

FACT SHEET 3: Why SAICA requires all members to reflect on Ethics?

Refer to FACT SHEET 1 for more info on Ethics and Enabling competencies

Refer to FACT SHEET 2 for more info on Ethics 101

Refer to FACT SHEET 4 for more detail on How to reflect on Ethics

SAICA's Responsibility

As stated in the Code, a distinguishing mark of the accountancy profession is its acceptance of the responsibility to act in the public interest. SAICA has a responsibility to enable members to act in the public interest by setting out a formal qualification process, defining a set of competencies applicable to entry level members, and providing guidance on competence requirements post qualification (through the CPD Policy and other guidance tools such as the CA Pathways to Relevance post qualification competency framework). SAICA therefore has an active role to play in ensuring that its members appropriately develop the required *ethics competencies* as defined.

Member's responsibility in terms of continuous professional development for ethics

Equally, SAICA members have a responsibility to ensure that they are professionally competent for the roles they perform. Being professionally competent for any role a member performs must therefore include making sure the member demonstrates the necessary competence as it relates to the defined ethical competencies. To this end, SAICA may prescribe "compulsory areas" for CPD. The CPD Policy has been updated to confirm that these compulsory areas will be defined and communicated to members in the form a circular. This circular has been issued and as from **1 April 2021** it is required that all SAICA members specifically reflect on the ongoing development of their ethical competence, in line with the competency areas as set out above (also see the circular), as part of their annual reflective plan. Members are reminded that they only need to submit their annual reflective plans if they are selected for monitoring by the SAICA compliance team.

The theory of outcomes based continuing professional development

SAICA's new CPD model explicitly recognises that different professional accountants have different development needs and requires members to take ownership of their own professional development by demonstrating three broad steps of the output-based CPD reflective cycle, namely planning, action and reflecting; as referred to as PAR and are explained as follows:

- **Planning** entails the identification of your own developmental needs (specific to the role you are performing);
- **Action** by undertaking appropriate learning and development activities to meet the developmental need(s) you have identified and applying what you have learnt; and
- **Reflecting** by measuring the impact of CPD on your day to day activities and identifying any further developmental needs and learning and development activities.

The objective of CPD (which is framed in the SAICA CPD policy) is to promote up-to-date, high-quality services by ensuring that SAICA members have access to the necessary learning opportunities to maintain and improve their competence (knowledge, skills, attitudes, values and behaviours). An input-based approach to CPD focuses mainly on hours and activities, and it often neglects the actual purpose of CPD, which is for professional members to enhance their knowledge, acquire new skills and build on existing ones through

continuous reflection and improvement. The input-based approach to CPD often drives a compliance-based, number-driven view of learning which is in contrast to what SAICA wishes to achieve through its CPD policy, namely: a commitment to lifelong learning where CPD activity includes work-based learning, undertaking new projects at work, online reading, researching particular issues relating to clients or a specific role, and focused discussions with colleagues or professional advisers. (Note this is why the input measurement based approach is no longer allowed in terms of the SAICA CPD policy)

Under the new CPD policy, there is no requirement to achieve a certain number of hours or points –

the important feature is that consideration is given to the competence requirements (outcomes) of the member's current role and that learning addresses this. As ethics is the cornerstone of any professional, SAICA has issued a circular which sets out the compulsory CPD requirements as having to reflect on ones ethics competence in relation to the learning outcomes of the ethical competencies (personal, business and professional). Members are further reminded that if required, learning and development activities should be undertaken to maintain and further develop your understanding (and demonstration) of these ethical competencies.