4   STRATEGIC ACTION AS A MANAGERIAL COMPETENCY

Below are the perceptions of managers and trainees on management tasks (under strategic action competency) required by accounting firms' managers in managing a diverse workforce (Tables 105 – 114).

5.5.4.1   UNDERSTANDS THE INDUSTRY AND QUICKLY RECOGNIZES WHEN CHANGES IN THE INDUSTRY CREATE SIGNIFICANT THREATS AND OPPORTUNITIES

Table 105 reflects the responses to question B3.3.4.1.

Table 105: Understands the industry and quickly recognizes when changes in the industry create significant threats and opportunities

| | | Group | | | | Total | |
| | | Managers | | Trainees | | Total | |
		Count	%	Count	%	Count	%
B3.3.4.1	Strongly disagree	1	2.2	0	0.0	1	0.6
	Disagree	0	0.0	2	1.8	2	1.3
	Neutral	3	6.7	3	2.6	6	3.8
	Agree	29	64.4	66	57.9	95	59.7
	Strongly agree	12	26.7	43	37.7	55	34.6
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
6.085991	4	0.193

The responses of managers and trainees, as reflected in Table 105, are not significantly different at the 95% level (p>0.05). The majority of both managers (93.1%) and trainees (95.6%) firmly believe that managers need to understand the industry and quickly recognizes when changes in the industry create significant threats and opportunities. The finding means that the managers and trainees have

similar perceptions towards this management task.

5.5.4.2   STAYS INFORMED OF THE ACTIONS OF COMPETITORS AND STRATEGIC PARTNERS

Table 106 reflects the responses to question B3.3.4.2

Table 106: Stays informed of the actions of competitors and strategic partners

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.4.2	Strongly disagree	1	2.2	1	0.9	2	1.3
	Disagree	0	0.0	3	2.6	3	1.9
	Neutral	3	6.7	7	6.1	10	6.3
	Agree	31	68.9	63	55.3	94	59.1
	Strongly agree	10	22.2	40	35.1	50	31.4
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
4.373934	4	0.358

The responses of managers and trainees, as reflected in Table 106, are not significantly different at the 95% level (p>0.05). The majority of both managers (91.1%) and trainees (90.4%) firmly believe that managers need to stay informed of the actions of competitors and strategic partners. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.4.3 CAN ANALYSE GENERAL TRENDS IN THE INDUSTRY AND THEIR IMPLICATIONS FOR THE FUTURE

Table 107 reflects the responses to question B3.3.4.3.

Table 107: Can analyse general trends in the industry and their implications for the future

		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.4.3	Strongly disagree	1	2.2	0	0.0	1	0.6
	Disagree	0	0.0	3	2.6	3	1.9
	Neutral	6	13.3	11	9.6	17	10.7
	Agree	25	55.6	65	57.0	90	56.6
	Strongly agree	13	28.9	35	30.7	48	30.2
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
4.174449	4	0.383

The responses of managers and trainees as, reflected in Table 107, are not significantly different at the 95% level (p>0.05). The majority of both managers (84.4%) and trainees (87.7%) firmly believe that managers need to analyse general trends in the industry and their implications for the future. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.4.4 UNDERSTANDS THE CONCERNS OF STAKEHOLDERS

Table 108 reflects the responses to question B3.3.4.4.

Table 108: Understands the concerns of stakeholders

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.4.4	Strongly disagree	0	0.0	0	0.0	0	0.0
	Disagree	1	2.2	4	3.5	5	3.1
	Neutral	4	8.9	1	0.9	5	3.1
	Agree	20	44.4	68	59.6	88	55.3
	Strongly agree	20	44.4	41	36.0	61	38.4
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	p
8.707814	3	0.033*

The responses of managers and trainees, as reflected in Table 108, are significantly different at the 95% level (p<0.05). The majority of both managers (88.8%) and trainees (95.7%) firmly believe that managers need to understand the concerns of stakeholders. 2.2% of managers and 3.5% of trainees disagreed with the statement. The finding means that the managers and trainees have different perceptions towards this management task.

5.5.4.5   UNDERSTAND THE CONCERNS OF TRAINEES

Table 109 reflects the responses to question B3.3.4.5.

Table 109: Stays informed of the actions of competitors and strategic partners

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.4.5	Strongly disagree	0	0.0	6	5.3	6	3.8
	Disagree	0	0.0	11	9.6	11	6.9
	Neutral	2	4.4	7	6.1	9	5.7
	Agree	22	48.9	40	35.1	62	39.0
	Strongly agree	21	46.7	50	43.9	71	44.7
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	p
8.5074	4	0.075

The responses of managers and trainees, as reflected in Table 109, are not significantly different at the 95% level (p>0.05). The majority of both managers (95.6%) and trainees (79%) firmly believe that managers need to understand the concerns of trainees. Only 14.9% of trainees disagreed with the statement. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.4.6 UNDERSTANDS THE STRENGTHS AND LIMITATIONS OF VARIOUS BUSINESS STRATEGIES

Table 110 reflects the responses to question B3.3.4.6.

Table 110: Understands the strengths and limitations of various business strategies

		Group				Total	
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.4.6	Strongly disagree	1	2.2	1	0.9	2	1.3
	Disagree	1	2.2	3	2.6	4	2.5
	Neutral	2	4.4	15	13.2	17	10.7
	Agree	28	62.2	62	54.4	90	56.6
	Strongly agree	13	28.9	33	28.9	46	28.9
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	p
3.126709	4	0.537

The responses of managers and trainees, as reflected in Table 110, are not significantly different at the 95% level (p>0.05). The majority of both managers (91.1%) and trainees (83.4%) firmly believe that managers need to understand the strengths and limitations of various business strategies. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.4.7   UNDERSTANDS THE VISION, MISSION AND OBJECTIVES OF THE FIRM

Table 111 reflects the responses to question B3.3.4.7.

Table 111: Understands the vision, mission and objectives of the firm

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.4.7	Strongly disagree	1	2.2	0	0.0	1	0.6
	Disagree	1	2.2	3	2.6	4	2.5
	Neutral	0	0.0	8	7.0	8	5.0
	Agree	26	57.8	63	55.3	89	56.0
	Strongly agree	17	37.8	40	35.1	57	35.8
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	P
5.814295	4	0.213

The responses of managers and trainees, as reflected in Table 111, are not significantly different at the 95% level (p>0.05). The majority of both managers (95.6%) and trainees (90.4%) firmly believe that managers need to understand the vision, mission and objectives of the firm. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.4.8 ASSIGNS PRIORITIES AND MAKES DECISIONS THAT ARE CONSISTENT WITH THE FIRMS' MISSION AND STRATEGIC GOALS

Table 112 reflects the responses to question B3.3.4.8.

Table 112: Assigns priorities and makes decisions that are consistent with the firms' mission and strategic goals

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.4.8	Strongly disagree	1	2.2	0	0.0	1	0.6
	Disagree	0	0.0	3	2.6	3	1.9
	Neutral	1	2.2	4	3.5	5	3.1
	Agree	25	55.6	65	57.0	90	56.6
	Strongly agree	18	40.0	42	36.8	60	37.7
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	P
3.984815	4	0.408

The responses of managers and trainees, as reflected in Table 112, are not significantly different at the 95% level ($p > 0.05$). The majority of both managers (95.6%) and trainees (93.8%) firmly believe that managers need to assign priorities and make decisions that are consistent with the firms' mission and strategic goals. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.4.9   RECOGNISE THE MANAGEMENT CHALLENGES OF ALTERNATIVE STRATEGIES AND ADDRESS THEM

Table 113 reflects the responses to question B3.3.4.9.

Table 113: Recognise the management challenges of alternative strategies and address them

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.4.9	Strongly disagree	0	0.0	0	0.0	0	0.0
	Disagree	0	0.0	3	2.6	3	1.9
	Neutral	3	6.7	8	7.0	11	6.9
	Agree	30	66.7	62	54.4	92	57.9
	Strongly agree	12	26.7	41	36.0	53	33.3
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
2.867755	3	0.412

The responses of managers and trainees, as reflected in Table 113, are not significantly different at the 95% level (p>0.05). The majority of both managers (93.4%) and trainees (90.4%) firmly believe that managers need to recognise the management challenges of alternative strategies and address them.

5.5.4.10 ESTABLISH TACTICAL AND OPERATIONAL GOALS THAT FACILITATE STRATEGY IMPLEMENTATION

Table 114 reflects the responses to B3.3.4.10.

Table 114: Establish tactical and operational goals that facilitate strategy implementation

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.4.10	Strongly disagree	1	2.2	0	0.0	1	0.6
	Disagree	0	0.0	2	1.8	2	1.3
	Neutral	1	2.2	8	7.0	9	5.7
	Agree	32	71.1	68	59.6	100	62.9
	Strongly agree	11	24.4	36	31.6	47	29.6
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	p
5.863074	4	0.210

The responses of managers and trainees, as reflected in Table 114, are not significantly different at the 95% level (p>0.05). The majority of both managers (95.5%) and trainees (91.2%) firmly believe that managers need to establish tactical and operational goals that facilitate strategy implementation. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.5   GLOBAL AWARENESS AS A MANAGERIAL COMPETENCY

Below are the perceptions of managers and trainees on management tasks (under global action competency) required by accounting firms' managers in managing diverse workforce (Tables 115 – 120).

5.5.5.1   STAYS INFORMED OF POLITICAL, SOCIAL, AND ECONOMIC TRENDS AND EVENTS AROUND THE WORLD

Table 115 reflects the responses to question B3.3.5.1.

Table 115: Stays informed of political, social, and economic trends and events around the world

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.5.1	Strongly disagree	0	0.0	1	0.9	1	0.6
	Disagree	1	2.2	4	3.5	5	3.1
	Neutral	5	11.1	10	8.8	15	9.4
	Agree	24	53.3	62	54.4	86	54.1
	Strongly agree	15	33.3	37	32.5	52	32.7
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	P
0.765897	4	0.943

The responses of managers and trainees, as reflected in Table 115, are not significantly different at the 95% level (p>0.05). The majority of both managers (86.6%) and trainees (86.9%) firmly believe that managers need to stay informed of political, social, and economic trends and events around the world. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.5.2   RECOGNISES THE IMPACT OF GLOBAL EVENTS ON THE ORGANISATION

Table 116 reflects the responses to question B3.3.5.2.

Table 116: Recognises the impact of global events on the organisation

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.5.2	Strongly disagree	0	0.0	1	0.9	1	0.6
	Disagree	1	2.2	3	2.6	4	2.5
	Neutral	1	2.2	8	7.0	9	5.7
	Agree	27	60.0	62	54.4	89	56.0
	Strongly agree	16	35.6	40	35.1	56	35.2
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	P
1.910622	4	0.752

The responses of managers and trainees, as reflected in Table 116, are not significantly different at the 95% level (p>0.05). The majority of both managers (95.6%) and trainees (89.5%) firmly believe that managers need to recognise the impact of global events on the organisation. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.5.3 UNDERSTANDS, READS, AND SPEAKS MORE THAN ONE LANGUAGE FLUENTLY

Table 117 reflects the responses to question B3.3.5.3.

Table 117: Understands, reads, and speaks more than one language fluently

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.5.3	Strongly disagree	0	0.0	12	10.5	12	7.5
	Disagree	7	15.6	9	7.9	16	10.1
	Neutral	12	26.7	22	19.3	34	21.4
	Agree	22	48.9	41	36.0	63	39.6
	Strongly agree	4	8.9	30	26.3	34	21.4
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	P
13.38007	4	0.010*

The responses of managers and trainees, as reflected in Table 117, are significantly different at the 95% level ($p<0.05$). The majority of both managers (57.8%) and trainees (62.3%) believe that managers need to understand, read, and speak more than one language fluently. 26.7% of managers and 19.3% of trainees were neutral with the statement. 15.6% of managers and 18.4% of trainees disagreed with the statement. The finding means that the managers and trainees have different perceptions towards this management task.

5.5.5.4 UNDERSTANDS THE NATURE OF NATIONAL, ETHNIC, AND CULTURAL DIFFERENCES AND IS OPEN TO EXAMINING THESE DIFFERENCES HONESTLY AND OBJECTIVELY

Table 118 reflects the responses to question B3.3.5.4.

Table 118: Understands the nature of national, ethnic, and cultural differences and is open to examining these differences honestly and objectively

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.5. 4	Strongly disagree	0	0.0	4	3.5	4	2.5
	Disagree	1	2.2	3	2.6	4	2.5
	Neutral	4	8.9	11	9.6	15	9.4
	Agree	28	62.2	57	50.0	85	53.5
	Strongly agree	12	26.7	39	34.2	51	32.1
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	P
3.094219	4	0.542

The responses of managers and trainees, as reflected in Table 118, are not significantly different at the 95% level (p>0.05). The majority of both managers (88.9%) and trainees (84.2%) firmly believe that managers need to understand the nature of national, ethnic, and cultural differences and are open to examining these differences honestly and objectively. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.5.5 IS SENSITIVE TO CULTURAL CUES AND IS ABLE TO ADAPT QUICKLY IN NOVEL SITUATIONS

Table 119 reflects the responses to question B3.3.5.5.

Table 119: Is sensitive to cultural cues and is able to adapt quickly in novel situations

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.5.5	Strongly disagree	0	0.0	4	3.5	4	2.5
	Disagree	0	0.0	7	6.1	7	4.4
	Neutral	6	13.3	9	7.9	15	9.4
	Agree	26	57.8	58	50.9	84	52.8
	Strongly agree	13	28.9	36	31.6	49	30.8
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	P
5.720255	4	0.221

The responses of managers and trainees, as reflected in Table 119, are not significantly different at the 95% level (p>0.05). The majority of both managers (86.7%) and trainees (82.5%) firmly believe that managers need to be sensitive to cultural cues and are able adapt quickly in novel situations. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.5.6 APPROPRIATELY ADJUSTS OWN BEHAVIOUR WHEN INTERACTING WITH PEOPLE FROM VARIOUS NATIONAL, ETHNIC, AND CULTURAL BACKGROUNDS

Table 120 reflects the responses to question B3.3.5.6.

Table 120: Appropriately adjusts own behaviour when interacting with people from various national, ethnic, and cultural backgrounds

| | | Group | | | | | |
| | | Managers | | Trainees | | Total | |
		Count	%	Count	%	Count	%
B3.3.5.6	Strongly disagree	0	0.0	4	3.5	4	2.5
	Disagree	0	0.0	7	6.1	7	4.4
	Neutral	4	8.9	9	7.9	13	8.2
	Agree	28	62.2	58	50.9	86	54.1
	Strongly agree	13	28.9	36	31.6	49	30.8
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	P
5.224636	4	0.265

The responses of managers and trainees, as reflected in Table 120, are not significantly different at the 95% level (p>0.05). The majority of both managers (91.1%) and trainees (82.5%) firmly believe that managers need to appropriately adjust their own behaviour when interacting with people from various national, ethnic, and cultural backgrounds. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.6   SELF-MANAGEMENT AS A MANAGERIAL COMPETENCY

Below are the perceptions of managers and trainees on management tasks (under self-management competency) required by accounting firms' managers in managing diverse workforce (Tables 121 – 132).

5.5.6.1   HAS CLEAR PERSONAL STANDARDS THAT SERVE AS A FOUNDATION FOR MAINTAINING A SENSE OF INTEGRITY AND ETHICAL CONDUCT

Table 121 reflects the responses to question B3.3.6.1.

Table 121: Has clear personal standards that serve as a foundation for maintaining a sense of integrity and ethical conduct

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.6.1	Strongly disagree	0	0.0	3	2.6	3	1.9
	Disagree	0	0.0	1	0.9	1	0.6
	Neutral	0	0.0	8	7.0	8	5.0
	Agree	24	53.3	55	48.2	79	49.7
	Strongly agree	21	46.7	47	41.2	68	42.8
Total		45	100.0	114	100.0	159	100.0

Chi-square

Chi-square	df	p
5.128072	4	0.274

The responses of managers and trainees, as reflected in Table 121, are not significantly different at the 95% level (p>0.05). The majority of both managers (100.0%) and trainees (89.4%) firmly believe that managers need to have clear personal standards that serve as a foundation for maintaining a sense of integrity and ethical conduct. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.6.2   IS WILLING TO ADMIT MISTAKES

Table 122 reflects the responses to question B3.3.6.2

Table 122: Is willing to admit mistakes

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.6.2	Strongly disagree	0	0.0	7	6.1	7	4.4
	Disagree	0	0.0	6	5.3	6	3.8
	Neutral	3	6.7	9	7.9	12	7.5
	Agree	27	60.0	48	42.1	75	47.2
	Strongly agree	15	33.3	44	38.6	59	37.1
Total		45	100.0	114	100.0	159	100.0

Chi-square

Chi-square	df	P
7.627225	4	0.106

The responses of managers and trainees, as reflected in Table 122, are not significantly different at the 95% level (p>0.05). The majority of both managers (93.3%) and trainees (80.7%) firmly believe that managers need to be willing in admitting mistakes. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.6.3 ACCEPTS RESPONSIBILITY FOR OWN ACTIONS

Table 123 reflects the responses to question B3.3.6.3.

Table 123: Accepts responsibility for own actions

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.6.3	Strongly disagree	0	0.0	2	1.8	2	1.3
	Disagree	1	2.2	5	4.4	6	3.8
	Neutral	3	6.7	8	7.0	11	6.9
	Agree	23	51.1	51	44.7	74	46.5
	Strongly agree	18	40.0	48	42.1	66	41.5
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
1.511631	4	0.825

The responses of managers and trainees, as reflected in Table 123, are not significantly different at the 95% level (p>0.05). The majority of both managers (91.1%) and trainees (86.8%) firmly believe that managers need to accept responsibility for their own actions. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.6.4 SEEKS RESPONSIBILITY AND IS AMBITIOUS AND MOTIVATED TO ACHIEVE OBJECTIVES

Table 124 reflects the responses to B3.3.6.4

Table 124: Seeks responsibility and is ambitious and motivated to achieve objectives

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.6.4	Strongly disagree	0	0.0	0	0.0	0	0.0
	Disagree	0	0.0	4	3.5	4	2.5
	Neutral	4	8.9	8	7.0	12	7.5
	Agree	23	51.1	57	50.0	80	50.3
	Strongly agree	18	40.0	45	39.5	63	39.6
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	p
1.738827	3	0.628

The responses of managers and trainees, as reflected in Table 124, are not significantly different at the 95% level (p>0.05). The majority of both managers (91.1%) and trainees (89.5%) firmly believe that managers need to seek responsibility and be ambitious and motivated to achieve objectives. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.6.5   WORKS HARD TO GET THINGS DONE

Table 125 reflects the responses to question B3.3.6.5.

Table 125: Works hard to get things done

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.6.5	Strongly disagree	0	0.0	1	0.9	1	0.6
	Disagree	0	0.0	2	1.8	2	1.3
	Neutral	2	4.4	8	7.0	10	6.3
	Agree	26	57.8	56	49.1	82	51.6
	Strongly agree	17	37.8	47	41.2	64	40.3
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
2.087917	4	0.720

The responses of managers and trainees, as reflected in Table 125, are not significantly different at the 95% level (p>0.05). The majority of both managers (95.6%) and trainees (90.3%) firmly believe that managers need to work hard to get things done. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.6.6 SHOWS PERSEVERANCE IN THE FACE OF OBSTACLES AND BOUNCES BACK FROM FAILURE

Table 126 reflects the responses to question B3.3.6.6.

Table 126: Shows perseverance in the face of obstacles and bounces back from failure

| | | Group | | | | | |
| | | Managers | | Trainees | | Total | |
		Count	%	Count	%	Count	%
B3.3.6.6	Strongly disagree	0	0.0	1	0.9	1	0.6
	Disagree	1	2.2	3	2.6	4	2.5
	Neutral	4	8.9	5	4.4	9	5.7
	Agree	21	46.7	61	53.5	82	51.6
	Strongly agree	19	42.2	44	38.6	63	39.6
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	p
1.971899	4	0.741

The responses of managers and trainees, as reflected in Table 126, are not significantly different at the 95% level (p>0.05). The majority of both managers (88.9%) and trainees (92.1%) firmly believe that managers need to show perseverance in the face of obstacles and bounce back from failure. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.6.7 STRIKES A REASONABLE BALANCE BETWEEN WORK AND OTHER LIFE ACTIVITIES SO THAT NEITHER ASPECT OF LIVING IS NEGLECTED

Table 127 reflects the responses to question B3.3.6.7.

Table 127: Strikes a reasonable balance between work and other life activities so that neither aspect of living is neglected

| | | Group | | | | | |
| | | Managers | | Trainees | | Total | |
		Count	%	Count	%	Count	%
B3.3.6.7	Strongly disagree	0	0.0	3	2.6	3	1.9
	Disagree	1	2.2	4	3.5	5	3.1
	Neutral	4	8.9	13	11.4	17	10.7
	Agree	24	53.3	50	43.9	74	46.5
	Strongly agree	16	35.6	44	38.6	60	37.7
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	P
2.246105	4	0.691

The responses of managers and trainees, as reflected in Table 127, are not significantly different at the 95% level (p>0.05). The majority of both managers (89.1%) and trainees (82.4%) firmly believe that managers need to strike a reasonable balance between work and other life activities so that neither aspect of living is neglected. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.6.8 TAKES GOOD CARE OF SELF, MENTALLY AND PHYSICALLY, AND USES CONSTRUCTIVE OUTLETS TO VENT FRUSTRATION AND REDUCE TENSION

Table 128 reflects the responses to question B3.3.6.8

Table 128: Takes good care of self, mentally and physically, and uses constructive outlets to vent frustration and reduce tension

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.6.8	Strongly disagree	0	0.0	3	2.6	3	1.9
	Disagree	1	2.2	8	7.0	9	5.7
	Neutral	4	8.9	11	9.6	15	9.4
	Agree	29	64.4	50	43.9	79	49.7
	Strongly agree	11	24.4	42	36.8	53	33.3
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	p
6.754005	4	0.149

The responses of managers and trainees, as reflected in Table 128, was not significantly different at the 95% level (p>0.05). The majority of both managers (88.8%) and trainees (80.7%) firmly believe that managers need to take good care of themselves, mentally and physically, and use constructive outlets to vent frustration and reduce tension. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.6.9   ASSESSES AND ESTABLISHES OWN LIFE-AND-WORK RELATED GOALS

Table 129 reflects the responses to question B3.3.6.9.

Table 129: Assesses and establishes own life-and-work related goals

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.6.9	Strongly disagree	0	0.0	3	2.6	3	1.9
	Disagree	1	2.2	3	2.6	4	2.5
	Neutral	5	11.1	15	13.2	20	12.6
	Agree	23	51.1	52	45.6	75	47.2
	Strongly agree	16	35.6	41	36.0	57	35.8
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	df	P
1.521356	4	0.823

The responses of managers and trainees, as reflected in Table 129, are not significantly different at the 95% level (p>0.05). The majority of both managers (86.7%) and trainees (81.7%) firmly believe that managers need to assess and establish own life-and-work related goals. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.6.10   HAS A CLEAR PERSONAL AND CAREER GOALS

Table 130 reflects the responses to B3.3.6.10

Table 130: Has a clear personal and career goals

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.6.10	Strongly disagree	0	0.0	0	0.0	0	0.0
	Disagree	2	4.4	3	2.6	5	3.1
	Neutral	6	13.3	15	13.2	21	13.2
	Agree	20	44.4	52	45.6	72	45.3
	Strongly agree	17	37.8	44	38.6	61	38.4
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
0.353328	3	0.950

The responses of managers and trainees, as reflected in Table 130, are not significantly different at the 95% level (p>0.05). The majority of both managers (82.2%) and trainees (84.2%) firmly believe that managers need to have clear personal and career goals. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.6.11 USES STRENGTHS TO ADVANTAGE WHILE SEEKING TO IMPROVE OR COMPENSATE WEAKNESSES

Table 131 reflects the responses to question B3.3.6.11.

Table 131: Uses strengths to advantage while seeking to improve or compensate weaknesses

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.6.11	Strongly disagree	0	0.0	0	0.0	0	0.0
	Disagree	2	4.4	4	3.5	6	3.8
	Neutral	3	6.7	9	7.9	12	7.5
	Agree	22	48.9	54	47.4	76	47.8
	Strongly agree	18	40.0	47	41.2	65	40.9
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
0.166835	3	0.983

The responses of managers and trainees, as reflected in Table 131, are not significantly different at the 95% level (p>0.05). The majority of both managers (88.9%) and trainees (88.6%) firmly believe that managers need to use strengths to advantage while seeking to improve or compensate weaknesses. The finding means that the managers and trainees have similar perceptions towards this management task.

5.5.6.12 ANALYSES AND LEARNS FROM WORK AND LIFE EXPERIENCES

Table 132 reflects the responses to question B3.3.6.12

Table 132: Analyses and learns from work and life experiences

		Group					
		Managers		Trainees		Total	
		Count	%	Count	%	Count	%
B3.3.6.12	Strongly disagree	0	0.0	0	0.0	0	0.0
	Disagree	2	4.4	4	3.5	6	3.8
	Neutral	2	4.4	9	7.9	11	6.9
	Agree	25	55.6	51	44.7	76	47.8
	Strongly agree	16	35.6	50	43.9	66	41.5
Total		45	100.0	114	100.0	159	100.0

Chi-square tests

Chi-square	Df	P
1.956079	3	0.582

The responses of managers and trainees, as reflected in Table 132, are not significantly different at the 95% level (p>0.05). The majority of both managers (91.2%) and trainees (88.6%) firmly believe that managers need to analyse and learn from work and life experiences. The finding means that the managers and trainees have similar perceptions towards this management task.

5.6   ONE-SAMPLE KOLMOGOROV-SMIRNOV TEST

Table 133 reflects the one-sample Kolmogorov-Smirov test to section B3

Table 133: One-Sample Kolmogorov-Smirnov

	Kolmogorov-Smirnov Z	p
Communication Competency	3.411	.000
Planning & Administration Competency	2.164	.000
Teamwork Competency	1.881	.002
Strategic action Competency	1.631	.010
Global Awareness Competency	2.169	.000
Self-Management Competency	1.656	.008

The results of the one-sample Kolmogorov-Smirnov test show that the dimensions do not follow a normal distribution. Hence, the non-parametric version of the t-test (i.e. the Mann-Whitney test) was used to test the differences in means between managers and trainees. (Table 133)

5.7   COMPARISON BETWEEN MANAGERS AND TRAINEES USING MANN-WHITNEY TEST

Below are the comparisons between managers and trainees using Mann-Whitney test.

5.7.1 COMPARISON OF THE SIX MANAGERIAL COMPETENCIES BETWEEN MANAGERS AND TRAINEES USING THE MANN-WHITNEY TEST

Table 134: Comparison of the six managerial competencies between managers and trainees using the Mann-Whitney test

	Managers				Trainees						
	N	Mean	Ranking order	Std. Deviation	N	Mean	Ranking order	Std. Deviation	t	df	p
Communication Competency	45	4.2222	**4**	.55958	114	4.2544	**1**	.76206	-.257	157	.798
Planning & Administration Competency	45	4.1667	**5**	.63514	114	4.2173	**3**	.62441	-.458	157	.648
Teamwork Competency	45	4.3648	**1**	.40544	114	4.2228	**2**	.76518	1.179	157	.240
Strategic action Competency	45	4.2391	**3**	.53917	114	4.2135	**5**	.62017	.244	157	.808
Global Awareness Competency	45	4.0896	**6**	.47369	114	4.0409	**6**	.73925	.409	157	.683
Self-Management Competency	45	4.2643	**2**	.55448	114	4.2150	**4**	.69707	.424	157	.672

Table 134 shows no differences between managers and trainees at the 95% level (p>0.05). Managers rated higher teamwork competency while trainees rated higher communication competency. Global awareness competency was rated lower by both managers and trainees.

5.7.2   COMPARISON OF THE SIX MANAGERIAL COMPETENCIES BY GENDER USING THE MANN-WHITNEY TEST

Table 135: Comparison of the six managerial competencies by gender using the Mann-Whitney test

	Male				Female						
	N	Mean	Ranking order	Std. Deviation	N	Mean	Ranking order	Std. Deviation	t	df	p
Communication Competency	90	4.1778	**5**	.69634	69	4.3333	**1**	.72084	-1.375	157	.171
Planning & Administration Competency	90	4.1969	**4**	.62372	69	4.2109	**5**	.63315	-.140	157	.889
Teamwork Competency	90	4.2368	**1**	.65482	69	4.2971	**2**	.72497	-.549	157	.584
Strategic action Competency	90	4.2220	**3**	.58060	69	4.2190	**4**	.62156	.032	157	.975
Global Awareness Competency	90	4.0633	**6**	.69406	69	4.0435	**6**	.65095	.184	157	.855
Self-Management Competency	90	4.2253	**2**	.64154	69	4.2338	**3**	.68471	-.080	157	.936

Table 135 shows no differences between male and female at the 95% level (p>0.05). Males rated higher teamwork competency while females rated higher communication competency. Global awareness competency was rated lower by both males and females.

5.7   CONCLUSION

The research findings from the questionnaires were statistical analysed. It was established that management positions are dominated by males and traineeship are dominated by females in the accounting firms surveyed. It was found that the age of managers ranges from 31 years and above while the age of trainees is below 31 years.

The analysis of the data gathered revealed that managers and trainees rank managerial competencies differently, although they perceive all of the competencies important in managing diversity. The analysis of the data gathered also revealed interesting facts about perceptions in the diversity management in the accounting firms. The next chapter will discuss the research results.

CHAPTER 6

Discussion of research results

6.1   INTRODUCTION

The presentation and analysis of results is an integrated discussion which relates to the objectives of the study and completed research by other authors. The primary objectives of the study are to determine the KZN accounting firms' managers' and trainees' perceptions of diversity management in the accounting profession; to determine the KZN accounting firms managers' and trainees' perceptions of the Chartered Accountancy profession Charter (CA Charter); and to identify the accounting firms' managers' and trainees' perceptions of managerial competencies required by managers to effectively manage diversity in KwaZulu-Natal. The results of the study will be discussed, firstly, by discussion on managers' and trainees' perceptions regarding managerial competencies required to effectively manage diversity. This will be followed by a discussion of the behaviours and perceptions of managers and trainees regarding the CA Charter. Finally, the discussion of the behaviours and perceptions of managers and trainees regarding diversity management will be presented.

6.2   DISCUSSION ON MANAGERS' AND TRAINEES' PERCEPTIONS REGARDING MANAGERIAL COMPETENCIES REQUIRED TO EFFECTIVELY MANAGE DIVERSITY

This part focuses on the discussion of results regarding managerial competencies required to effectively manage diversity in the accounting firms.

Both managers and trainees perceived the six managerial competencies important in managing diversity, but the ranking order of perceived importance indicated that there are variances in ratings. Trainees rated communication and teamwork as the most competencies, while managers rated teamwork and self-management as the most important competencies.

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Trainees rated planning and administration and self-management as the middle important competencies, while managers rated strategic action and communication as the middle important competencies. Trainees rated strategic action and global awareness as the least important competencies, while managers rated planning and administration and global awareness as the least important. Global awareness competency was rated lower by both groups.

In terms of the gender comparison, it is interesting to note that the perceived importance given by males (females) is almost identical to the ratings of the six managerial competencies given by managers (trainees).

Research conducted by Slocum, Jackson and Hellriegel (2008:4-5) found that senior managers are not just talented in teamwork, but they have strengths across the board. They encourage managers to know all the managerial competencies.

The accounting firm managers should consider the importance given by trainees and by themselves on the six managerial competencies in prioritising the most important competencies they require in managing diversity. For managers to be effective in managing the diverse work environment Slocum, Jackson and Hellriegel (2008:31) suggest that they must have knowledge of the six managerial competencies and must develop the competencies through study, training and experience. They further stress that if one develops oneself in managerial competencies, one prepares oneself for a variety of jobs in various industries and countries.

Below are the discussions on the managerial tasks under each managerial competency.

6.2.1   COMMUNICATION AS A MANAGERIAL COMPETENCY

In all managerial tasks under the communication competency, the majority of managers and trainees indicated they agree that the tasks are required to manage diversity, However, significant differences were found between managers and trainees regarding managers informing people of relevant events and activities and keeping them up to date ($p<0.05$); and

making persuasive, high impact public presentations and handling questions well. These findings disagree with the finding that managers build strong interpersonal relationships with other people. From the diversity results, both managers and trainees agreed that managers must encourage social gathering of diverse employees in their accounting firms. These gatherings will assist them in improving their soft skills. A significant difference was found regarding managers who write clearly, concisely, and effectively, using a variety of computer based resources ($p<0.05$). This finding indicates that managers prefer interpersonal communication. However, managers need to improve in communicating through the use of audio-visual resources. Managers need to also negotiate on behalf of their teams over roles and resources ($p<0.05$). According to a study conducted by Greybe and Uys (2001:197), communication abilities are essential in diversity adaptation. The success or failure of management's strategies on diversity will largely depend on clear and unambiguous communication. The study conducted by Tannen (1995:108), on the power of talk, reveals that the managers who understand the dynamics of linguistic style can develop more adaptive and flexible approaches to running or participating in meetings, mentoring or advancing the careers of others and evaluating performance.

6.2.2   PLANNING AND ADMINISTRATION COMPETENCY

In almost all managerial tasks under the planning and administration competency, the majority of managers and trainees agreed that the tasks are required to manage diversity, However, significant differences were found in three tasks: managers monitor and keep a schedule or changes schedule if needed ($p<0.05$); understand budgets, cash flows, financial reports, annual reports and regularly uses such information to make decisions ($p<0.05$); and create budgetary guidelines for others and works within the guidelines given by others ($p<0.05$). Managers need to accommodate diversity in their schedules and budget for diversity.

6.2.3   TEAMWORK COMPETENCY

No significant differences were found in almost all the managerial tasks, except in one task. A significant difference was found between managers and trainees regarding managers appropriately staffing the team, taking into account the value of diverse ideas and technical

skills needed. Managers in the accounting firms must staff their teams according to the following key components of making up effective teams (Robbins, 2000:263-269):

(i)   Work design: autonomy - independent; skill variety – use different skills and talents; task identity – ability to complete identified task; and task significance – working on task/project that has a substantial impact on others;

(ii)   Composition: ability of members – technical expertise, problem solving and decision making; personality – consider personality characteristics; allocating roles and diversity – team has different needs, therefore, diverse people must be selected and ensure all different roles are filled; size of teams – keep team members from 5 to 12 for them to be effective; member flexibility – select members who value flexibility and cross-train them so that they can assist each other; and preference for teamwork – give trainees an opportunity to select each other;

(iii)   Context: Adequate resources – work teams rely on resources outside the group to sustain it; leadership and structure – team members must agree on duties and responsibilities; and performance evaluation and reward systems – on top of evaluating and rewarding, individual employee management should consider group-based appraisals, profit sharing, gain-sharing, and small group incentives; and

(iv)   Process: a common purpose – effective teams have common vision; specific goals – teams vision is translated to specific, measurable and realistic goals; team efficacy – effective teams have confidence and in themselves and believe they can succeed; conflict – conflict improve teams effectiveness; and social loafing – individuals can hide inside the group, effective team members are individually and jointly accountable for team's purpose, goals and approach.

6.2.4   STRATEGIC ACTION COMPETENCY

No significant differences were found in almost all the managerial tasks, except in one task, i.e., managers must understand the concerns of stakeholders ($p < 0.05$). This finding contradicts with the finding that managers stay informed of the actions of competitors and

strategic partners. Managers must understand the concerns of all stakeholders, competitors and strategic partners.

6.2.5 GLOBAL AWARENESS COMPETENCY

A significant difference was found in one of the managerial tasks under the global awareness competency. Some trainees (13.2%) disagreed while 13.8% were neutral that their managers understand, read, and speak more than one language fluently ($p < 0.05$). Managers have to improve their linguistic skills so that they can communicate with people from different language backgrounds. A diversity committee/forum should organise workshops where the second language in the province will be taught. Top management should financial support this initiative.

6.2.6 SELF-MANAGEMENT COMPETENCY

No significant differences were found in managerial tasks under the self-management competencies. Both managers and trainees anonymously agreed that the managerial tasks are important. Research conducted by Penceliah (2003:6) affirms that self-management will make tomorrow's leaders more adaptable and will give managers the flexibility to work across cultures, and the flexibility to deal with uncertainty, ambiguity and change.

6.3 DISCUSSION ON BEHAVIOURS AND PERCEPTIONS OF MANAGERS' AND TRAINEES' REGARDING THE CA CHARTER

The research results reveal that only 48.9% of managers and 42.1% of trainees believed that the CA Charter is an excellent platform to promote racial transformation of the profession. The research results also reveal that only 40% of managers and 41.2% of trainees believed that the CA Charter is an effective B-BBEE plan. The CA Charter currently serves as the guiding policy in the accountancy profession in terms of reversing the race–based exclusion and improving the demographic representation. The less than satisfactory confidence on managers and trainees in the charter reflects a need to review the perceived deficits in the document, the level of knowledge and awareness of its contents among managers and

trainees and the degree to which these key stakeholders are consulted on the formulation and implementation of the charter. A total of 42.1% of trainees had knowledge of the CA Charter ($p<0.05$) and a total of 44.7% of trainees knew that the B-BBEE scorecard had been compiled and submitted to SAICA ($p<0.05$), which reflects the urgent need to improve diversity training and to improve the awareness of this central piece of guidance to the profession on issues of diversity. Some of the respondents have indicated that they have never read the CA Charter nor knew of its existence. CA Charter awareness may be done as part of under-graduate or post-graduate education at the tertiary level or as part of the chartered accountancy training programmes within the accounting firms. The need for professionals to be formally trained or educated on these issues remains crucial, if significant strides are to be made in reversing some of the imbalances created as a result of the profession's history of social and race-based exclusion.

The disagreement between managers and trainees on the perceived retention of Black employees ($p<0.05$) is a cause for concern. Only 37.7% of trainees believed that accounting firms have a plan to retain Black employees, and this is likely to fuel cancellation of training contracts. Only 58.8% of trainees believed that remuneration in their firms are equitable, and this is likely to fuel perceptions of racism, sexism and other forms of discrimination. Moreover, this perception may serve as a potent de-motivator and impact negatively on job satisfaction, In the absence of data on the actual remuneration of employees in these firms, it is impossible to draw conclusions on the accuracy of these perceptions. Nonetheless, it is the incongruity of the responses between managers and trainees that is alarming and reflects the need for greater transparency within firms on issues such as remuneration. In this way, existing inequities can be rooted out and misconceptions can be avoided. Research conducted by Erickson (2007:4) suggests that the accounting firm should consider the following regarding remuneration of employees:

- Talk to one's employees about their remuneration. Explain how it has been computed, be honest about the one's accounting firm's expectations, career advancement opportunities and how employees will be evaluated on a regular basis;
- Clearly define your accounting firm's expectations and communicate how extra money can be earned – client development, overtime, management opportunities or something else; and

- Be very careful about using an employees' realisation percentage as a basis for compensation as employees usually have no control over how it is determined. Look at budgeted hours per job, per month, per year and compare them with actual hours expended. Fees should be the responsibility of a human resources or payroll manager, not the staff.

The majority of managers and trainees did not believe that B-BBEE will contribute negatively to the firm's productivity and profitability. The minority of managers and trainees who believed that B-BBEE will contribute negatively to the firm's productivity and profitability indicated that B-BBEE will increase stress levels, more time will be spent on training and development and lead to demotivated employees.

The disagreement between managers and trainees on ensuring that previously disadvantaged employees have necessary skills to enhance to senior positions ($p<0.05$) is also a cause for concern. Only 50.9% of trainees believed that the accounting firms ensure that previously disadvantaged employees have necessary skills to enhance to senior positions. This may lead to unnecessary employee attrition in the accounting firms. Research conducted by Erickson (2007:1) on lack of clear, concise direction and communication can lead to unnecessary attrition in today's CPA firms. The findings indicate that many accounting firms do not manage their employees well. A significant percentage of employees revealed that they do not know what it takes to advance with their accounting firms. They do not know how to get promoted. They do not know how to make more money. They do not know how to feel successful in the accounting firm. Erickson (2007:1) believes that if staff understood the answers to the questions, they would stay longer at the accounting firm. In order to inform employees on how to get promoted in the accounting firm, Erickson's (2007:3) research suggest the following items:

- Document and adopt a formalised career development path for every position in the firm;
- Annual coaching and development planning is essential with each and every employee; and
- Encourage open and honest communication at every level in the accounting firm.

A minority of both managers (28.9%) and trainees (33.3%) believed that the B-BBEE policy will disadvantage White employees. Some respondents indicated White people are certainly affected. Therefore, the CA Charter will cause the brain drain in South Africa. This calls for proper B-BBEE policy and CA Charter awareness by accounting firm management or SAICA to overcome resistance. A study conducted by Perumal (1994:391) on affirmative action indicates that people who were favoured by apartheid may feel threatened by affirmative action and will, most probably, resist attempts to implement it. He further indicates that it is important to give people an opportunity to discuss their fears, expectations and concerns. The following are some of the issues that need to be stressed during discussion:

- The reasons for change;
- That White males have been unfairly privileged in the past;
- That the White management pool is not sufficient to satisfy the demand for managers;
- That affirmative action/B-BBEE is necessary so as to address inequalities that apartheid created and to level playing fields;
- That affirmative action/B-BBEE is only an interim process; and
- That White middle managers might even be promoted to pave way for up and coming Blacks.

Some of the managers and trainees do not regard the CA Charter as an effective B-BBEE plan and have expressed mixed feelings about the CA Charter as follows:

- CA charter does not focus on an effective method to transfer skills, and will, therefore, not be an effective plan;
- Needs higher ownership coalescence and consider qualitative rather than quantitative factors;
- Ownership should be more emphasised;
- Scrap the existing charter and focus on developing the standard of education in the Black universities;
- Focus on assisting Black universities accredited for CTA;

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- For any BEE Charter to work; adopt the stick approach or else one is sitting in a rocking chair; and
- The CA Charter must address trainees problems.

Some of managers and trainees suggested the following remedial actions to be taken to ensure that the CA Charter is successfully implemented and objectives are met:

- Lower scores should be given to management;
- Increase ownership score;
- Focus holistically on skills development, both technical knowledge and interpersonal skills in order to qualify more Black chartered accountants; and
- Make the CA Charter enforceable because currently everyone is happily carrying on without much attention to the Charter.

6.4   DISCUSSION ON BEHAVIOURS AND PERCEPTIONS OF MANAGERS' AND TRAINEES' REGARDING DIVERSITY MANAGEMENT

The results of this study reveal that both accounting firm managers and trainees perceive diversity management to be an important management issue. While the majority of managers are still White and male, the demographic profile of trainees reflects an increase in racial and gender diversity. The changing profile of the profession is likely to be one of the key imperatives for increased diversity management efforts. The older and White managers may also require diversity management training so that they will be able to respond appropriately to the increasing diversity of their workforce. While the majority of managers expressed commitment to increasing the diversity of the profession, attaining greater representation from historically underrepresented groups, and managing existing workforce diversity, only (60%) of managers believed that their personal commitment to diversity should be extended to include a commitment clause on diversity in the accounting firm's mission statement. A study conducted by Perumal (1994:385) reveals that organisations should take cognisance of the fact that the mission statement provides the philosophy and direction for the organisation. Therefore, a fair and ethical policy will ensure corporate justification.

In all questions regarding the diversity efforts of managers, fewer trainees than managers believed that managers are involved actively to ensure that diversity remains a key issue in the workplace and that efforts are made to ensure the management of this diversity. Fewer trainees than managers believed that managers address diversity barriers in the accounting firm. Fewer trainees than managers believed managers ensure that diversity is a non-negotiable agenda item at all relevant meetings ($p < 0.05$). Fewer trainees than managers believed that managers become role models for behaviours required for change ($p < 0.05$). Fewer trainees than managers believed that the diversity committee includes representatives from top management ($p < 0.05$). Fewer trainees than managers believed the managers demonstrate personal commitment to diversity ($p < 0.05$). Fewer trainees than managers believed no action is taken by managers to champion diversity ($p < 0.05$). If the accounting firms are to adequately and sensitively respond to the challenge (and opportunity) of workforce diversity, they will have to increase the involvement of all stakeholders, especially trainees who are likely to constitute a significant amount of racial and gender diversity within these organizations. In addition, the incongruity of trainees' and managers' perceptions on the diversity efforts of managers suggests that either managers are over-estimating their efforts or that trainees are not made aware of the efforts of their managers. These significantly different perceptions between managers and trainees may discount existing diversity efforts and threaten future efforts. Clear goals and diversity performance objectives are necessary to create reasonable expectations for diversity management. The lack of targets/benchmarks in the profession poses a serious challenge to creating acceptable and similar expectations of both managers and trainees. While the documents such as the CA Charter provide a broad framework for addressing issues of diversity, there is a desperate need for diversity goals to be benchmarked with targets in similar professions, or with accounting professions in the other similarly diverse parts of the world. Stage-gate international (2010:1) lists the following benefits reported by companies who benchmark their performance:

- Identifies specific problem areas and eliminates guesswork;
- Builds confidence when "gut feel" assumptions are validated;
- Helps to prioritize improvement opportunities ;
- Shifts internal thinking from "inputs" to "outputs" (i.e. measures);

- Serves as an excellent baseline "report card";
- Makes it easier to increase performance expectations and "raise the bar";
- Creates a sense of competitiveness and a real desire to improve; and
- Challenges people to "work smarter" instead of "working harder".

The majority of trainees and managers agree on the following benefits of managing diversity to individuals: improve motivation, loyalty, commitment, self confidence, enthusiasm and stress decreases. Both trainees and managers gave a more or less the same ratings on these perceived benefits, but they disagree with the statement that managing diversity in the accounting firm leads to dignity (p<0.05). Lack of resources and no management support were the reasons why diversity training and development are not run by some accounting firms. Some of the respondents indicated that the following diversity training and development programmes are run by some of the accounting firms: diversity training and development programme; mentorship programme; coaching programme; diversity culture awareness programme; and career development programme. A research conducted by Sadler and Erasmus (2003:148), found that the role and responsibility that accounting firm managers (supervisors) have as mentors to and coaches of trainee accountants are very important. The fulfilment of this role will enhance the image of the organisation, guide trainee accountants as they endeavour to overcome barriers in the workplace and enhance job satisfaction. A research conducted by Green, Lopez, Wysocki and Kepner (2002:3) supports the findings of Sadler and Erasmus (2003:148) that managers should implement policies such as mentoring programmes to provide trainees access to information and opportunities, and they should not be denied necessary, constructive, critical feedback for learning about mistakes and successes.

The majority of trainees agree that diversity is a key strategic issue and must not clash with other important business objectives. This means that diversity management should receive high priority in the accounting firm's strategy formulation in order to address it effectively within the firm. Diversity management should be an opportunity to develop employees' abilities and skills for them to compete equally and confidently in the accounting firm. Top management should provide financial support and be committed to employees' development.

Top management (rank 1) and the human resource department (rank 2) are the preferred

leaders of diversity management by managers and trainees. This places significant responsibility on top management and human resource departments to signal their commitment to diversity management by actively pursing workforce diversity and strategically positioning its diversity management within the firm's goals and objectives. A research conducted by Greybe and Uys (2001: 195) indicate that there are three reasons why senior management is essential for successful diversity management: firstly, top management communicates a vision, incorporating the values of the diverse workforce component and this could motivate employees; secondly, dedication by top management is vital because they are in position to co-ordinate and monitor initiatives; and thirdly, managing diversity requires resources such as employees, time, information and money over long term, therefore top management is in a position to provide these resources.

Diversity committee/forum (rank 3) is placed middle in the followed by the transformation manager (rank 4). The World Health Report prepared by Jong-wook (2006:10), maintains that the diversity forum is a strategy to tackle diversity in a practical manner. The transformation manager is part of this forum because it is constituted from middle to senior management. A study conducted by Hammond, Watkins and Weston (2001:3-4) supports the formation of the diversity forum. The study reveals that a diversity forum is essential for the success of the business and improvement of morale within the organisation. Nel et al. (2004:180-181) suggest the following best practice model for creating an organisational culture that appreciates and values diversity:

- Step 1: top management commitment imperative;
- Step 2: Establish a diversity leadership team to guide the diversity initiatives (include top management and other stakeholders);
- Step 3: Conduct an assessment of the organisational climate, needs and issues;
- Step 4: Craft vision that vision values diversity;
- Step 5: Develop and implement a strategic plan for valuing diversity;
- Step 6: Evaluate and measure results; and
- Step 7: Ensure integration and accountability.

However, the above reasons do absolve the workforce from actively participating in diversity management at both the strategic and operational/implementation level, and does not imply

that they be excluded in a top-down approach to diversity management. Inclusion, consultation and transparency remain key elements in optimally responding to workforce diversity within the accounting profession where the culture of exclusion has been so painfully entrenched.

A majority of both managers and trainees did not believe that accounting firms have incentive schemes for managers who co-operate in the implementation of a diversity management programme ($p<0.05$). Some of the trainees indicated that they doubt if managers are appraised on diversity management. A few managers, who indicated that their firms have incentives scheme for managers who co-operate in the implementation of diversity management programme, revealed that there is monetary compensation in the form of bonus element and non-monetary compensation in the form of recognition. Accounting firms should consider providing incentive schemes for managers to co-operate in the implementation of diversity management programmes. Internal career development (rank 1), and consultation and communication (rank 2) are highly selected key performance areas for appraising management on diversity performance in the accounting firms.

Arising from the results, the majority of both managers and trainees agree that the diversity strategic plans should include changes in the existing human resources practices, such as recruitment, orientation, performance management, and promotion policies. Fewer managers than trainees agree with the question that problems that were experienced by Black trainee accountants in the accounting firms prior to 1994 still exist today ($p<0.05$). Some respondents provided the following reasons: (i) the problem is not as widespread as previously; and (ii) certainly not in bigger firms, but possibly still exist in the small firms. However, more trainees than managers agree with the question that the accounting firm is losing Black talent because Black employees do not feel valued or heard.

The attachment of managers and trainees to individuals, who are of the same race or speak the same language as themselves, and the much lower reported attachment to individuals which are racially and linguistically different from themselves, creates the potential for discrimination, exclusion and segregation. While the situation with trainees is slightly better than with managers, 25.8% of trainees report no attachment to individuals of a different race group ($p<0.05$) and 33.4% of trainees report no attachment to individuals who speak a

different language as themselves (p<0.05). Language in the accounting profession has been a powerful tool for exclusion and segregation in the profession, and the perpetuation of this behaviour among the new and more diverse trainees must be actively averted. Language-based attachment promotes both geographic and racial segregation, perpetuates same-language social groupings, alienation of individuals of non-dominant linguistic groups, and limits the professional growth of individuals whose functionality and preference within the firm is reduced by language-based attachments. Research conducted by Green, Lopez, Wysocki and Kepner (2002:3) indicate that attitudes and behaviours can be barriers to organisational diversity because they can harm working relationships in the firm, damage employee morale and work productivity. Their findings also indicate that negative attitudes and behaviours such as prejudice, stereotyping, and discrimination should not be used by management of accounting firms for hiring, retention, and termination practices.

6.5 CONCLUSION

The research findings were discussed and compared with other the findings of other authors.

The findings of the study show that the managerial competencies are vital for the accounting firms' managers regardless of their management levels and functional duties. Teamwork competency and self-management competency were highly rated by managers, while communication competency and teamwork competency were highly rated by trainees.

Incongruities between managers' and trainees' perceptions of managerial diversity efforts and the equity of remuneration call for greater transparency in existing and future diversity management practices. The CA charter awareness programme must be conducted by the accountancy profession. Top management was highly rated by both managers and trainees to drive diversity management programmes. The language and race-based attachments of both trainees and managers are reminiscent of the divisive and exclusive history of the profession.

The next chapter will cover the conclusions and recommendations of the study.

CHAPTER 7

Conclusions and Recommendations

7.1   INTRODUCTION

The objectives of the study was to determine the KZN accounting firms' managers' and trainees' perceptions of diversity management in the accounting profession; to determine the KZN accounting firms' managers' and trainees' perceptions of the Chartered Accountancy profession Charter (CA Charter); and to identify the accounting firms' managers' and trainees' perceptions of managerial competencies required by managers to effectively manage diversity in KwaZulu-Natal. These objectives were realised through literature review that provided insights on managerial competencies and diversity management as well as an empirical survey consisting of structured questionnaires.

This chapter contains an overall summary of the study as well as useful recommendations that will assist the accountancy profession and the accounting firms' managers.

7.2   CONCLUSIONS

The variations in ratings were found on how managers and trainees perceive the importance of managerial competencies required in managing a diverse workforce in the accounting firms, but all the variations were positive. Both managers and trainees perceive all managerial competencies important. This finding of the research calls for the accountancy profession to recognise the managerial competencies because these competencies will assist managers in managing diverse a workforce and at the same time the managers will improve their job performance, which will result in improvement in the retention rate of managers, especially Black managers. The accounting firms must also incorporate the six managerial competencies into the job descriptions or job advertisements and in their management development programmes.

The accounting profession in South Africa is experiencing a spurt in its diversity as more Black professionals are produced. While the progress of increasing the diversity in the profession has been slow, it is a significant change to the almost exclusively White accounting profession of the apartheid era.

A democratic South Africa demands a more diverse professional workforce, and that serious efforts are made to improve the under-representation of previously excluded groups, with a coupled demand to effectively and sensitively manage the increasing diversity of the profession.

Incongruities between managers' and trainees' perceptions of managerial diversity efforts and the equity of remuneration call for greater transparency in existing and future diversity management practices. While the CA Charter remains the guiding professional piece on diversity, poor awareness and the lack of targets/benchmarks may fuel the divided perceptions.

The language and race-based attachments of both trainees and managers are reminiscent of the divisive and exclusive history of the profession. The perceptions of managers and trainees suggest that while both groups view diversity to be an important issue in contemporary management, there is still much work to be done in the way of changing perceptions, attitudes and behaviours, before diversity can be effectively managed.

The research culminated in a number of recommendations.

7.3   RECOMMENDATIONS

The following recommendations are proposed for consideration:

7.3.1   RECOMMENDATION ONE

It is recommended that managers increase their level of awareness on the six managerial competencies. The accounting firms are encouraged to include the six managerial competencies in the firm's management development programme or training and development programme as the managerial competencies will assist managers in managing the diverse workforce effectively.

With recommendation one, the researcher asserts that he was able to satisfy the objective "to identify the KZN accounting firms' managers' and trainees' perceptions of managerial competencies required by managers to effectively manage diversity".

7.3.2   RECOMMENDATION TWO

It is recommended that the accountancy profession embarks on the CA Charter awareness in order to allay the fears and concerns that managers and trainees have.

The results indicated that the less than satisfactory confidence of managers in the Charter reflects a need to review:

- The perceived deficits in the document;
- The level of knowledge and awareness of its contents among managers;   and
- The degree to which the stakeholders are consulted on the formulation and implementation of the Charter.

The results also indicated that a minority of trainees had knowledge of the CA Charter. To

improve trainees CA Charter awareness one of the following must be done:

- Awareness must be part of the training programme; or
- Awareness could be part of graduate education at the tertiary level.

7.3.3   RECOMMENDATION THREE

It is recommended that the CA Charter goals are benchmarked with targets in similar professions or with accounting professions in other similarly diverse parts of the world.

With recommendations two and three, the researcher asserts that he was able to satisfy the objective "to determine the KZN accounting firms' managers' and trainees' perceptions of the Chartered Accountancy profession Charter (CA Charter)".

7.3.4   RECOMMENDATION FOUR

It is recommended that rigorous diversity training and development programmes are organised for all accounting firm employees because the changing profile of the profession is likely to be one of the key imperatives for increased diversity management efforts.

The older and White managers are also strongly encouraged to partake in the diversity management training so that they will respond appropriately to the increasing diversity of the workforce.

7.3.5   RECOMMENDATION FIVE

It is recommended that top management and the human resources department lead the diversity management programme. The diversity training and development programmes should be compulsory and materials should be reviewed, updated and changed regularly.

7.3.6   RECOMMENDATION SIX

It is recommended that diversity management be one of the key performance areas in the accounting firm managers' performance contracts. Management should decide on the key performance indicators, for example, internal career development or consultation and communication or diversity climate or external recruitment targets.

7.3.7   RECOMMENDATION SEVEN

It is recommended that management invest resources in the following diversity training and development programmes: mentorship programme, coaching programme, diversity culture awareness workshops, career development programmes, team buildings and other suitable initiatives.

A research conducted by Green *et al.* (2002:3) indicates that organisations need to develop, implement, and maintain ongoing training because a one-day session of training will not change people's behaviour. Managers should expect change to be slow, while, at the same time, encouraging change.

7.3.8   RECOMMENDATION EIGHT

It is recommended that there is greater transparency within the accounting firms regarding remuneration of trainees. This will assist in eradicating existing inequities and misperceptions. A culture of inclusion, consultation and transparency must be adopted by all accounting firms in order to a respond to workforce that is diverse.

7.3.9   RECOMMENDATION NINE

It is recommended that competent Black African trainees are promoted into management positions. Accounting firm managers must identify Black African and Coloured trainees with

potential and develop them for the management positions. This will encourage Black African and Coloured trainees to be confident and self-assertive. This move will assist to increase the retention rate of Black African and Coloured trainees.

7.3.10   RECOMMENDATION TEN

It is recommended that SAICA swiftly resolve trainees' problems when reported and not to entirely leave them in the hands of the training officers. This move by SAICA could reduce the attrition rate of trainees, especially African and Coloured trainees. A hotline number could be useful in reporting problems by trainees and a dedicated person, who has undergone traineeship with one of the accounting firms and completed certificate in theory of accounting should be employed by SAICA to be responsible for resolving the trainees' queries.

7.3.11   RECOMMENDATION ELEVEN

It is recommended that the accounting firm management discourage, at all times, the language and race-based attachment of managers and trainees to only individuals of the same race or language as themselves.

With recommendations four to eleven, the researcher asserts that he was able to satisfy the objective "to determine the KZN accounting firms' managers' and trainees' perceptions of diversity management in the accountancy profession".

7.3.12   RECOMMENDATION TWELVE

It is recommended that an interest in participating in research studies should be inculcated among accounting firms' managers and trainees. The SAICA should communicate with its members and trainees on the importance of participating in surveys.

7.4 RECOMMENDATIONS FOR FURTHER STUDY

(i) The limitation that the results of the study will not be the same if it is conducted in the other provinces open the following avenues for further study:

- The researcher recommends that a further study should be conducted on the topic that could include the whole of South Africa be conducted;

- The researcher recommends that a comparative study should be conducted on the topic with some accounting professions in other similar diverse parts of the world; and

(ii) It is envisaged that the current study will prompt further research to deal with employees' conflict within the accounting firms.

7.5 FINAL REMARK

It is trusted that this study will be of value particularly to the accountancy profession and accounting firms' managers as well as trainee accountants.

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STRICTLY CONFIDENTIAL

QUESTIONNAIRE

for

Accounting firms:
Top managers;
Middle managers; and
First-line managers

Study

A study of managerial competencies required by managers to effectively manage diversity in KwaZulu-Natal: A transformation perspective

Instructions for the completion of the questionnaire

- You are requested to answer all the questions carefully and honestly.
- Your responses will be treated confidentially and will be valuable to the study.
- Your name and organisation should not appear on the questionnaire.
- You are kindly requested to indicate your reply by placing a cross, X, in the appropriate box which best represents your view.
- Where written responses are required, space is provided.
- You may write additional comments whenever you wish to do so.

Kindly return the completed questionnaire to msizim@saica.co.za or 20 Geelhout Road, Caversham Glen, Pinetown, 3610, Attention: Msizi Mkhize.

Thank you very much for your co-operation.

Researcher: Mr M Mkhize (082 777 9437) (Student number: 203514960)
Supervisor: Prof. S Perumal (031 260 7554)
Faculty: Management studies (UKZN)
Year study conducted: 2009

SECTION A (Personal and Company details)

1. Gender

Male	1.

Female	2.

2. Age (years)

Below 21	1.
21 - 30	2.
31 - 40	3.
41 - 50	4.
51 - 60	5.
Above 60	6.
(Refuse to answer)	7.

3. Ethnic group

White	1.
Indian	2.
African	3.
Coloured	4.
Other	5.

4. Qualifications

Matric	1.
Diploma	2.
Degree	3.
Honours/CTA	4.
Masters	5.
Doctorate	6.

5. Qualifying examinations

Part 1 of qualifying exams:

Passed 1.	Failed 2.	Enrolled 3.	Not applicable 4.

Part 2 of qualifying exams:

Passed 1.	Failed 2.	Enrolled 3.	Not applicable 4.

6. Training Contract

Completed | 1. | Not Completed | 2. |

7. Registration with professional bodies

SAICA	1.
IRBA	2.
CIMA	3.
SAIPA	4.
ACCA	5.
Other (specify):	6.
Not applicable	7.

8. Job level (position)

Partner	1.
Director	2.
Senior Manager	3.
Manager	4.
Supervisor	5.
Trainee	6.
Other (specify):	7.

9. Experience in management position

0 – 5 years	1.
6 – 10 years	2.
11 – 20 years	3.
21 – 30 years	4.
31 years and above	5.
Not applicable	6.

10. Department

Auditing	1.
Accounting	2.
Taxation	3.
Advisory services	4.
Other (specify):	5.

11. Within which category does your monthly pensionable salary fall?

R2 500 – R10 000	1.
R10 001 – R20 000	2.
R20 001 – R30 000	3.
R30 001 – R40 000	4.
R40 001 – R50 000	5.
Above R50 000	6.

12. Indicate the category in which your accounting firm belongs?

Large Firms	1.
Medium Size Firms	2.
Small Practices	3.

SECTION B

1. Broad-Based Black Economic Empowerment (B-BBEE)

1.1 Has your accounting firm compiled a B-BBEE scorecard and submitted it to SAICA as it is required by the B-BBEE charter/CA charter?

Yes | 1. | No | 2. | not sure | 3. |

If NO, give reason why not compiled

_____

_____

1.2 Do you believe that B-BBEE policy will place White employees at a disadvantage?

Yes | 1. | No | 2. | Not sure | 3. |

1.3 Do you regard the CA charter as an effective B-BBEE Plan?

Yes | 1. | No | 2. | Not sure | 3. |

If NO, what is your suggestion?

_____

_____

1.4 Do you ensure that previously disadvantaged employees have the necessary skills to enhance to senior positions?

Yes | 1. | No | 2. | Not sure | 3. |

1.5 Do you believe that the B-BBEE will lead to poorly qualified Black candidates being employed by the firm?

Yes | 1. | No | 2. | Not sure | 3. |

1.6 Does your accounting firm have a plan to retain black employees?

Yes | 1. | No | 2. | Not sure | 3. |

1.7 Is the remuneration in your firm regardless of sex, race, colour or creed?

| 1. | | 2. | | 3. |
Yes   No   Not sure

1.8 Is B-BBEE contributing negatively to the firm's productivity and profitability?

Yes | 1. | No | 2. | Not sure | 3. |

If YES, what is your suggestion? (You *can choose more than one*)

Increased stress levels	1.
Lower-standards	2.
Demotivated employees	3.
High staff turnover rate	4.
More time spent on training and development	5.
High recruitment costs	6.
Other (please specify):	7.

1.9 Do you have knowledge of the CA Charter?

| 1. | | 2. | | 3. |
Yes   No   Not sure

1.10 Do you think the CA Charter is an excellent platform to qualify more Black Chartered Accountants?

Yes | 1. | No | 2. | Not sure | 3. |

If NO, what remedial actions should be taken to ensure that the CA Charter is successful and its objectives are met?

_____

_____

2.   DIVERSITY

2.1   Do you ensure in your accounting firm that the employees represent the demographics of the country?

Yes | 1. | No | 2. | Not sure | 3. |

2.2   Do you address diversity barriers in your accounting firm in order to have a workforce that is productive and united?

Yes | 1. | No | 2. | Not sure | 3. |

2.3   Do you encourage social gathering of diverse employees in your accounting firm?

Yes | 1. | No | 2. | Not sure | 3. |

2.4   Do you ensure that diversity is a non-negotiable agenda item at all relevant meetings in your firm?

Yes | 1. | No | 2. | Not sure | 3. |

2.5   Do you champion diversity in your accounting firm by providing the following?

	Yes	No	Not sure
Become role models for behaviours required for change	1.	2.	3.
Write mission statement that define what they mean by diversity	1.	2.	3.
Provide financial support to implement change	1.	2.	3.
Diversity committee include representatives from top management	1.	2.	3.
Demonstrate personal commitment to diversity	1.	2.	3.
No action	1.	2.	3.
Any other support (please specify):	1.	2.	3.

2.6   Does your accounting firm provide diversity training and education?

Yes | 1. | No | 2. | Not sure | 3. |

If Yes, what programmes *(You can choose more than one)*

Awareness training programme	1.
Orientation programme	2.
Mentoring programme	3.
Educational programmes i.e. Communication skills	4.
Coaching programme	5.
Career development programme	6.
Other (please specify):	7.

If No, why not

Lack resources	1.
No management support	2.
Imperfect execution of diversity plan	3.
Gap between diversity policy and practice	4.
Other (please specify):	5.

2.7   Do you believe that your accounting firm should include a commitment clause regarding diversity in its mission statement?

Yes | 1. | No | 2. | Not sure | 3. |

2.8   Diversity is a key strategic issue and must not clash with other important business objective.

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	Not sure
1.	2.	3.	4.	5.	6.

2.9   Diversity strategic plans should include changes in existing Human resources practices, such as recruitment, orientation, performance management and promotion policies.

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	Not sure
1.	2.	3.	4.	5.	6.

2.10   Is the accounting firm losing top Black talent because Black employees do not feel valued or heard?

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	Not sure
1.	2.	3.	4.	5.	6.

2.11   Who should drive diversity programmes for the accounting firm to achieve business excellence? *(You can choose more than one)*

Top management	1.
Human Resources Department	2.
Transformation manager	3.
Diversity committee/leadership team/Steering committee	4.
Other (please specify):	5.

2.12 Does your accounting firm have an incentive scheme for managers who co-operate in the implementation of the diversity management programme?

Yes | 1. | No | 2. | Not sure | 3. |

If Yes, what incentives are employed?

Monetary compensation	1.
Non monetary compensation (specify):	2.
Other (specify):	3.

2.13 Does your accounting firm measure and appraise management on diversity performance using the following? *(You can choose more than one)*

External recruitment targets	1.
Internal career development	2.
Diversity climate	3.
Consultation and communication	4.
Other (please specify):	5.

2.14 Managing diversity in your firm leads to the following?

	Yes	No	Not sure
Improve motivation	1.	2.	3.
Loyalty	1.	2.	3.
Commitment	1.	2.	3.
Self-confidence	1.	2.	3.
Enthusiasm	1.	2.	3.
Dignity	1.	2.	3.
Stress decreases	1.	2.	3.
Other (specify):	1.	2.	3.

2.15 Do you believe that problems that were experienced by Black trainee accountants in the accounting firms prior to 1994 still exist today?

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	Not sure
1.	2.	3.	4.	5.	6.

2.16 To what extent do you feel attached to the following types of people?

	Not at all attached	Not very attached	Slightly Attached	Very attached	Not sure
Those trainee accountants who speak the same language as you?	1.	2.	3.	4.	5.
Those trainee accountants who do not speak the same language as you?	1.	2.	3.	4.	5.
Those trainee accountants who belong to the same race group as you?	1.	2.	3.	4.	5.
Those trainee accountants who do not belong to the same group as you?	1.	2.	3.	4.	5.

3.   MANAGERIAL SKILLS AND COMPETENCIES

3.1   How well do you think your accounting firm prepares trainees for management positions?

Not at all well	Not very well	Quite well	Well	Very well	Not sure
1.	2.	3.	4.	5.	6.

3.2   How would you rate your managerial skills and competencies?

Not at all efficient	Not very efficient	Moderately efficient	Efficient	Very efficient	Not sure
1.	2.	3.	4.	5.	6.

3.3   Indicate below the *managerial competencies* that you believe <u>you need to effectively manage diversity </u>in your accounting firm. Please rate each competency on the following point scale.

3.3.1   Communication competency

Managerial tasks	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree	Not sure
Promotes two-way communication by asking for feedback, listening & creating a give-and-take conversation	1.	2.	3.	4.	5.	6.
Has awareness of others' feelings	1.	2.	3.	4.	5.	6.
Builds strong interpersonal relationships with people	1.	2.	3.	4.	5.	6.
Informs people of relevant events and activities and keeps them up to date	1.	2.	3.	4.	5.	6.
Makes persuasive, high-impact public presentations and handles questions well	1.	2.	3.	4.	5.	6.
Writes clearly, concisely, and effectively, using a variety of computer based resources	1.	2.	3.	4.	5.	6.
Understands and motivates people both individually and in groups	1.	2.	3.	4.	5.	6.
Negotiates effectively on behalf of a team over roles and resources	1.	2.	3.	4.	5.	6.
Is skilled at developing relationships and exercising influence upward with superiors	1.	2.	3.	4.	5.	6.
Takes decisive and fair actions when handling problem subordinates	1.	2.	3.	4.	5.	6.

3.3.2 Planning and administration competency

Managerial tasks	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree	Not sure
Monitors information and uses it to identify symptoms, problems, and alternative solutions	1.	2.	3.	4.	5.	6.
Make timely decisions	1.	2.	3.	4.	5.	6.
Takes calculated risks and anticipates the consequences	1.	2.	3.	4.	5.	6.
Develops plans and schedules to achieve goals effectively	1.	2.	3.	4.	5.	6.
Assigns priorities to tasks and delegates responsibility	1.	2.	3.	4.	5.	6.
Determines, obtains, and organizes necessary resources to accomplish the task	1.	2.	3.	4.	5.	6.
Handles several issues and projects at one time but doesn't spread self too thin	1.	2.	3.	4.	5.	6.
Monitors and keeps to a schedule or changes schedule if needed	1.	2.	3.	4.	5.	6.
Works effectively under time pressure	1.	2.	3.	4.	5.	6.
Understands budgets, cash flows, financial reports, and annual reports and regularly uses such information to make decisions	1.	2.	3.	4.	5.	6.
Keeps accurate and complete financial records	1.	2.	3.	4.	5.	6.
Creates budgetary guidelines for others and works within the guidelines given by others	1.	2.	3.	4.	5.	6.

3.3.3 Teamwork competency

Managerial tasks	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree	Not sure
Formulates clear objectives that inspire team members to perform	1.	2.	3.	4.	5.	6.
Appropriately staffs the team, taking into account the value of diverse ideas and technical skills needed	1.	2.	3.	4.	5.	6.
Defines responsibilities for the team as a whole and assigns tasks and responsibilities to individual team members as appropriate	1.	2.	3.	4.	5.	6.
Creates an environment in which effective teamwork is expected, recognized, praised, and rewarded	1.	2.	3.	4.	5.	6.
Assists the team in identifying and acquiring the resources it needs to accomplish its goals	1.	2.	3.	4.	5.	6.
Acts as coach, counsellor, and mentor, being patient with team members as they learn	1.	2.	3.	4.	5.	6.
Understands the strengths and weaknesses of team members and uses their strengths to accomplish tasks as a team	1.	2.	3.	4.	5.	6.
Brings conflict and dissent into open and uses it to enhance performance	1.	2.	3.	4.	5.	6.
Shares credit with others	1.	2.	3.	4.	5.	6.

3.3.4 Strategic action competency

Managerial tasks	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree	Not sure
Understands the industry and quickly recognizes when changes in the industry create significant threats and opportunities	1.	2.	3.	4.	5.	6.
Stays informed of the actions of competitors and strategic partners	1.	2.	3.	4.	5.	6.
Can analyse general trends in the industry and their implications for the future	1.	2.	3.	4.	5.	6.
Understands the concerns of stakeholders	1.	2.	3.	4.	5.	6.
Understands the concerns of trainees	1.	2.	3.	4.	5.	6.
Understands the strengths and limitations of various business strategies	1.	2.	3.	4.	5.	6.
Understands the vision, mission and objectives of the firm	1.	2.	3.	4.	5.	6.
Assigns priorities and makes decisions that are consistent with the firms' mission and strategic goals	1.	2.	3.	4.	5.	6.
Recognizes the management challenges of alternative strategies and addresses them	1.	2.	3.	4.	5.	6.
Establishes tactical and operational goals that facilitate strategy implementation	1.	2.	3.	4.	5.	6.

3.3.5 Global awareness competency

Managerial tasks	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree	Not sure
Stays informed of political, social, and economic trends and events around the world	1.	2.	3.	4.	5.	6.
Recognizes the impact of global events on the organization	1.	2.	3.	4.	5.	6.
Understands, reads, and speaks more than one language fluently	1.	2.	3.	4.	5.	6.
Understands the nature of national, ethnic, and cultural differences and is open to examining these differences honestly and objectively	1.	2.	3.	4.	5.	6.
Is sensitive to cultural cues and is able to adapt quickly in novel situations	1.	2.	3.	4.	5.	6.
Appropriately adjusts own behaviour when interacting with people from various national, ethnic, and cultural backgrounds	1.	2.	3.	4.	5.	6.

3.3.6 Self management competency

Managerial tasks	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree	Not sure
Has clear personal standards that serve as a foundation for maintaining a sense of integrity and ethical conduct	1.	2.	3.	4.	5.	6.
Is willing to admit mistakes	1.	2.	3.	4.	5.	6.
Accepts responsibility for own actions	1.	2.	3.	4.	5.	6.
Seeks responsibility and is ambitious and motivated to achieve objectives	1.	2.	3.	4.	5.	6.
Works hard to get things done	1.	2.	3.	4.	5.	6.
Shows perseverance in the face of obstacles and bounces back from failure	1.	2.	3.	4.	5.	6.
Strikes a reasonable balance between work and other life activities so that neither aspect of living is neglected	1.	2.	3.	4.	5.	6.
Takes goods care of self, mentally and physically, and uses constructive outlets to vent frustration and reduce tension	1.	2.	3.	4.	5.	6.
Assesses and establishes own life- and work-related goals	1.	2.	3.	4.	5.	6.
Has a clear personal and career goals	1.	2.	3.	4.	5.	6.
Uses strengths to advantage while seeking to improve or compensate weaknesses	1.	2.	3.	4.	5.	6.
Analyses and learns from work and life experiences	1.	2.	3.	4.	5.	6.

ANY OTHER COMMENTS:

_____

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Thank you very much for your time and assistance in completing this QUESTIONNAIRE

STRICTLY CONFIDENTIAL

QUESTIONNAIRE

for

Accounting firms:

Trainee Accountants (non-managers)

Study

A study of managerial competencies required by managers to effectively manage diversity in KwaZulu-Natal: A transformation perspective

Instructions for the completion of the questionnaire

- You are requested to answer all the questions carefully and honestly.
- Your responses will be treated confidentially and will be valuable to the study.
- Your name and organisation should not appear on the questionnaire.
- You are kindly requested to indicate your reply by placing a cross, X, in the appropriate box which best represents your view.
- Where written responses are required, space is provided.
- You may write additional comments whenever you wish to do so.

Kindly return the completed questionnaire to msizim@saica.co.za or 20 Geelhout Road, Caversham Glen, Pinetown, 3610, Attention: Msizi Mkhize.

Thank you very much for your co-operation.

Researcher: Mr M Mkhize (082 777 9437) (Student number: 203514960)
Supervisor: Prof. S Perumal (031 260 7554)
Faculty: Management studies (UKZN)
Year study conducted: 2009

SECTION A (Personal and Company details)

1.   Gender

Male	1.

Female	2.

2.   Age (years)

Below 21	1.
21 - 30	2.
31 - 40	3.
41 - 50	4.
51 - 60	5.
Above 60	6.
(Refuse to answer)	7.

3.   Ethnic group

White	1.
Indian	2.
African	3.
Coloured	4.
Other	5.

4.   Qualifications

Matric	1.
Diploma	2.
Degree	3.
Honours/CTA	4.
Masters	5.
Doctorate	6.

5.   Tertiary institution(s) attended or currently studying

Univ. of KwaZulu-Natal	1.	Rhodes University	8.
Univ. of South Africa	2.	Univ. of Fort Hare	9.
Univ. of Cape Town	3.	Univ. of Free State	10.
Univ. of Johannesburg	4.	Univ. of Zululand	11.
Univ. of Pretoria	5.	Durban Univ. of Technology	12.
Univ. of Western Cape	6.	Mangosuthu Univ. of Technology	13.
Univ. of Stellenbosch	7.	Other (specify):	14.

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6.   High school attended

Model C school	1.
Private school	2.
Public school	3.
Other (specify):	4.

Please provide school name: _____

7.   Qualifying examinations

Part 1 of qualifying exams:

Passed 1.	Failed 2.	Enrolled 3.	Not applicable 4.

Part 2 of qualifying exams:

Passed 1.	Failed 2.	Enrolled 3.	Not applicable 4.

8.   Training Contract

1st year	1.		2nd year	2.		3rd year	3.		4th year	4.

9.   Period in training contract

Below 1 year	1.
Between 1 year and 2 years	2.
Between 2 years and 3 years	3.
Between 3 years and 4 years	4.
Between 4 years and 5 years	5.
(Refuse to answer)	6.

10.   Department

Auditing	1.
Accounting	2.
Taxation	3.
Advisory services	4.
Other (specify):	5.

11. Within which category does your monthly pensionable salary fall?

R2 500 – R5 000	1.
R5 001 – R7 500	2.
R7 501 – R10 000	3.
R10 001 – R12 500	4.
R12 501 – R15 000	5.
Above R15 000	6.

12. Indicate the category in which your accounting firm belongs?

Large Firms	1.
Medium Size Firms	2.
Small Practices	3.

SECTION B

1. Broad-Based Black Economic Empowerment (B-BBEE)

1.11 Has your accounting firm compiled a B-BBEE scorecard and submitted it to SAICA as it is required by the B-BBEE charter/CA charter?

Yes | 1. | No | 2. | not sure | 3. |

If NO, give reason why not compiled

_____

_____

1.12 Do you believe that B-BBEE policy will place White employees at a disadvantage?

Yes | 1. | No | 2. | Not sure | 3. |

1.13 Do you regard the CA charter as an effective B-BBEE Plan?

Yes | 1. | No | 2. | Not sure | 3. |

If NO, what is your suggestion?

_____

_____

_____

1.14 Do managers in your accounting firm ensure that previously disadvantaged employees have the necessary skills to enhance to senior positions?

Yes | 1. | No | 2. | Not sure | 3. |

1.15 Do you believe that the B-BBEE will lead to poorly qualified Black candidates being employed by the firm?

Yes | 1. | No | 2. | Not sure | 3. |

1.16 Does your accounting firm have a plan to retain black employees?

Yes | 1. | No | 2. | Not sure | 3. |

1.17 Is the remuneration in your firm regardless of sex, race, colour or creed?

Yes | 1. | No | 2. | Not sure | 3. |

1.18 Is B-BBEE contributing negatively to the firm's productivity and profitability?

Yes | 1. | No | 2. | Not sure | 3. |

If YES, what is your suggestion? (You can choose more than one)

Increased stress levels	1.
Lower-standards	2.
Demotivated employees	3.
High staff turnover rate	4.
More time spent on training and development	5.
High recruitment costs	6.
Other (please specify):	7.

1.19 Do you have knowledge of the CA Charter?

Yes | 1. | No | 2. | Not sure | 3. |

1.20 Do you think the CA Charter is an excellent platform to qualify more Black Chartered Accountants?

Yes | 1. | No | 2. | Not sure | 3. |

If NO, what remedial actions should be taken to ensure that the CA Charter is successful and its objectives are met?

_____

_____

_____

2. DIVERSITY

2.1 Do managers in your accounting firm ensure that the employees represent the demographics of the country?

Yes | 1. | No | 2. | Not sure | 3. |

2.2 Do managers in your accounting firm address diversity barriers in your accounting firm in order to have a workforce that is productive and united?

Yes | 1. | No | 2. | Not sure | 3. |

2.3 Do managers in your accounting firm encourage social gathering of diverse employees?

Yes | 1. | No | 2. | Not sure | 3. |

2.4 Do managers in your accounting firm ensure that diversity is a non-negotiable agenda item at all relevant meetings'?

Yes | 1. | No | 2. | Not sure | 3. |

2.5 Do managers in your accounting firm champion diversity by providing the following?

	Yes	No	Not sure
Become role models for behaviours required for change	1.	2.	3.
Write mission statement that define what they mean by diversity	1.	2.	3.
Provide financial support to implement change	1.	2.	3.
Diversity committee include representatives from top management	1.	2.	3.
Demonstrate personal commitment to diversity	1.	2.	3.
No action	1.	2.	3.
Any other support (please specify):	1.	2.	3.

2.6   Does your accounting firm provide diversity training and education?

Yes | 1. | No | 2. | Not sure | 3. |

If Yes, what programmes *(You can choose more than one)*

Awareness training programme	1.
Orientation programme	2.
Mentoring programme	3.
Educational programmes i.e. Communication skills	4.
Coaching programme	5.
Career development programme	6.
Other (please specify):	7.

If No, why not

Lack resources	1.
No management support	2.
Imperfect execution of diversity plan	3.
Gap between diversity policy and practice	4.
Other (please specify):	5.

2.7   Do you believe that your accounting firm should include a commitment   clause regarding diversity in its mission statement?

Yes | 1. | No | 2. | Not sure | 3. |

2.8   Diversity is a key strategic issue and must not clash with other important   business objective.

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	Not sure
1.	2.	3.	4.	5.	6.

2.9   Diversity strategic plans should include changes in existing Human   resources
        practices, such as recruitment, orientation, performance management and promotion
        policies.

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	Not sure
1.	2.	3.	4.	5.	6.

2.10   Is the accounting firm losing top Black talent because Black employees do not feel
        valued or heard?

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	Not sure
1.	2.	3.	4.	5.	6.

2.11   Who should drive diversity programmes for the accounting firm to achieve
        business excellence? *(You can choose more than one)*

Top management	1.
Human Resources Department	2.
Transformation manager	3.
Diversity committee/leadership team/Steering committee	4.
Other (please specify):	5.

2.12   Does your accounting firm have an incentive scheme for managers who co-operate in
        the implementation of the diversity management programme?

Yes | 1. | No | 2. | Not sure | 3. |

If Yes, what incentives are employed?

Monetary compensation	1.
Non monetary compensation (specify):	2.
Other (specify):	3.

2.13   Does your accounting firm measure and appraise management on diversity
        performance using the following? *(You can choose more than one)*

External recruitment targets	1.
Internal career development	2.
Diversity climate	3.
Consultation and communication	4.
Other (please specify):	5.

2.14   Managing diversity in your firm leads to the following?

	Yes	No	Not sure
Improve motivation	1.	2.	3.
Loyalty	1.	2.	3.
Commitment	1.	2.	3.
Self-confidence	1.	2.	3.
Enthusiasm	1.	2.	3.
Dignity	1.	2.	3.
Stress decreases	1.	2.	3.
Other (specify):	1.	2.	3.

2.15   Do you believe that problems that were experienced by Black trainee   accountants in
        the accounting firms prior to 1994 still exist today?

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	Not sure
1.	2.	3.	4.	5.	6.

2.16   To what extent do you feel attached to the following types of people?

	Not at all attached	Not very attached	Slightly Attached	Very attached	Not sure
Those trainee accountants who speak the same language as you?	1.	2.	3.	4.	5.
Those trainee accountants who do not speak the same language as you?	1.	2.	3.	4.	5.
Those trainee accountants who belong to the same race group as you?	1.	2.	3.	4.	5.
Those trainee accountants who do not belong to the same group as you?	1.	2.	3.	4.	5.

3. MANAGERIAL SKILLS AND COMPETENCIES

3.1   How well do you think your accounting firm prepares trainees for   management positions?

Not at all well	Not very well	Quite well	Well	Very well	Not sure
1.	2.	3.	4.	5.	6.

3.2   How would you rate your manager's managerial skills and competencies?

Not at all efficient	Not very efficient	Moderately efficient	Efficient	Very efficient	Not sure
1.	2.	3.	4.	5.	6.

3.3   Indicate below the *managerial competencies* that <u>you believe managers need to effectively manage diversity</u> in your accounting firm. Please rate   each   competency on the following point scale.

3.3.1   Communication competency

Managerial tasks	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree	Not sure
Promotes two-way communication by asking for feedback, listening & creating a give-and-take conversation	1.	2.	3.	4.	5.	6.
Has awareness of others' feelings	1.	2.	3.	4.	5.	6.
Builds strong interpersonal relationships with people	1.	2.	3.	4.	5.	6.
Informs people of relevant events and activities and keeps them up to date	1.	2.	3.	4.	5.	6.
Makes persuasive, high-impact public presentations and handles questions well	1.	2.	3.	4.	5.	6.
Writes clearly, concisely, and effectively, using a variety of computer based resources	1.	2.	3.	4.	5.	6.
Understands and motivates people both individually and in groups	1.	2.	3.	4.	5.	6.
Negotiates effectively on behalf of a team over roles and resources	1.	2.	3.	4.	5.	6.
Is skilled at developing relationships and exercising influence upward with superiors	1.	2.	3.	4.	5.	6.
Takes decisive and fair actions when handling problem subordinates	1.	2.	3.	4.	5.	6.

3.3.2 Planning and administration competency

Managerial tasks	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree	Not sure
Monitors information and uses it to identify symptoms, problems, and alternative solutions	1.	2.	3.	4.	5.	6.
Make timely decisions	1.	2.	3.	4.	5.	6.
Takes calculated risks and anticipates the consequences	1.	2.	3.	4.	5.	6.
Develops plans and schedules to achieve goals effectively	1.	2.	3.	4.	5.	6.
Assigns priorities to tasks and delegates responsibility	1.	2.	3.	4.	5.	6.
Determines, obtains, and organizes necessary resources to accomplish the task	1.	2.	3.	4.	5.	6.
Handles several issues and projects at one time but doesn't spread self too thin	1.	2.	3.	4.	5.	6.
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Works effectively under time pressure	1.	2.	3.	4.	5.	6.
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Keeps accurate and complete financial records	1.	2.	3.	4.	5.	6.
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Managerial tasks	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree	Not sure
Formulates clear objectives that inspire team members to perform	1.	2.	3.	4.	5.	6.
Appropriately staffs the team, taking into account the value of diverse ideas and technical skills needed	1.	2.	3.	4.	5.	6.
Defines responsibilities for the team as a whole and assigns tasks and responsibilities to individual team members as appropriate	1.	2.	3.	4.	5.	6.
Creates an environment in which effective teamwork is expected, recognized, praised, and rewarded	1.	2.	3.	4.	5.	6.
Assists the team in identifying and acquiring the resources it needs to accomplish its goals	1.	2.	3.	4.	5.	6.
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Understands the strengths and weaknesses of team members and uses their strengths to accomplish tasks as a team	1.	2.	3.	4.	5.	6.
Brings conflict and dissent into open and uses it to enhance performance	1.	2.	3.	4.	5.	6.
Shares credit with others	1.	2.	3.	4.	5.	6.

3.3.4 Strategic action competency

Managerial tasks	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree	Not sure
Understands the industry and quickly recognizes when changes in the industry create significant threats and opportunities	1.	2.	3.	4.	5.	6.
Stays informed of the actions of competitors and strategic partners	1.	2.	3.	4.	5.	6.
Can analyse general trends in the industry and their implications for the future	1.	2.	3.	4.	5.	6.
Understands the concerns of stakeholders	1.	2.	3.	4.	5.	6.
Understands the concerns of trainees	1.	2.	3.	4.	5.	6.
Understands the strengths and limitations of various business strategies	1.	2.	3.	4.	5.	6.
Understands the vision, mission and objectives of the firm	1.	2.	3.	4.	5.	6.
Assigns priorities and makes decisions that are consistent with the firms' mission and strategic goals	1.	2.	3.	4.	5.	6.
Recognizes the management challenges of alternative strategies and addresses them	1.	2.	3.	4.	5.	6.
Establishes tactical and operational goals that facilitate strategy implementation	1.	2.	3.	4.	5.	6.

3.3.5 Global awareness competency

Managerial tasks	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree	Not sure
Stays informed of political, social, and economic trends and events around the world	1.	2.	3.	4.	5.	6.
Recognizes the impact of global events on the organization	1.	2.	3.	4.	5.	6.
Understands, reads, and speaks more than one language fluently	1.	2.	3.	4.	5.	6.
Understands the nature of national, ethnic, and cultural differences and is open to examining these differences honestly and objectively	1.	2.	3.	4.	5.	6.
Is sensitive to cultural cues and is able to adapt quickly in novel situations	1.	2.	3.	4.	5.	6.
Appropriately adjusts own behaviour when interacting with people from various national, ethnic, and cultural backgrounds	1.	2.	3.	4.	5.	6.

3.3.6 Self management competency

Managerial tasks	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree	Not sure
Has clear personal standards that serve as a foundation for maintaining a sense of integrity and ethical conduct	1.	2.	3.	4.	5.	6.
Is willing to admit mistakes	1.	2.	3.	4.	5.	6.
Accepts responsibility for own actions	1.	2.	3.	4.	5.	6.
Seeks responsibility and is ambitious and motivated to achieve objectives	1.	2.	3.	4.	5.	6.
Works hard to get things done	1.	2.	3.	4.	5.	6.
Shows perseverance in the face of obstacles and bounces back from failure	1.	2.	3.	4.	5.	6.
Strikes a reasonable balance between work and other life activities so that neither aspect of living is neglected	1.	2.	3.	4.	5.	6.
Takes goods care of self, mentally and physically, and uses constructive outlets to vent frustration and reduce tension	1.	2.	3.	4.	5.	6.
Assesses and establishes own life- and work-related goals	1.	2.	3.	4.	5.	6.
Has a clear personal and career goals	1.	2.	3.	4.	5.	6.
Uses strengths to advantage while seeking to improve or compensate weaknesses	1.	2.	3.	4.	5.	6.
Analyses and learns from work and life experiences	1.	2.	3.	4.	5.	6.

ANY OTHER COMMENTS:

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Thank you very much for your time and assistance in completing this QUESTIONNAIRE

RESEARCH OFFICE (GOVAN MBEKI CENTRE)
WESTVILLE CAMPUS
TELEPHONE NO.: 031 – 2603587
EMAIL : ximbap@ukzn.ac.za

**UNIVERSITY OF
KWAZULU-NATAL**

26 FEBRUARY 2009

MR. MV MKHIZE (203514960)
MANAGEMENT

Dear Mr. Mkhize

ETHICAL CLEARANCE APPROVAL NUMBER: HSS/0046/09M

I wish to confirm that ethical clearance has been approved for the following project:

"A study of managerial competencies required by managers to effectively manage diversity in KwaZulu-Natal"

PLEASE NOTE: Research data should be securely stored in the school/department for a period of 5 years

Yours faithfully

....
MS. PHUMELELE XIMBA

cc. Supervisor (Prof. S Perumal)
cc. Mrs. C Haddon

Founding Campuses: ▪ Edgewood   ▪ Howard College   ▪ Medical School   ▪ Pietermaritzburg   ▪ Westville

SAICA

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#245614v1

9 February 2009

Professor S. Perumal
Acting Head of School
School of Management
Faculty of Management Studies
University of KwaZulu-Natal
Private Bag X54001
DURBAN
4000

Dear Professor Perumal

APPLICATION FOR PERMISSION TO CONDUCT RESEARCH

I, Chantyl Mulder, Senior Executive: Transformation and Growth hereby approve Mr Msizi Mkhize's request to conduct research in the Accounting firms in Kwa-Zulu Natal. The research is essential in the completion of his M Com degree with the University of Kwa-Zulu Natal.

If any further information is required please do not hesitate to contact me.

Yours sincerely

CHANTYL MULDER
SENIOR EXECUTIVE: TRANSFORMATION AND GROWTH