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Accounting firms' managers' and trainees' perceptions of managerial competencies required to manage diversity in KwaZulu-Natal, South Africa

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Author:
Msizi V. Mkhize[1]

Affiliation:
[1]College of Law and Management Studies, School of Accounting, Economics and Finance, University of KwaZulu-Natal, South Africa

Corresponding author:
Msizi Mkhize,
mkhizem4@ukzn.ac.za

Background: In South Africa, there is a shortage of black chartered accountants, with some progress being made in transforming the industry. Accounting firms' managers must be prepared to effectively manage the increasing diversity of the profession.

Aim: The purpose of the study was to identify the managerial competencies required by accounting firms managers to effectively manage diversity in KwaZulu-Natal.

Setting: The setting for this study is accounting firms in KwaZulu-Natal.

Methods: A prospective, descriptive and analytical, cross-sectional design using systematic sampling was employed. The responses of 45 accounting firms' 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.

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 incorporate the six managerial competencies into the job descriptions or job advertisements and in the firms' management development programme or training and development programme as the managerial competencies will assist managers in managing the diverse workforce effectively.

Introduction

In South Africa, there is only one accounting body, that is, 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 (Bachelor's 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, white people 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). 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 (CA) 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 the recent past, the last two decades (Hammond, Clayton & Arnold 2008; Perumal 1994).

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). Therefore,

TABLE 1: New admissions to the South African Institute of Chartered Accountants by decade.

Decade	White		Asian		Mixed-race		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	13 102	100.0
Total	24 837	-	2528	-	690	-	1496	-	53	-	29 604	-

Source: Adapted from Lewis, T., 2009, *RE: New admissions to the SAICA by decade, SAICA Help desk*, Type to MKHIZE, M. V., Gauteng

accounting firms' managers must be prepared to effectively manage the increasing diversity of the profession. SAICA membership statistics as at 30 June 2015, showed 39 128 registered chartered accountants (Figure 1).

Problem statement, research objective and question

In the diverse and competitive South African environment, previously excluded racial groups in the CA profession appear to be riding the wave of exclusion. South Africa has a shortage of black chartered accountants. This situation has arisen because of 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 & Wegner 1997).

The accountancy profession developed a CA Charter complying with the *Broad-Based Black Economic Empowerment 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 and multiculturalism and multilingualism is noted among staff. The goals of accounting firms will not be achieved if these personnel are not effectively managed. The transformation of accountancy profession put strain on accounting firm managers. Therefore, managers in accounting firms need to be skilled in managerial competencies rooted in general management to be effective in their job and managing diverse workforce because this will result in improved productivity, reduced absenteeism, decreased staff turnover and increased employee job satisfaction (Swanepoel 2000).

Managers in the accounting firms are appointed to their positions without formal qualifications in management or training in diversity management. The purpose of the study was to identify the accounting firms' managers' and trainees' perceptions of managerial competencies required to effectively manage diversity in the accountancy profession, against the background of the changing demographic profile of the profession. The main research question was: What are
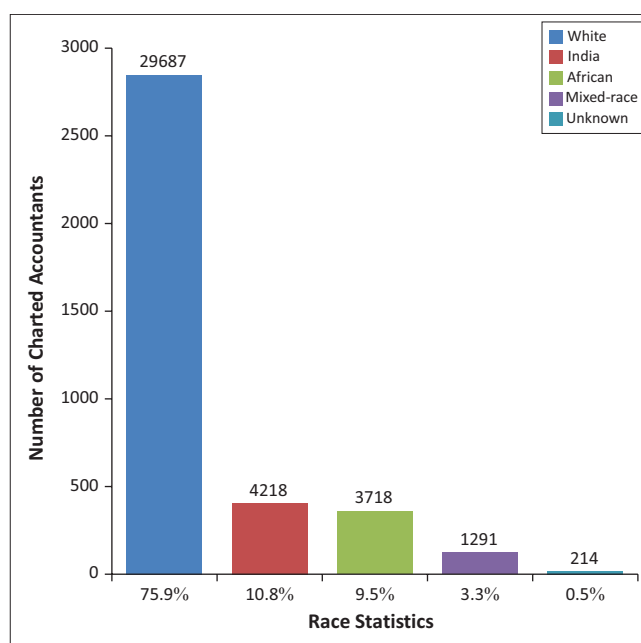
Source: SAICA, 2015, *Membership statistics by race*, viewed 09 June 2015, from http://www.saica.co.za

FIGURE 1: Demographics of South African Institute of Chartered Accountants membership as at 30 June 2015.

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

Significance of the study

The findings will provide valuable insights for the accounting firms' managers and the CA profession.

The concept of competencies

There are two approaches to competencies, the US competency approach and the UK competency approach:

The United States competency approach (also called worker-oriented 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 American Management Association (AMA). AMA envisaged that the research would lead to a programme for the development of superior managers and reveal what makes managers

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competent and design a programme where managers could learn these competencies (Hafferman & Flood 2000; Wu & Lee 2005).

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 (Hafferman & Flood 2000). Wu and Lee (2005) remark that competencies provide significant help with key problems, such as clarifying workforce standards and expectations as well as 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 or job successfully' (Hafferman & Flood 2000; Mbokazi, Visser & Fourie 2004). This view is supported by Hellriegel, Jackson and Slocum (2005); Hellriegel et al. (2007, 2014), who define competency as a combination of knowledge, skills, attitudes and behaviours and other characteristics that contribute to employee effectiveness.

The United Kingdom competency approach (also called work-oriented 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 1998). 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 et al. 2004). 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 (Hafferman & Flood 2000).

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 (NVQs) 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): 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) provide a useful case both for and against the MCI approach in which they highlight 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 (Schoonover et al. 2000).

For the purposes of this paper, the US competency approach applies because it focuses on the individual to determine whether they possess the skills and knowledge to perform a specific job or role (Garavan & McGuire 2001).

Competency model

The competency model is a set of competencies, namely, success factors that include the key behaviours required for excellent performance in a particular role. 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 (Wu & Lee 2005). Developing and training of management on key competencies have become the focus of much attention during the past two decades (Mbokazi et al. 2004). Several surveys report that numerous modern enterprises are progressively adopting competency models as essential management technologies to enhance their competitiveness (Wu & Lee 2005).

Mbokazi et al. (2004) found that managers need competencies for managing themselves, competencies to manage other people and competencies to manage the task. Lewis (2009) 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. Managerial competency model by Hellriegel et al. (2005) applies to the study because it covers many managerial competency dimensions (see Figure 2). Managerial competences are sets of knowledge, skills, behaviour and attitudes that a person needs to be effective in a wide range of managerial jobs and various types of organisations (Hellriegel et al. 2005, 2007, 2014).
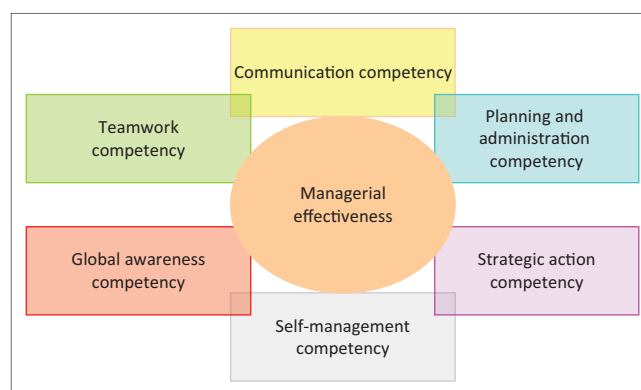
Source: Hellriegel, D., Jackson, S.E. & Slocum, J.W., 2005, *Management: A contemporary: A competency-based approach*, Thomson South-Western, Mason

FIGURE 2: Managerial competencies model graphic display.

Managerial competencies

The managerial competencies dimensions are discussed below.

Communication competency

Communication competency refers to the effective transmission of information from one person to another (Ferreira 2006). Managers are required to promote understanding between themselves and the diverse workforce through proper communication (Steyn & Steyn 2006; Steyn, De Klerk & Steyn 2006). It is estimated that an average person spends four-fifths of his or her working life communicating (Steyn 2006). Communicating with a lot of managers does not mean that they are effective and efficient. A manager is an efficient communicator if he or 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 & Williams 2006). According to a study conducted by Greybe and Uys (2001), 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) 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.

Hellriegel et al. (2007, 2014) 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, formal communication and negotiation.

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, 2014). Steyn and Steyn (2006) assert 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. According to Hellriegel et al. (2007, 2014), planning and administration competency includes the following dimensions: information gathering, analysis and problem solving; planning and organising projects; time management; budgeting and financial management.

Teamwork competency

Teamwork competency refers to accomplishing tasks through small groups of people who are collectively responsible and whose work is interdependent. Managers in companies that utilise teams can become more effective by: designing teams, creating a supportive environment, managing team dynamics (Hellriegel et al. 2007, 2014; Slocum, Jackson & Hellriegel 2008). Robbins (2001) 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).

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. Strategic action competency includes the following dimensions: understanding the industry, understanding the organisation and taking strategic actions. 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, 2014).

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).

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. This competency has the following dimensions: cultural knowledge and understanding, cultural openness and sensitivity (Hellriegel et al. 2007, 2014).

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). Globalisation affects a manager's people skills in at least two ways: (1) 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 (2) 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).

Northcliff Melville Times (29 October 1999), cited by Swanepoel (2000), 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.

Self-management competency

Self-management competency refers to taking responsibility for one's life at work and beyond. Self-management competency includes the following dimensions: Integrity and ethical conduct, personal drive and resilience, balancing work and life issues, self-awareness and development (Hellriegel et al., 2007, 2014). Williams (2007) 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. Research conducted by Penceliah (2003) 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.

This brief review of the literature indicates that 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.

Research methodology
Study design and sampling

The research approach followed was quantitative in nature. A prospective, descriptive and analytical, cross-sectional design using systematic sampling was employed. Systematic sampling involves selecting subjects from a population list in a systematic rather than a random fashion (Steyn & Steyn 2003). In this paper, the manager population can be explained as the total number of managers employed in 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 SAICA provided the researcher with a list of managers and trainee accountants in accounting firms in KwaZulu-Natal and respondents were accordingly drawn using systematic sampling. This paper presents the results of the responses for 45 managers and 114 trainees.

Measuring instruments

Two parallel-worded versions of the questionnaires were used to collect data for accounting firm managers and trainees. Questionnaires consisted of a demographic section and managerial competencies section. Managerial competencies were measured using 3-point Likert scale, ranging from 1 = Disagree, 2 = Neutral and 3 = Agree. The questionnaire was pre-tested on a focus group of chartered accountants, SAICA Eastern Region Council. A pilot study is conducted to detect weaknesses in the design of the research instrument and also to provide the researcher with sound basis for determining and refining the sample (Strydom, Du Toit & Gerber-Nel 2002). The Cronbach's alpha was computed for both managers and trainees to determine reliability. Reliability analysis tests were performed to establish the statistical validity of the overall results (Table 2).

Statistical analysis

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

Results

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

Demographic profile of respondents

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. Table 3 depicts the demographic profile of managers and trainees.

Of the 45 managers surveyed, 38 (84.4%) were men, with 40 (90.9%) of managers between the ages of 30 and 60 years.

TABLE 2: Cronbach's alpha.

Competency	Cronbach's alpha	
	Managers	**Trainees**
Communication competency	0.806	0.951
Planning and administration competency	0.949	0.936
Teamwork competency	0.868	0.957
Strategic action competency	0.920	0.929
Global awareness competency	0.781	0.838
Self-management competency	0.954	0.950

TABLE 3: Demographic profile of respondents.

Feature	Description	Managers (45)		Trainees (114)	
		Count	%	Count	%
Gender	Male	38	84.4	54	47.4
	Female	7	15.6	60	52.6
Age in years	21–30	1	2.2	110	96.5
	31–40	14	31.1	4	3.5
	41–50	16	35.6	0	0.0
	51–60	10	22.2	0	0.0
	Above 60	4	8.9	0	0.0
Race group	White	20	44.4	22	19.3
	Indian or Asian	20	44.4	29	25.4
	African	5	11.1	59	51.8
	Mixed-race	0	0.0	4	3.5

White managers constituted 45.5% of all managers, Indian managers constituted 45.5%, while African managers constituted 9.1%. Of the 114 trainees surveyed, 54 (47.4%) were men, with majority trainees between the ages of 21 and 30 years. White and Indian trainees comprised 44.7% of all trainees, African trainees comprised 51.8% and mixed-race trainees comprised 3.5% (Table 3).

Several independent group t-tests were performed to test for significant differences between managers and trainees.

Respondents' response on managerial competencies needed to manage diversity in the accounting firms

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 4–9).

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 (Table 4).

Significant differences between responses of managers and trainees were found in four managerial tasks under communication competency: manager informs people of relevant events and activities and keeps them up to date ($p < 0.050$); manager makes persuasive, high-impact public presentations and handles questions well ($p < 0.050$); writes clearly, concisely and effectively, using a variety of computer-based resources ($p < 0.050$); and manager negotiates effectively on behalf of a team over roles and resources ($p < 0.050$). No further significant differences were found among the two groups for the remaining managerial tasks under communication competency.

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 (Table 5).

Significant differences between responses of managers and trainees were found in three managerial tasks under planning

TABLE 4: Results for communication.

Managerial task	Managers (45)			Trainees (114)			p
	Disagree %	Neutral %	Agree %	Disagree %	Neutral %	Agree %	
Promotes two-way communication by asking for feedback, listening and creating a give-and-take conversation	0.0	2.2	97.8	6.1	4.4	89.5	0.331
Has awareness of others' feelings	0.0	6.7	93.3	9.7	6.1	84.2	0.323
Builds strong interpersonal relationships with people	0.0	2.2	97.8	9.7	7.0	83.3	0.160
Informs people of relevant events and activities and keeps them up to date	2.2	13.3	84.5	7.9	6.1	86.0	0.018†
Makes persuasive, high-impact public presentations and handles questions well	2.2	40.0	57.8	7.9	12.3	79.8	0.000†
Writes clearly, concisely and effectively, using a variety of computer-based resources	11.1	15.6	73.3	7.9	7.0	85.1	0.043†
Understands and motivates people both individually and in groups	0.0	4.4	95.6	7.0	5.3	87.7	0.483
Negotiates effectively on behalf of a team over roles and resources	2.2	11.1	86.7	7.0	5.3	87.7	0.007†
Is skilled at developing relationships and exercising influence upwards with superiors	0.0	6.7	93.3	6.1	8.8	85.1	0.072
Takes decisive and fair actions when handling problem subordinates	2.2	2.2	95.5	9.6	2.6	87.7	0.560

†, $p < 0.050$.

TABLE 5: Results for planning and administration.

Managerial task	Managers (45)			Trainees (114)			p
	Disagree %	Neutral %	Agree %	Disagree %	Neutral %	Agree %	
Monitors information and uses it to identify symptoms, problems and alternative solutions	2.2	8.9	88.9	5.3	7.0	87.8	0.839
Make timely decisions	2.2	8.9	88.9	5.2	5.3	89.5	0.757
Takes calculated risks and anticipates the consequences	4.4	15.6	80.0	5.2	9.6	86.2	0.369
Develops plans and schedules to achieve goals effectively	4.4	6.7	88.9	2.7	8.8	88.6	0.532
Assigns priorities to tasks and delegates responsibility	2.2	8.9	88.9	1.8	3.5	94.7	0.388
Determines, obtains and organises necessary resources to accomplish the task	4.4	6.7	88.9	4.4	6.1	89.5	0.842
Handles several issues and projects at one time but does not spread self too thin	4.4	17.8	77.8	7.0	9.6	83.4	0.650
Monitors and keeps to a schedule or changes schedule if needed	2.2	17.8	80.0	6.2	6.1	87.8	0.028†
Works effectively under time pressure	6.7	8.9	84.9	5.3	5.3	89.4	0.802
Understands budgets, cash flows, financial reports and annual reports and regularly uses such information to make decisions	4.4	20.0	75.6	5.3	5.3	89.4	0.020†
Keeps accurate and complete financial records	6.6	13.3	80.0	1.8	4.4	93.8	0.095
Creates budgetary guidelines for others and works within the guidelines given by others	2.2	17.8	80.0	4.4	4.4	91.3	0.013†

†, $p < 0.050$.

TABLE 6: Results for teamwork.

Managerial task	Managers (45)			Trainees (114)			p
	Disagree %	Neutral %	Agree %	Disagree %	Neutral %	Agree %	
Formulates clear objectives that inspire team members to perform	0.0	2.2	97.8	7.0	8.8	84.2	0.207
Appropriately staffs the team, taking into account the value of diverse ideas and technical skills needed	0.0	2.2	97.7	7.0	7.0	86.0	0.031†
Defines responsibilities for the team as a whole and assigns tasks and responsibilities to individual team members as appropriate	0.0	2.2	97.8	2.6	4.4	93.0	0.257
Creates an environment in which effective teamwork is expected, recognised, praised and rewarded	2.2	2.2	95.6	9.8	6.1	85.1	0.344
Assists the team in identifying and acquiring the resources it needs to accomplish its goals	0.0	6.7	93.3	6.1	5.3		0.163
Acts as coach, counsellor and mentor, being patient with team members as they learn	0.0	0.0	100.0	8.8	7.9	83.3	0.074
Understands the strengths and weaknesses of team members and uses their strengths to accomplish tasks as a team	0.0	2.2	97.7	8.8	6.1	85.1	0.228
Brings conflict and dissent into open and uses it to enhance performance	4.4	11.1	84.4	9.7	14.9	75.4	0.687
Shares credit with others	0.0	6.7	93.3	9.6	7.0	83.3	0.314

†, p < 0.050.

TABLE 7: Results for strategic action.

Managerial task	Managers (45)			Trainees (114)			p
	Disagree %	Neutral %	Agree %	Disagree %	Neutral %	Agree %	
Understands the industry and quickly recognises when changes in the industry create significant threats and opportunities	2.2	6.7	91.1	1.8	2.6	95.6	0.193
Stays informed of the actions of competitors and strategic partners	2.2	6.7	91.1	3.5	6.1	90.4	0.358
Can analyse general trends in the industry and their implications for the future	2.2	13.3	84.5	2.6	9.6	87.7	0.383
Understands the concerns of stakeholders	2.2	8.9	88.8	3.5	0.9	95.6	0.033†
Understands the concerns of trainees	0	4.4	95.6	14.9	6.1	79.0	0.075
Understands the strengths and limitations of various business strategies	4.4	4.4	91.1	3.5	13.2	83.3	0.537
Understands the vision, mission and objectives of the firm	4.4	0.0	95.6	2.6	7.0	90.4	0.213
Assigns priorities and makes decisions that are consistent with the firms' mission and strategic goals	2.2	2.2	95.6	2.6	3.5	93.8	0.408
Recognises the management challenges of alternative strategies and addresses them	0.0	6.7	93.4	2.6	7.0	90.4	0.412
Establishes tactical and operational goals that facilitate strategy implementation	2.2	2.2	95.5	1.8	7.0	91.2	0.210

†, p < 0.050.

TABLE 8: Result for global awareness.

Managerial task	Managers (45)			Trainees (114)			p
	Disagree %	Neutral %	Agree %	Disagree %	Neutral %	Agree %	
Stays informed of political, social and economic trends and events around the world	2.2	11.1	86.6	4.4	8.8	86.9	0.943
Recognises the impact of global events on the organisation	2.2	2.2	95.6	3.5	7.0	89.5	0.752
Understands, reads and speaks more than one language fluently	15.6	26.7	57.8	18.4	19.3	62.3	0.010†
Understands the nature of national, ethnic and cultural differences and is open to examining these differences honestly and objectively	2.2	8.9	88.9	6.1	9.6	84.2	0.542
Is sensitive to cultural cues and is able to adapt quickly in novel situations	0.0	13.3	86.7	9.6	7.9	82.5	0.221
Appropriately adjusts own behaviour when interacting with people from various national, ethnic and cultural backgrounds	0.0	8.9	91.1	9.6	7.9	82.5	0.265

†, p < 0.050.

and administration competency: manager monitors and keeps to a schedule or changes schedule if needed (p < 0.050); manager understands budgets, cash flows, financial reports and annual reports and manager regularly uses such information to make decisions (p < 0.050) and manager creates budgetary guidelines for others and works within the guidelines given to others (p < 0.050). This finding means that the managers and trainees have different perceptions towards these management tasks. No further significant differences were found among the two groups for the remaining managerial tasks under the planning and administration competency.

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 (Table 6).

Significant differences between responses of managers and trainees were found in one managerial task under teamwork competency: manager appropriately staffs the team, taking into account the value of diverse ideas and technical skills needed (p < 0.050). No further significant differences were

found among the two groups for the remaining managerial tasks under teamwork competency.

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 (Table 7).

A significant difference between responses of managers and trainees was found in one managerial task under strategic action competency: Manager understands the concerns of stakeholders ($p < 0.050$). No further significant differences were found among the two groups for the remaining managerial tasks under strategic action competency.

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 (Table 8).

A significant difference between responses of managers and trainees was found in one managerial task under strategic action competency: manager understands, reads and speaks more than one language fluently ($p < 0.050$). No further significant differences were found among the two groups for the managerial tasks under global awareness competency ($p > 0.050$).

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 (Table 9).

No significant differences were found among the two groups for the managerial tasks under self-management competency ($p > 0.050$).

Comparison of the six managerial competencies by rank and gender

Comparison of the six managerial competencies between managers and trainees

Table 10 reflects comparisons between managers and trainees using Mann–Whitney test.

Table 10 shows no significant 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.

Comparison of the six managerial competencies between men and women

Table 11 reflects the comparisons of the managerial competencies between men and women using Mann–Whitney test.

TABLE 9: Results for self-management.

Managerial task	Managers (45)			Trainees (114)			*p*
	Disagree %	Neutral %	Agree %	Disagree %	Neutral %	Agree %	
Has clear personal standards that serve as a foundation for maintaining a sense of integrity and ethical conduct	0.0	0.0	100.0	3.5	7.0	89.4	0.274
Is willing to admit mistakes	0.0	6.7	93.3	11.4	7.9	80.7	0.106
Accepts responsibility for own actions	2.2	6.7	91.1	6.2	7.0	86.8	0.825
Seeks responsibility and is ambitious and motivated to achieve objectives	0.0	8.9	91.1	3.5	7.0	89.5	0.628
Works hard to get things done	0.0	4.4	95.6	2.7	7.0	90.3	0.720
Shows perseverance in the face of obstacles and bounces back from failure	2.2	8.9	88.9	3.5	4.4	92.1	0.741
Strikes a reasonable balance between work and other life activities so that neither aspect of living is neglected	2.2	8.9	88.9	6.1	11.4	82.5	0.691
Takes goods care of self, mentally and physically, and uses constructive outlets to vent frustration and reduce tension	2.2	8.9	88.8	9.6	9.6	80.8	0.149
Assesses and establishes own life and work-related goals	2.2	11.1	86.7	5.2	13.2	81.6	0.823
Has clear personal and career goals	4.4	13.3	82.2	2.6	13.2	84.2	0.950
Uses strengths to advantage while seeking to improve or compensate weaknesses	4.4	6.7	88.9	3.5	7.9	88.8	0.983
Analyses and learns from work and life experiences	4.4	4.4	91.0	3.5	7.9	88.6	0.582

TABLE 10: Comparison of the six managerial competencies between managers and trainees using the Mann–Whitney test.

Managerial competencies	Managers (45)		Trainees (114)		Total (159)		*p*
	Mean	Ranking order	Mean	Ranking order	Mean	Ranking order	
Communication competency	4.2222	4	4.2544	1	8.4766	3	0.798
Planning and administration competency	4.1667	5	4.2173	3	8.3840	5	0.648
Teamwork competency	4.3648	1	4.2228	2	8.5876	1	0.240
Strategic action competency	4.2391	3	4.2135	5	8.4526	4	0.808
Global awareness competency	4.0896	6	4.0409	6	8.1305	6	0.683
Self-management competency	4.2643	2	4.2150	4	8.4793	2	0.672

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TABLE 11: Comparison of the six managerial competencies by gender using the Mann–Whitney test.

Managerial competencies	Male (90)		Female (69)		Total (159)		p
	Mean	Ranking order	Mean	Ranking order	Mean	Ranking order	
Communication competency	4.1778	5	4.3333	1	8.5111	2	0.171
Planning and administration competency	4.1969	4	4.2109	5	8.4078	5	0.889
Teamwork competency	4.2368	1	4.2971	2	8.5339	1	0.584
Strategic action competency	4.2220	3	4.2190	4	8.4410	4	0.975
Global awareness competency	4.0633	6	4.0435	6	8.1068	6	0.855
Self-management competency	4.2253	2	4.2338	3	8.4591	3	0.936

Table 11 shows no significant differences between men and women at the 95% level ($p > 0.05$). Men rated higher teamwork competency while women rated higher communication competency. Global awareness competency was rated lower by both men and women.

Discussion

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 ($p < 0.05$). This finding is supported by Greybe and Uys (2001) and Tannen (1995).

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.

No significant differences were found in almost all the managerial tasks under teamwork competency, 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 ($p < 0.050$).

No significant differences were found in almost all the managerial tasks under strategic action competency, except in one task, that is, 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.

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 or forum should organise workshops where the second language in the province will be taught. Top management should financially support this initiative.

No significant differences were found in managerial tasks under the self-management competencies. Both managers and trainees unanimously agreed that the managerial tasks are important. This finding is supported by Penceliah (2003).

Both managers and trainees perceived the six managerial competencies (communication, planning and administration, strategic action, teamwork, global awareness and self-management) 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. 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 men (women) is almost identical to the ratings of the six managerial competencies given by managers (trainees).

This finding tallies with Hellriegel et al. (2005, 2007), Slocum et al. (2008) and Steyn, De Beer and Steyn (2005) who 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 rooted in general management theory.

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, Hellriegel et al. (2005, 2007), Mbokazi et al. (2004), Slocum et al. (2008) and Steyn and Steyn (2006) 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.

Conclusion

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 calls for the accountancy profession to recognise the managerial competencies because these competencies will assist managers in managing diverse 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. 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.

Recommendations

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, as the managerial competencies will assist managers in managing the diverse workforce effectively. The older and white managers are also strongly encouraged to partake in the managerial competencies development programme so that they will respond appropriately to the increasing diversity of the workforce.

Ethical consideration

Ethical clearance was obtained from the Human Research Ethics Committee of the University of KwaZulu-Natal. Participation was voluntary and anonymity of the respondents was protected in the gathering of the data and presentation of the findings. The University of KwaZulu-Natal ethical clearance approval number: HSS/0046/09M.

Competing interests

The author declares that he has no financial or personal relationship(s) that may have inappropriately influenced him in writing this article.

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