

WOMEN IN THE WORKPLACE

RESEARCH REPORT 2013

Keeping South Africa's
female Chartered Accountants
in public-practice

PART TWO

The impact of job resources: financial advancement, growth opportunities, role and performance clarity, communication and participation in decision-making, team climate, perceived external prestige and social support.

PART THREE

Relationships to turnover intentions: age, race, relationship status, children, dependants and flexible work-hours.

ABOUT THIS SERIES

The Women in the Workplace research series takes rigorous academic research and presents it to business, simply and clearly.

The *Women in the Workplace* research series takes rigorous academic research and presents it to business, simply and clearly. The focus is on useful, actionable insights that can help South African businesses to harness the full power of their workforces.

This is the second report (parts two and three) in the Chartered Accountant series, in which we make recommendations on what public-practice audit, tax and advisory firms can do to keep their smart, female Chartered Accountants engaged and productive.

If you have comments or questions, or if you would like to sponsor further research studies, please contact Professor Anita Bosch at the *Women in the Workplace* research programme. You can telephone 011 559 2079 or email anitab@uj.ac.za.

Thank you to the Faculty of Economic and Financial Sciences, the Department of Accountancy, the University Research Fund and the Faculty of Management at the University of Johannesburg for funding this research.



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INTRODUCTION TO THE SERIES

Called “the most sought-after business designation in South Africa by a considerable margin”¹, the CA (SA) designation is a prestigious one. Its prestige is reflected in the increasing number of top-quality learners who choose to become Chartered Accountants.

Chartered Accountancy is not an easy profession to enter. The entry requirements are high and the qualification is rigorous. In fact, South Africa’s CA education and training standards are among the highest globally.²

Each year, top-quality students work hard to earn their degrees, and most of these new graduates are women. But only 29%³ of these high-calibre female trainees stay in public-practice audit, tax and advisory firms once their training contracts are over – and those that stay are less likely to become partners than their male colleagues are.

This study, based on input from 851 female qualified and trainee CAs in public-practice audit, tax and advisory firms, aims to understand why women leave the profession, and how to encourage them to stay.

We use the Job Demands-Resources⁴ model to understand the perspectives of these women in the workplace. The model defines job demands as limiting factors that lead to increased strain, and job resources as helpful factors that lead to well-being.

When demands outweigh resources, staff leave.

There are four parts to this series:

- Report 1: Part 1. **Job demands:** job insecurity, work overload and work-family conflict
- Report 2: Part 2. **Job resources:** financial advancement, growth opportunities, role and performance clarity, communication and participation in decision-making, team climate, perceived external prestige and social support.
Part 3. **Turnover intentions:** wanting to leave
- Report 3: Part 4. Job demands and job resources as **predictors of turnover intentions.**

In the first report, we looked at job demands and showed that female qualified CAs and trainee CAs see the world differently to each other. There are significant correlations between age, race, number of children, relationship status and flexible work hours and perceptions of job security, work overload and work-family conflict. (The full report is freely available at UJ’s website – www.uj.ac.za)

This report explores if the same is true for job resources and turnover intentions.

The third and final report presents detailed predictors of turnover intentions taking into account both job demands and job resources. We also suggest strategies and tactics firms can use to keep South Africa’s female CAs in public practice.

Visit www.uj.ac.za/womenintheworkplace to download the reports as they become available.

¹ Temkin, S. (2009). *Chartered Accountant Most Sought-After Business Designation*. Available from: <http://allafrica.com/stories/200912170182.html>.

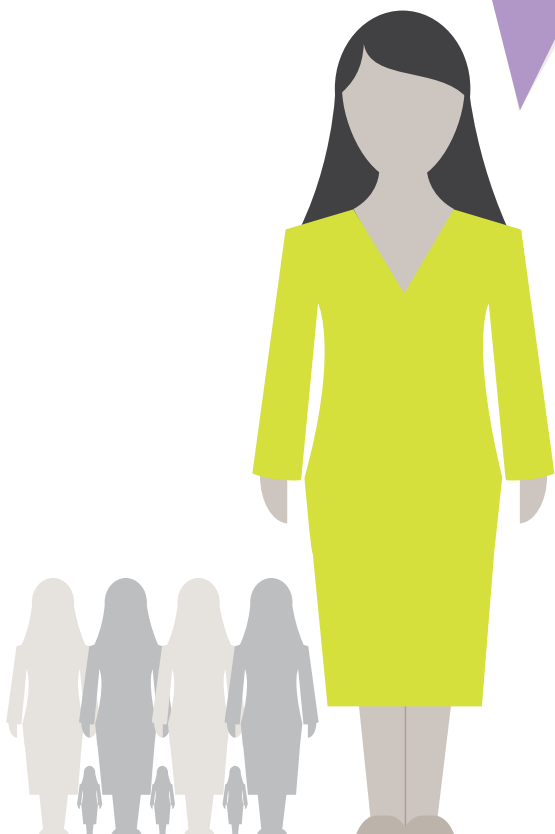
² 2012 World Competitiveness Report.

³ South African Institute of Chartered Accountants (SAICA) website membership statistics, 2009. www.saica.co.za.

⁴ Rothmann, S., Mostert, K. & Strydom, M. (2006). A psychometric evaluation of the Job Demands - Resources scale in South Africa. *SA Journal of Industrial Psychology*, 32(4):76-86; De Braine, R., & Roodt, G. (2011). The Job Demands - Resources model as predictor of work identity and work engagement: A comparative analysis. *SA Journal of Industrial Psychology*, 37(2), Art.#889, 11 pages. DOI: 10.4102/sajip.v37i2.889

CONTENTS

INTRODUCTION TO THE SERIES	3
SUMMARY OF FINDINGS: PART TWO AND THREE	5
Part two: job resources	6
Part three: turnover intentions	8
Other studies of interest	9
THE RESEARCH METHOD	10
The sample	11
The questionnaire	12
Statistical analysis	12
How to read the graphs	12
The scale of the graphs	12
The Job Demands-Resources model	13
The research model	14
PART TWO: JOB RESOURCES	16
Race	19
Age	21
Relationship status	23
Number of children	26
Flexible work hours	27
Conclusion	31
PART THREE: TURNOVER INTENTIONS	32
Recommendations and conclusion	35
AUTHORS	36
Mrs Stella Ribeiro	36
Prof Anita Bosch	36
Dr Jürgen Becker	36
WOMEN IN THE WORKPLACE RESEARCH PROGRAMME	37
FACULTY OF FINANCIAL AND ECONOMIC SCIENCES	38
DEPARTMENT OF ACCOUNTANCY	39



SUMMARY OF THE FINDINGS

Part two: job resources
Part three: turnover intentions
Other studies of interest

SUMMARY OF FINDINGS: PART TWO AND THREE

PART TWO: JOB RESOURCES

FINANCIAL ADVANCEMENT, GROWTH OPPORTUNITIES, ROLE AND PERFORMANCE CLARITY, COMMUNICATION AND PARTICIPATION IN DECISION-MAKING, TEAM CLIMATE, PERCEIVED EXTERNAL PRESTIGE AND SOCIAL SUPPORT

In the first report of this series, we found statistically significant differences between the perceptions of female qualified and trainee CAs in public-practice audit, tax and advisory firms when looking at job demands.

The same applies to job resources. Our data suggests the following:

- **Female qualified CAs rate their experiences higher than trainee CAs in five key dimensions:** Female qualified CAs rate their financial advancement higher, see more growth opportunities, have an increased sense of role and performance clarity, feel more able to communicate and participate in decision-making, and have a better experience of the team climate than female trainee CAs.
- **Not all female qualified CAs have the same perceptions:** Generally, those who rate their experiences of job resources highest are women who are white, who are older, who are in a relationship, who have one to three children, and who work flexible hours.

Those who are least secure in their jobs have high ratings of their experience of job resources.

The group of female qualified CAs who are white, who are older, who are in a relationship, who have one to three children, and who work flexible hours are the least secure with their jobs (this is discussed in report one – job demands).

Other studies have also found that a relationship exists between job demands and job resources, and that the right job resources can change a stressful workplace into a healthy challenging one. Organisations with high demands and low resources are seen to be stressful work environments, while those with high demands and high resources are seen to provide challenging and stimulating work environments⁵.

Job resources have motivational potential only in the presence of high job demands, confirming the inverse relationship between these constructs⁶. When there is a lack of resources in the external environment and the negative impact of high demands cannot be reduced, individuals cannot achieve their work goals⁷.

⁵ Jackson, L.T.B & Rothmann, S. (2005a). Work-related well-being of educators in a district of the North West Province. *Persepectives in Education*, 23:107-122.

⁶ Bakker, A.B. & Demerouti, E. (2007). The Job Demands-Resources model: State of the art. *Journal of Managerial Psychology*, 22:309-328.

⁷ Rothmann, S., Mostert, K. & Strydom, M. (2006). A psychometric evaluation of the job demands-resources scale in South Africa. *SA Journal of Industrial Psychology*, 32(4):76-86.

ACTIONS TO CONSIDER

- 1. Understand why job resources are perceived differently by different racial groups:** Female qualified CAs and trainee CAs of different races have significantly different perceptions of job resources, with previously disadvantaged women under-rating the level of job resources at their disposal. Firms that are serious about retaining previously disadvantaged women need to improve on job resources for this group.
- 2. Make sure training is clear and to the point:** To bridge the vulnerable time when female trainee CAs can become uncertain and disillusioned, firms should ensure that tasks are explained properly and that a greater sense of role and performance clarity is created.
- 3. Do not ignore trainees at the start of their career:** Public-practice firms who are serious about the retention and subsequent promotion of women need to pay special attention to creating opportunities for growth and development for female trainees at the outset of their career. These will have a greater impact than opportunities created later-on.
- 4. Mature trainee female CAs might require special attention:** While older female trainee CAs are a minority in our sample (0.7% of the sample), the findings suggest that they require special attention if firms want to retain them. Their work roles, remuneration and level of authority within trainee teams should be clarified at the outset of training contracts to avoid disappointment and frustration.
- 5. Consider financial advancement for trainees to lock in talent at the start:** Investing more in trainees may prevent trainees from leaving for better pay after their training contracts are complete.
- 6. Use role models to show that it is possible to balance work and relationship challenges:** Firms should encourage women, who are able to balance relationships, families and other responsibilities, with work responsibilities to guide those that are interested in work-life balance in how to achieve this.
- 7. Benefits for working mothers may build loyalty:** Firms that provide benefits like on-site day-care facilities, or contributions towards child-care costs to cover overtime or extended hours may have an advantage over those that do not.
- 8. Provide coaching when women plan to have children:** Firms could coach both women planning to start a family, and their managers about the changes that parenting will bring to the workplace. This will help managers understand how to manage the dynamics and accommodate working mothers through all phases of parenting.
- 9. Flexible work hours remain a powerful job resource to women:** Having the choice to 'purchase your time' by earning less and freeing up time to spend on other activities remains a powerful job resource for public-practice firms to use to help to attract and retain women. However, firms should think flexibly about what flexible work is and give female CAs and trainee CAs greater opportunities to define the arrangement to suit their individual circumstances.

PART THREE: TURNOVER INTENTIONS

THE RELATIONSHIP BETWEEN DEMOGRAPHICS SUCH AS AGE, RACE, RELATIONSHIP STATUS, CHILDREN, DEPENDANTS, FLEXIBLE WORK-HOURS AND TURNOVER INTENTIONS

There are also statistically significant differences between female qualified CAs and trainee CAs when it comes to seriously thinking about leaving an organisation to find work elsewhere.

Overall, female trainees are more likely to be thinking about leaving than female qualified CAs.

The most likely to leave are younger, single and previously disadvantaged with children and two or more dependants that rely on them for primary care. Both qualified CAs and trainee CAs who have taken up flexible work hours are less likely to be thinking about leaving than those who have not.

ACTIONS TO CONSIDER

1. **Sell the benefits of staying at the firm to female trainee CAs:** Giving clear information about the firm's approach towards career progression, role clarity, rewards, wellness and work-life balance will motivate trainees to stay after completing their articles.
2. **Offer flexible work hours:** Flexible work arrangements have been shown to be an effective way to combat turnover intentions amongst female CAs.

OTHER STUDIES OF INTEREST

There are many theories about why women leave the profession, and why those who stay do not make it to the top:

A lack of development opportunities

- Gold, L. (2008b). Challenges remain for women of color in accounting. *Accounting Today*, 4(17):8 & 30.
- Klein, M. (2003). Work/Life issues dominate agenda at ASWA confab. *Accounting Today*, 20 Oct – 2 Nov: 3 & 49.

A lack of a sense of belonging to an organisation

- Sadler, E. (1989). Prospects for the advancement of women Chartered Accountants in Public Accounting firms in South Africa. *De Ratione Winter*, 3:27-34.
- Maitland, A. (2000). From female upstarts to start-ups: Women Entrepreneurs. *Financial Times*, (London UK) 20.

A lack of opportunity for advancement

- Cabrera, E.F. (2007). Opting out and opting in: Understanding the complexities of women's career transitions. *Career Development International*, 12(3):218-237.

A lack of equal benefits and pay

- Barker, P.C. & Monks, K. (1998). Irish women accountants and career progression: A research note. *Accounting, Organizations and Society*, 23(8):813-823.

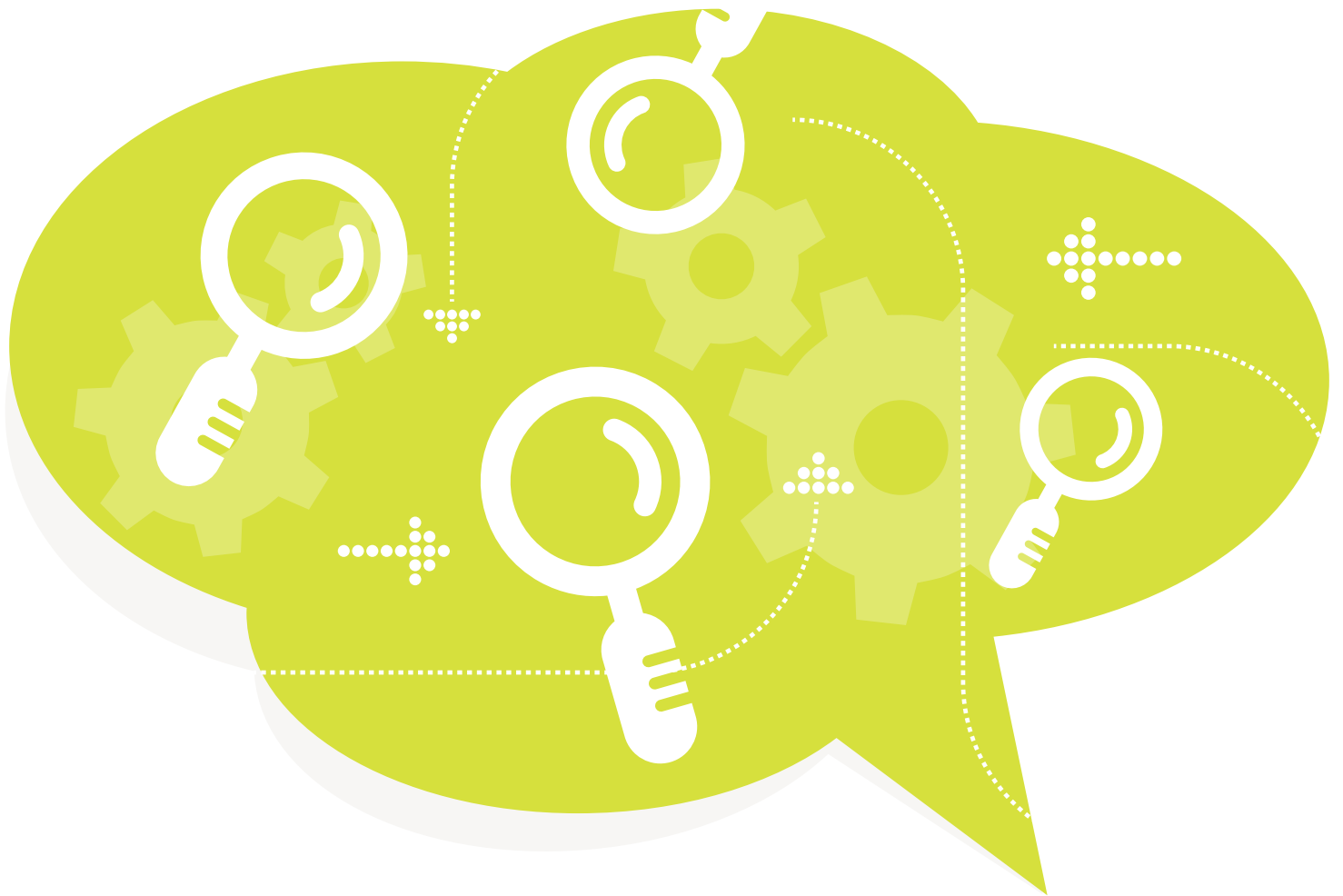
A lack of support

- Collins, K.M. (1993). Stress and departures from the public accounting profession: A study of gender differences. *American Accounting Association, Accounting Horizons*, 7(1):29-38.

Lack of historical parity

- Hammond, T., Clayton, B.M. & Arnold, P.J. (2009). South Africa's transition from apartheid: The role of professional closure in the experiences of black Chartered Accountants. *Accounting, Organizations and Society*, 34(6-7):705-721.
- Hammond, T., Clayton, B.M. & Arnold, P.J. (2012). An "unofficial" history of race relations in the South African accounting industry, 1968-2000. *Critical Perspectives on Accounting*. 23(4-5): 332-350.





THE RESEARCH METHOD

The sample
The questionnaire
Statistical analysis
How to read the graphs
The scale of the graphs
The research model



THE RESEARCH METHOD

THE SAMPLE

During 2010, the 7 228 female qualified and trainee CAs listed in the SAICA database were invited to participate in a survey. We received a robust response from 851 participants.

Out of 851 respondents, 316 stated that they are qualified CAs, 530 stated that they are trainees, and five declined to answer the question. Key characteristics of the sample are reported in the table below:

Race	CA	Trainee CA	% of CAs	% of trainee CAs
White	213	264	67.4%	49.8%
PDI: Asian, Black, Coloured and Indian	103	266	32.6%	50.2%
Missing value	-	-		
Age	CA	Trainee CA	% of CAs	% of trainee CAs
24-30	187	495	59.2%	93.4%
31-40	107	20	33.9%	3.8%
41+	16	6	5.1%	1.1%
Missing value	6	9	1.9%	2.8%
Relationship status	CA	Trainee CA	% of CAs	% of trainee CAs
In a relationship	216	297	68.4%	56.0%
Single	100	232	31.6%	43.8%
Missing value	-	1		0.3%
Number of children	CA	Trainee CA	% of CAs	% of trainee CAs
None	199	466	63.0%	87.9%
One	46	48	14.6%	9.1%
Two	55	9	17.4%	1.7%
Three	8	2	2.5%	0.4%
Four and more	3	1	0.9%	0.2%
Missing value	5	4	1.6%	1.3%
Dependants other than children	CA	Trainee CA	% of CAs	% of trainee CAs
None	246	454	80.1%	86.5%
One	40	35	13%	6.7%
Two	7	15	2.3%	2.9%
Three	7	7	2.3%	1.3%
Four and more	7	14	2.3%	2.7%
Missing value	10	9	3.25%	1.7%
Flexible work hours	CA	Trainee CA	% of CAs	% of trainee CAs
Flexible work hours	117	62	37.0%	11.7%
No flexible work hours	197	466	62.3%	87.9%
Missing value	2	2	0.6%	0.4%

Not all respondents answered all questions, so the totals do not always add up to the total sample size. We have indicated unanswered questions as missing values.

These findings can be used as a guide for firms to develop strategies to retain female staff.

We used a convenience sample not a representative sample. Therefore, technically these results cannot be seen to reflect the perceptions of all South African female qualified CAs and trainee CAs.

However, the sample size is impressive. The statistical power, guarding against type I errors, was sufficient. Against this background, we are confident that the trends found in the current sample apply to female South African CAs in public-practice audit, tax and advisory firms.

THE QUESTIONNAIRE

The results are gathered from the participants' responses to questions using a seven-point Likert scale. A response of one indicated a low level of agreement to the statement, and a response of seven indicated a high level of agreement. The higher the mean value, the more strongly they agree; the lower the mean value, the less they agree. Examples of the questions we asked are included later in this report.

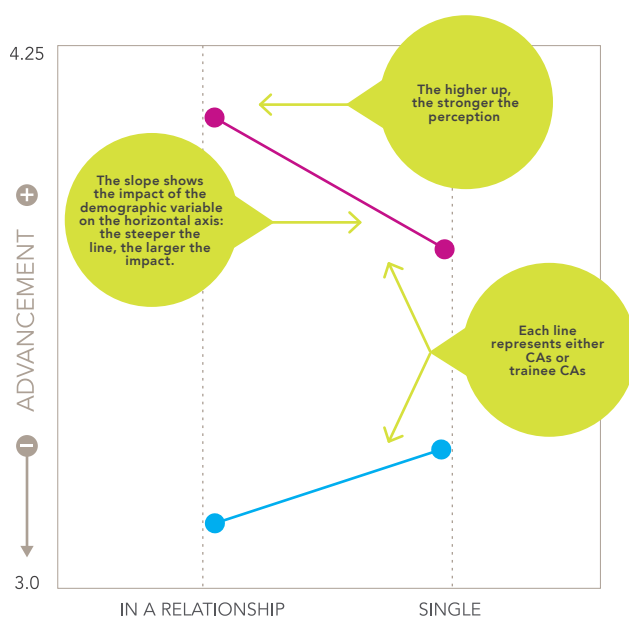
STATISTICAL ANALYSIS

We used structural equation modelling (SEM) to test the measurement quality of the components included in the model as well as the overall fit of the model to the empirical data.

Having confirmed the measurement quality of the construct, we used a two-way between group analysis of variance (ANOVA)⁸ method to test the degree of similarity between trainee CAs and qualified CAs in terms of job resources in the workplace. We examined the similarities and differences by explicitly focussing on age, race, relationship status, number of children, number of dependants and whether or not they have taken up flexible work hours.

HOW TO READ THE GRAPHS

The graphs illustrate the relationships between qualified CAs and trainee CAs and within each group.



In this example, qualified CAs are shown in purple and trainee CAs in blue. We can see that qualified CAs in a relationship agree most strongly, single trainee CAs the least strongly.

The steep downward slope of the purple line shows that there is a big difference of perceptions between qualified CAs who are in a relationship, and those who are not.

The gentle slope of the blue line shows that the perceptions of trainees in a relationship are not that different to those who are single.

The left point of the purple line is the highest point on the graph. The higher up the point, the greater the average of all perceptions for that group – so qualified CAs who are in a relationship feel the most affected. The right point of the blue line is the lowest point on the graph, so trainee CAs who are single feel the least affected.

THE SCALE OF THE GRAPHS

In all instances, the highest possible value is seven, and the lowest is one. However, often the differences in the means are quite subtle, yet significant, so in order to better reflect the pattern in the data, we adjust the scale. The highest and lowest values on the graph are shown on the left axis.

⁸ The chosen research design also allowed for the statistical investigation of main and interaction effects. Scheffe and Dunett's T3 post-hoc tests were used when the main effect of age was examined with regard to job resources for trainee and qualified CAs.

THE JOB DEMANDS-RESOURCES MODEL

More and more women are choosing Chartered Accountancy as their profession. It offers a challenging career with high income-earning potential; the work is specialised and stimulating; the skill set is in great demand.

Yet after spending seven years studying and training, only 29%⁹ of female trainee CAs who enter the profession stay on to pursue careers in public-practice audit, tax and advisory firms. Where are these women going? More importantly, what can be done to retain them?

Firms recognise the importance of these questions and are searching for answers. Despite attempts to create an environment that is mindful of and accommodating to women's needs, women still leave.

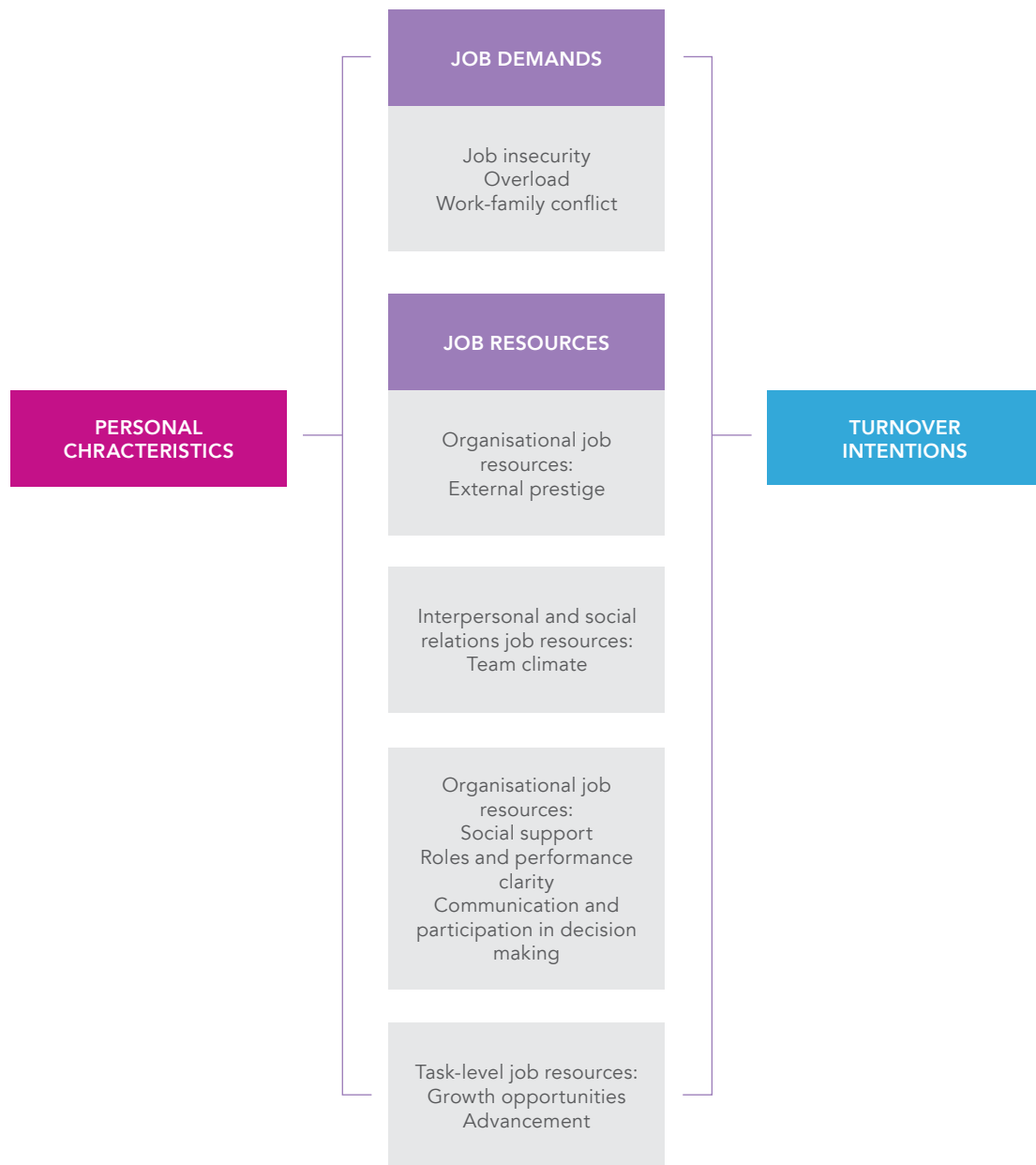
Several studies have explored reasons for the high turnover levels, including the nature of the work: long hours, tight deadlines, and a highly pressurised environment. Difficulty in balancing work and family responsibilities, lack of advancement opportunities and poor development have also been proposed as reasons.

This report, based on recent research from the University of Johannesburg¹⁰, builds on this knowledge base, and explores the problem using a Job Demands-Resources model.

⁹ South African Institute of Chartered Accountants (SAICA) website membership statistics.

¹⁰ Procopiou Ribeiro, S. (2011). The retention of female accountants in South African public practice. Unpublished Masters dissertation, University of Johannesburg.

THE RESEARCH MODEL



¹¹ Bakker, A.B., Demerouti, E. & Verbeke, W. (2004). Using the Job Demands-Resources model to predict burnout and performance. Human Resource Management, 43:83-104.

The Job Demands-Resources model defines job demands and resources as follows:

1. **Job demands** are the aspects of a job that require sustained physical or psychological effort from employees. Job demands are associated with physiological or psychological costs such as work pressure or stress.
2. **Job resources** are the supportive aspects of a job. Job resources lead to physiological and psychological well-being, assist employees in achieving work goals, and ultimately stimulate personal growth, learning and development.

Job demands and job resources have the ability to predict certain organisational outcomes such as staff turnover intentions. When demands outweigh resources, the desire to leave an organisation increases. Conversely, effective and appropriate job resources can be used to reduce the negative impact of job demands and to retain staff.

Job resources exist at various levels within a firm, including:

- Organisational level (pay, opportunity and security)
- Interpersonal level (team climate, supervisor support, etc.)
- Organisation-of-work level (role clarity and participation in decision-making)
- Task level (skill variety, task significance, autonomy and feedback)¹²

Job resources play an intrinsic motivational role when they foster growth, learning and development, and an extrinsic motivational role when they assist in achieving work goals¹³.

Different job resources act as buffers for different job demands, depending on the specific job characteristics¹⁴. For example, a good relationship with a supervisor may reduce job demands such as work overload and emotional pressures; constructive feedback and good communication may improve effectiveness¹¹.

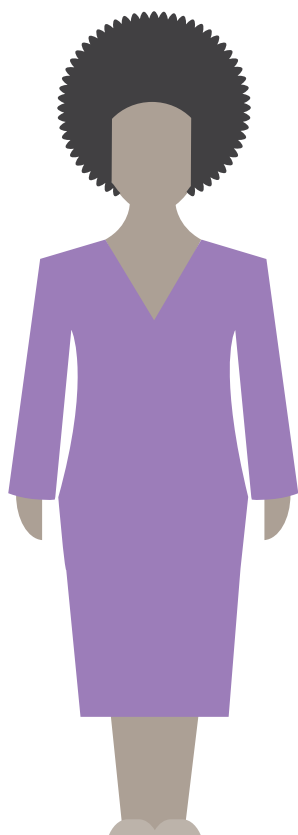
Other studies have found that employees migrate to organisations with the best job resources. If a firm offers poor job resources, employees are likely to seek alternative opportunities¹¹.

¹¹ Bakker, A.B., Demerouti, E. & Verbeke, W. (2004). Using the Job Demands-Resources model to predict burnout and performance. *Human Resource Management*, 43:83-104.

¹² Bakker, A.B. & Demerouti, E. (2007). The Job Demands-Resources model: State of the art. *Journal of Managerial Psychology*, 22:309-328.

¹³ Schaufeli, W.B. & Bakker, A.B. (2004). Job demands, job resources, and their relationship with burnout and engagement: A multi-sample study. *Journal of Organizational Behavior*, 25:293-315.

¹⁴ Bakker, A.B., Demerouti, E., de Boer, E. & Schaufeli, W.B. (2003). Job demands and job resources as predictors of absence duration and frequency. *Journal of Vocational Behavior*, 62:341-356.



PART TWO: JOB RESOURCES

Race
Age
Relationship status
Number of children
Flexible work hours
Conclusion

PART TWO: JOB RESOURCES

In this study we asked female qualified and trainee CAs about their perceptions around these seven job resources:

1. Financial advancement
2. Growth opportunities
3. Role and performance clarity
4. Communication and participation in decision-making
5. Team climate
6. Perceived external prestige
7. Social support

Each construct was measured by asking a range of questions related to the theme. The internal reliability and consistency of these constructs were statistically tested, and the reliability is determined by using the Cronbach alpha coefficient. Generally, a higher value shows internally consistent data, which implies a more reliable scale. A rating of 0.80 or higher reflects very good scale reliability. All our constructs have Cronbach alpha coefficients higher than 0.80.

An explanation of the resource	Examples of the questions we asked
1 Financial advancement. There is appropriate remuneration now and the reassurance of future financial growth within the firm.	<i>How sufficiently are you paid for the work that you do?</i> <i>To what extent does your job offer you the possibility to progress financially?</i>
2 Growth opportunities. Independent thought and action, more challenging tasks and promotion to more senior positions create opportunities for professional growth.	<i>How many opportunities for personal growth and development does your job offer you?</i> <i>How often does your work give you the feeling that you can achieve something?</i>
3 Role and performance clarity. Both responsibility and the desired outcomes of the work are clearly communicated and completely understood.	<i>How well do you know what your work responsibilities are?</i> <i>How often do you receive sufficient information about the purpose of your work?</i>
4 Communication and participation in decision-making. Problems are openly discussed and there are no barriers to participate in decision-making.	<i>How clear is the decision-making process of your organisation to you?</i> <i>How much do you participate in decisions about the nature of your work?</i> <i>How much direct influence do you have on the decisions made by your organisation?</i>
5 Team climate. The team encourages collaboration, listens to ideas for improvement, recognises efforts and works towards a common goal.	<i>How well do the employees in your division work together as a team with the same goals in mind?</i> <i>How freely can employees express their opinions openly without fear of reprisal?</i>
6 Perceived external prestige. The firm is well respected by clients, the community and the industry.	<i>Generally, how good is your firm's reputation in the industry?</i> <i>Generally, how good is your firm's reputation amongst its clients?</i>
7 Social support. The relationship with colleagues and supervisors is positive. Social support may include support from colleagues and the opportunity to build good relationships within the organisation.	<i>How much can you count on your colleagues when you come across difficulties in your work?</i> <i>How well do you get along with your supervisor?</i>

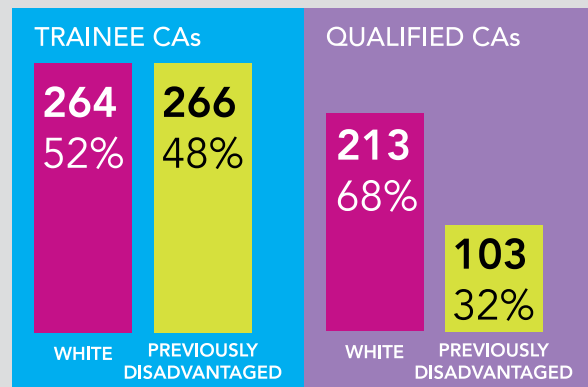
We compared perceptions of the seven job resources for female qualified CAs and trainee CAs across these six demographic variables:

1. Race
2. Age
3. Relationship status
4. Number of children
5. Number of dependants other than children
6. Flexible work hours

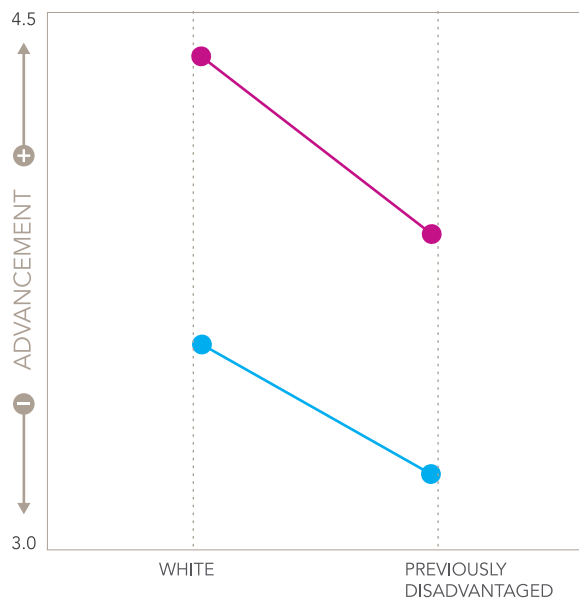
We report only the results where there is a statistically significant difference in perceptions.

RACE

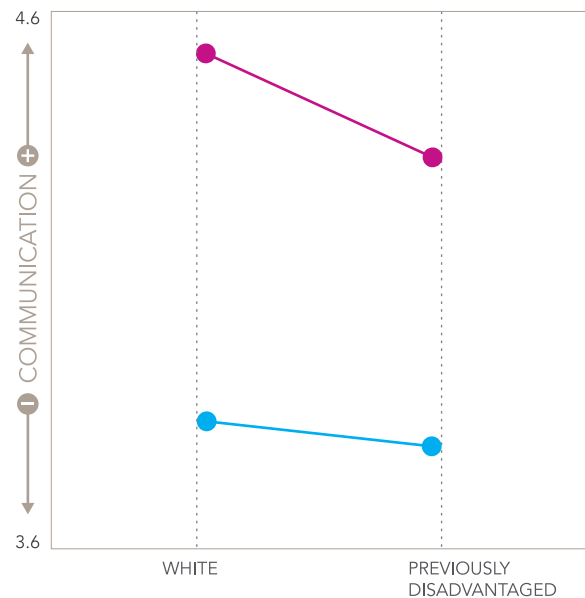
South African legislation provides for four racial categories: White, Black, Coloured and Indian. Jointly, the last three categories are often said to represent Previously Disadvantaged Individuals (PDIs).



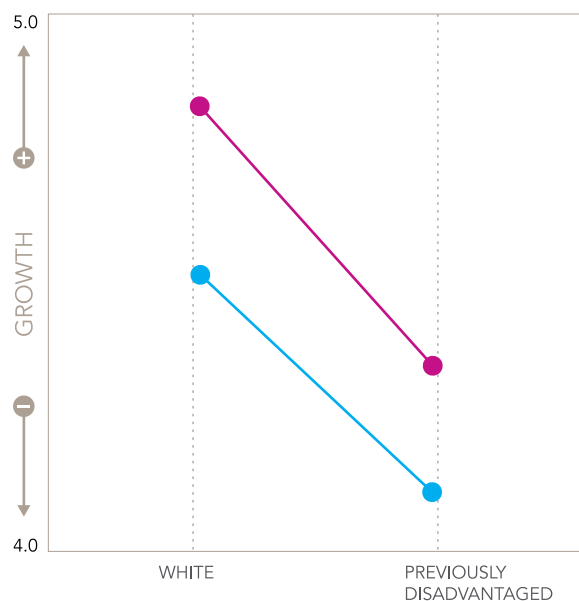
FINANCIAL ADVANCEMENT



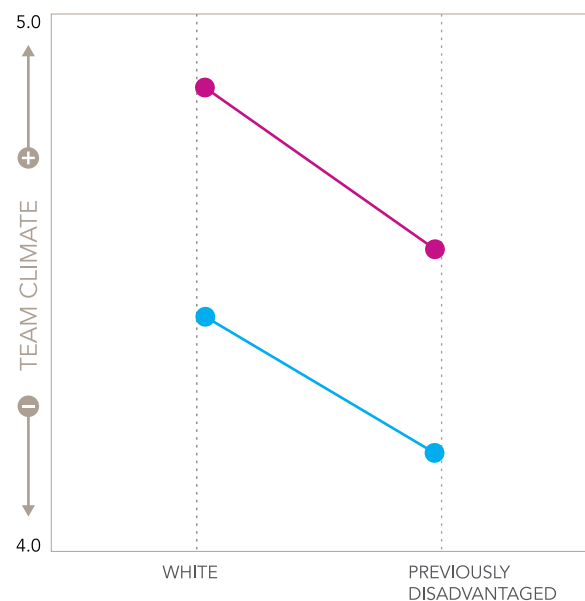
COMMUNICATION AND PARTICIPATION IN DECISION-MAKING

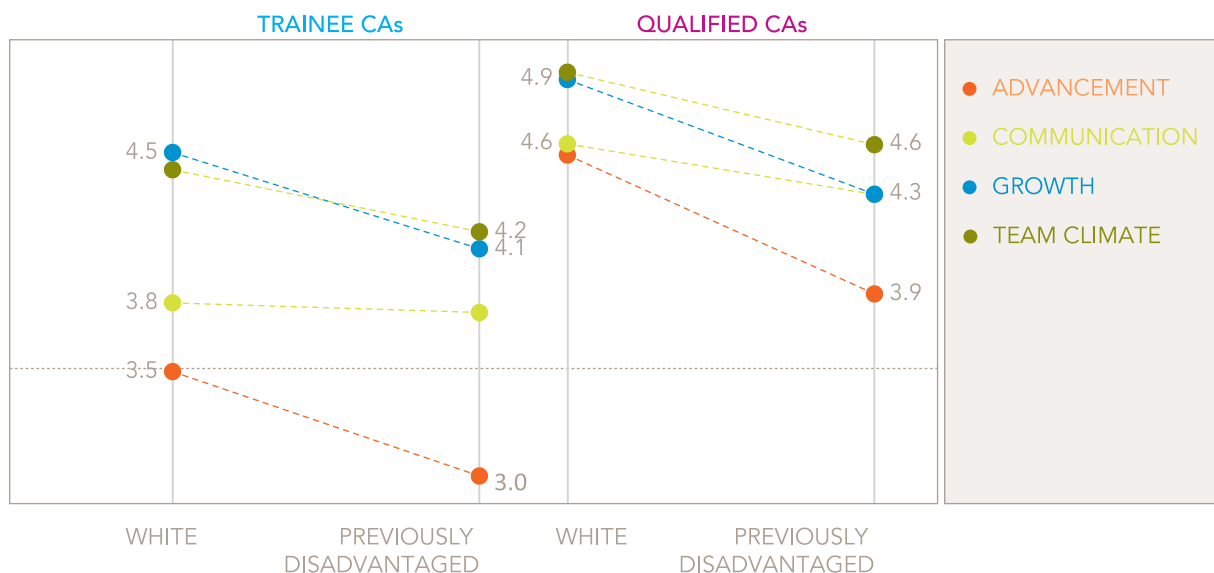


GROWTH OPPORTUNITIES



TEAM CLIMATE





FEMALE WHITE QUALIFIED CAs FEEL MOST ABLE TO ACCESS JOB RESOURCES

The data shows

- **Female qualified CAs feel better supported than trainee CAs:** They rate their experiences of financial advancement, access to growth opportunities, communication and participation in decision-making and team climate highly.
- **Female white respondents feel better supported than previously disadvantaged ones:** For both CAs and trainee CAs, white respondents rate their experiences of financial advancement, access growth opportunities, communication and decision-making and team climate higher than previously disadvantaged ones.

It is not surprising that qualified CAs rate their growth opportunities higher than trainees: Trainees have few promotion opportunities during their training years, and promotion to senior management and partnership positions are available only to qualified CAs.

However, it may seem odd that white qualified CAs have higher ratings of growth and development than previously disadvantaged qualified CAs – given the Employment Equity Act (1998) and the Skills Development Act (2003) which aim to ensure racial representation in the workplace, and typically provide for greater growth and development opportunities for previously disadvantaged individuals.

A possible reason could be that white qualified CAs experienced past benefits of greater opportunities in client exposure and job experience, which lead them to feel poised to capitalise on growth and development opportunities. While white CAs rate their current remuneration and future earning potential at their firms higher than previously disadvantaged ones, trends in industry data shows that some entry and executive level previously disadvantaged CAs actually earn more than white peers as scarcity bonuses and other incentives are used to encourage them to join and stay at a firm.

ACTIONS TO CONSIDER

Understand why job resources are perceived differently by different racial groups: Female qualified and trainee CAs of different races have significantly different perceptions of job resources, with previously disadvantaged women under-rating the level of job resources at their disposal. Firms that are serious about retaining previously disadvantaged women need to improve on job resources for this group.

A study conducted on managers in the People's Republic of China indicated that two rewards namely, speed of promotion and growth in remuneration reduced turnover intentions.

Weng, Q. & McElroy, J.C. (2012). Organizational career growth, affective occupational commitment and turnover intentions. *Journal of Vocational Behavior*, 80 (2), 256-265.

AGE

There are three categories: 24-30, 31-40 and older than 40.

TRAINEE CAs

495
95%

20
4%

6
1%

24-30

31-40

41+

QUALIFIED CAs

187
60%

107
35%

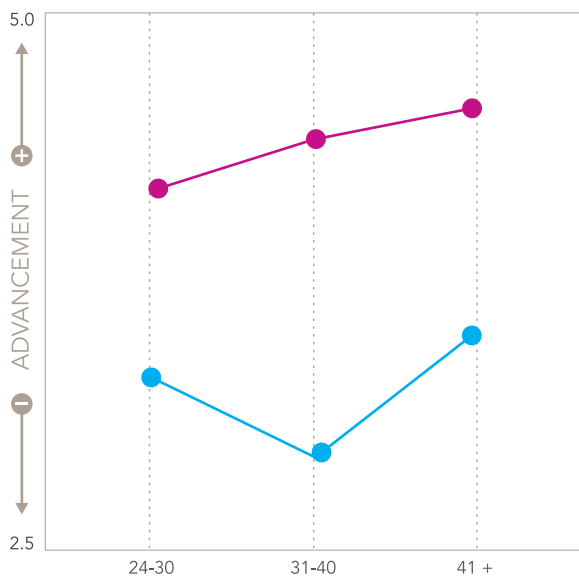
16
5%

24-30

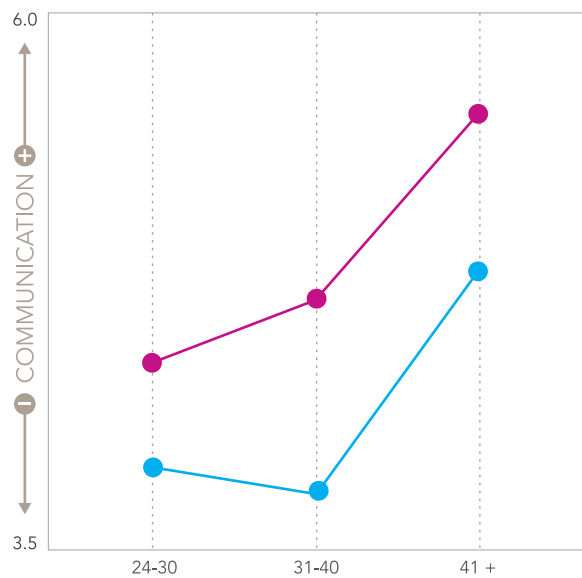
31-40

41+

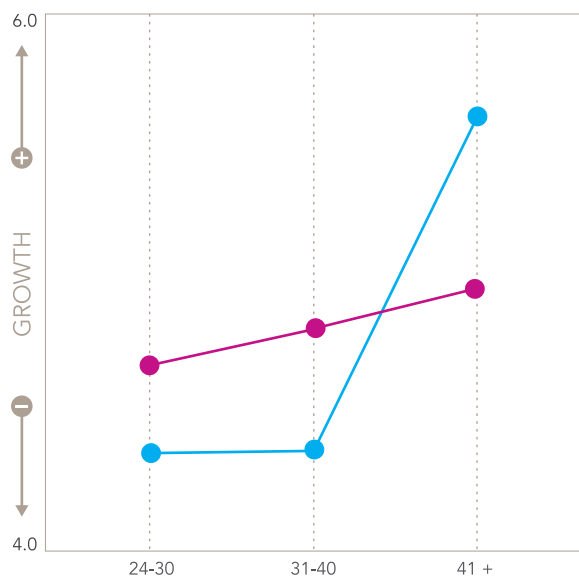
FINANCIAL ADVANCEMENT



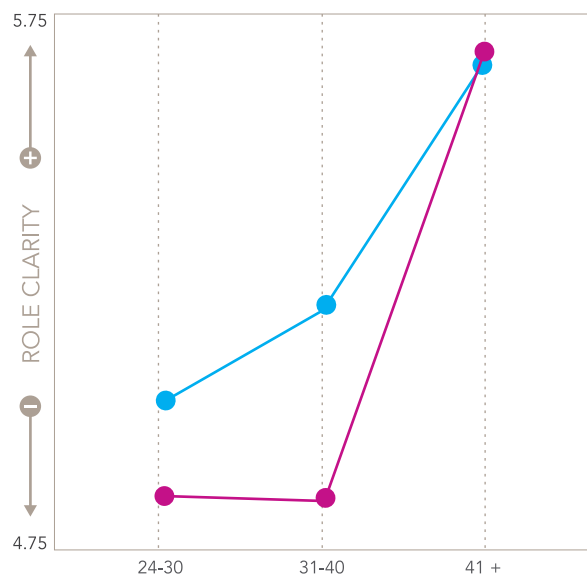
COMMUNICATION AND PARTICIPATION IN DECISION-MAKING

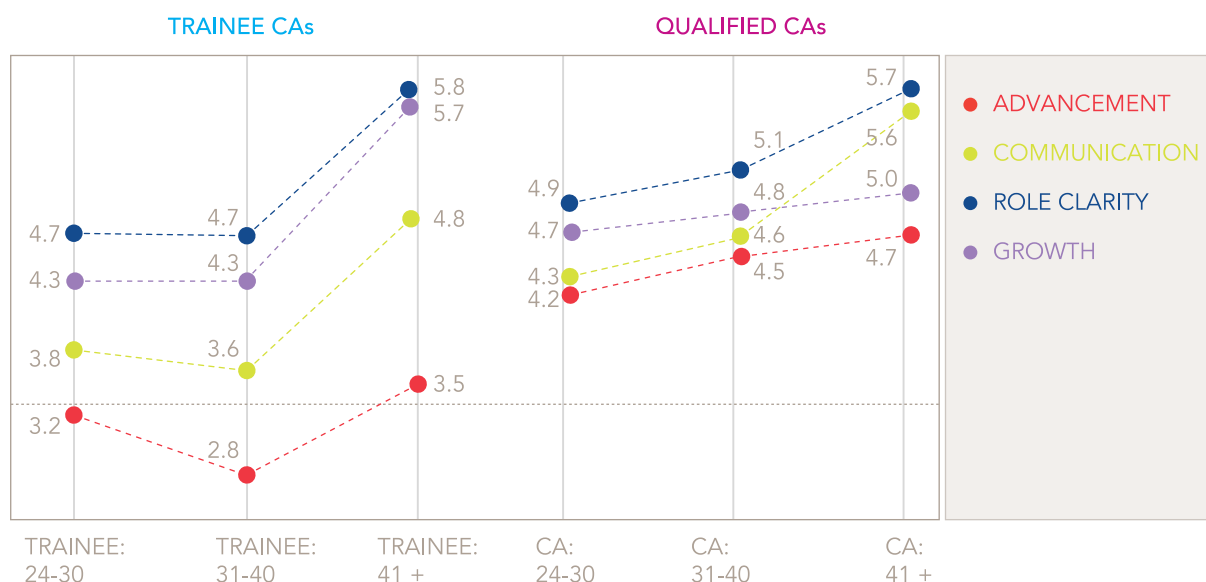


GROWTH OPPORTUNITIES



ROLE AND PERFORMANCE CLARITY





COMFORT IN MATURITY: WITH AGE COMES A PERCEPTION OF INCREASED ACCESS TO JOB RESOURCES

The data shows

- **Female qualified CAs feel better supported than trainees:** When it comes to financial advancement, communication and participation in decision-making, and role and performance clarity, female qualified CAs feel more equipped than trainees.
- **Older female CAs feel better supported than younger CAs:** For female CAs, with age comes higher ratings of financial advancement, communication and participation in decision-making, and role and performance clarity.
- **Female trainee CAs between 31 and 40 rate their experiences lowest:** When it comes to financial advancement and communication and participation in decision-making the difference between younger and older trainees is quite marked, but for growth opportunities and role clarity, the difference between younger and older trainees is more subtle.

Trainees rate their financial advancement lower than qualified CAs rate theirs', with trainees between 31 and 40 rating their advancement the lowest. For CAs, positive perceptions about financial advancement increase with age. This is not surprising. With age comes experience and opportunities for promotion into more senior levels of management and partnership positions, which increases financial advancement within the firm.

Firms are faced with a conundrum: will introducing financial benefits earlier prevent trainees from leaving for better pay after their training contracts are complete? Or will providing these extra benefits to trainees reduce the pool of funds that could be shared among partners and make the exodus and shortage of females in management positions even worse? Older qualified CAs rate their access to growth opportunities higher than younger ones. This reflects the reality of business: opportunities for promotion open up with age and experience. The same is true for trainees over 40. (*However there were only six trainee CAs over 40 (0.7%) in the sample, so this observation should be treated with caution.*)

Perceptions of role and performance clarity also become clearer with age. This finding is encouraging as it indicates that public-practice firms create employee certainty and stability through role and performance clarity.

It's plausible that qualified CAs feel more certain about their role and tasks than trainees do. Trainee CAs must complete a training contract which often requires them to perform a variety of tasks across a pool of different clients so that they develop a broad range of skills. Trainees may feel uncertain about the purpose of these tasks.

Once the training contract is completed, qualified CAs have more control. They are able to more freely choose which client projects they want to work on and the areas of expertise that they want to focus on. Having a say in projects and being more experienced results in a clearer sense of role and performance clarity.

ACTIONS TO CONSIDER

Make sure training is clear and to the point: To bridge the vulnerable time when female trainee CAs may become uncertain and disillusioned, firms should take care to ensure that tasks are explained properly, and a greater sense of role and performance standards are created.

Do not ignore trainees at the start of their career: Public-practice firms who are serious about the retention and subsequent promotion of women need to pay special attention to creating opportunities for growth and development for trainees at the outset of their careers. These will have a greater impact on trainees' perceptions of their value to the organisation than opportunities created later-on.

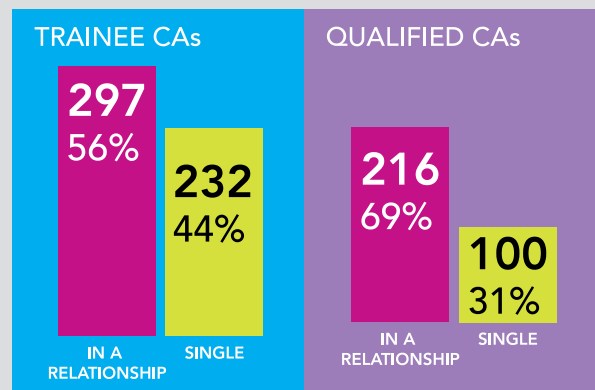
Female older trainee CAs might require special attention: While female older trainee CAs are a minority in our sample (0.7% of the sample), the findings suggest that they require special attention if firms want to retain them. Their work roles, remuneration and level of authority within trainee teams should be clarified at the outset of training contracts to avoid disappointment and frustration.

Consider financial advancement for trainees to lock in talent at the start: Investing more in trainees may prevent trainees from leaving for better pay after their training contracts are complete.

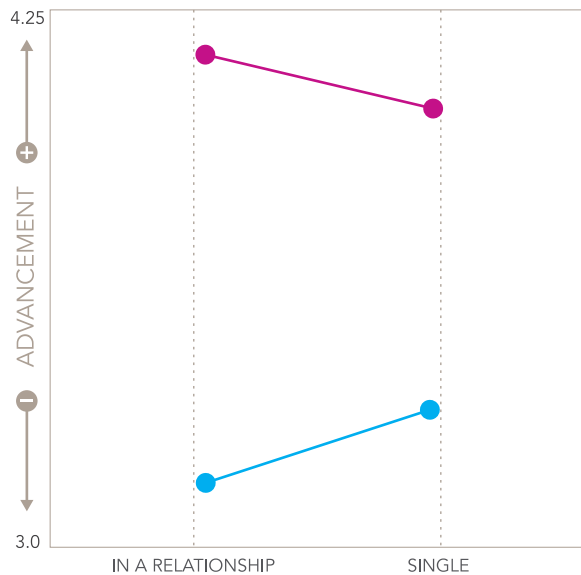
RELATIONSHIP STATUS

There are two categories:

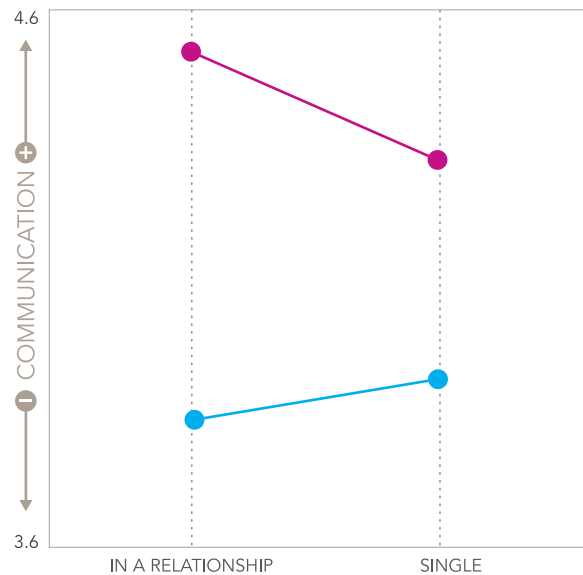
in a relationship (which includes married, living together and long-term relationships) and **single**.



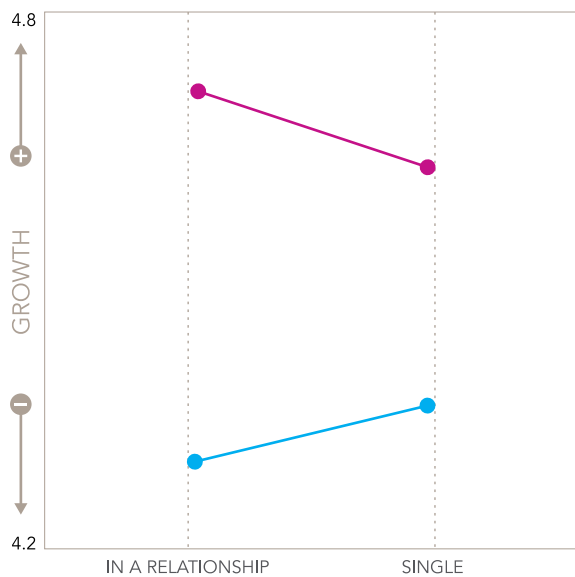
FINANCIAL ADVANCEMENT



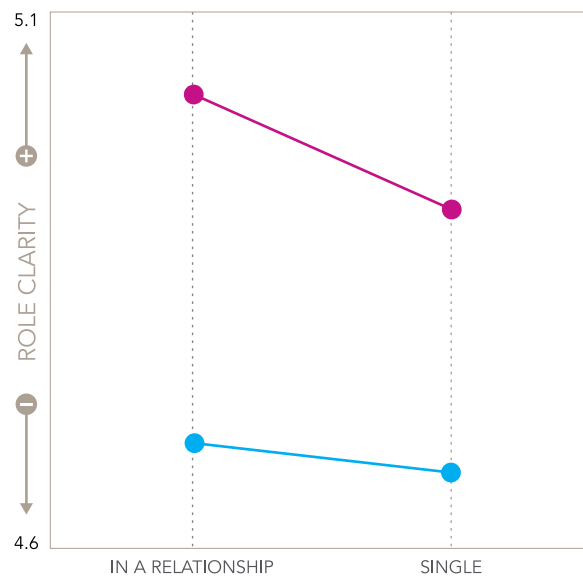
COMMUNICATION AND PARTICIPATION IN DECISION-MAKING

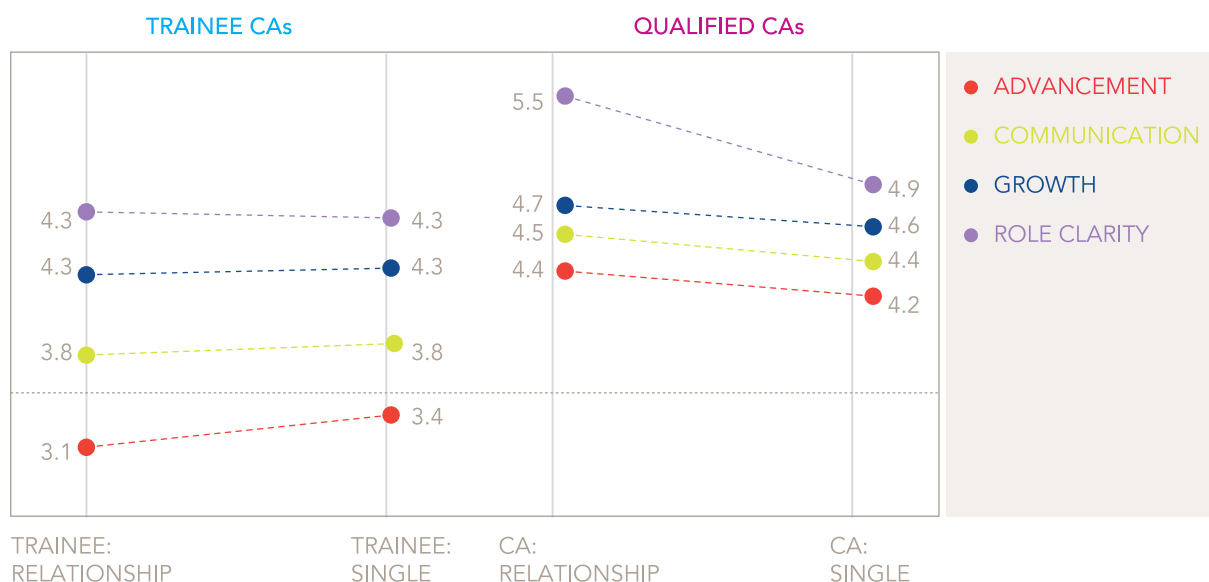


GROWTH OPPORTUNITIES



ROLE AND PERFORMANCE CLARITY





FEMALE QUALIFIED CAs IN RELATIONSHIPS RATE THEIR EXPERIENCE OF JOB RESOURCES HIGHLY

The data shows

- **Female qualified CAs feel better supported than trainee CAs:** They feel more able to access growth opportunities, communication and participation in decision-making, financial advancement and role clarity.
- **Female CAs in a relationship are more comfortable than single CAs:** They feel more able to access growth opportunities, communication and participation in decision-making, financial advancement and role clarity.
- **Female trainees are divided:** Single trainees feel more comfortable with advancement and growth opportunities than those in a relationship, but trainees in a relationship feel more comfortable with communication and role and performance clarity than single trainees.

When it comes to financial advancement, the trainees in our sample report that the remuneration package of an article clerk is not nearly sufficient for the amount of work they are required to perform. Qualified CAs in a relationship give their financial advancement higher ratings than those who are single. This may be because those in a relationship share expenses with a partner and single females carry financial commitments alone.

For growth opportunities, it makes sense that trainee CAs report lower levels of opportunity for growth than qualified CAs. Trainees are in apprentice roles and may feel overwhelmed by the work and lack confidence in their ability to grow. However, it may seem odd that CAs in a relationship rate their growth opportunities higher than those who are single. Other studies have reported that women in relationships feel that managing the conflicting demands of career and personal lives limit career progression and professional growth and development. They may be working just as hard as their single colleagues, but it's less obvious as they have less time in the office.

When it comes to role clarity, both qualified and trainee CAs in a relationship rate their experiences higher than single CAs. This may be because women in a relationship often have to balance work and personal responsibilities resulting in limited time which may drive them to be more focused on the tasks at hand. Looking at communication and participation in decision-making in the workplace, single trainees rate their experience higher than trainees in a relationship but qualified CAs in a relationship rate their experience higher than single qualified CAs.

"Psychologists believe that educational experiences mould one's work and life experiences. Research found, through a number of classroom observations, that gender differences do exist in the classroom, which impact the ways in which men and women communicate and express themselves. Men tend to participate more than women, and they seem to receive more attention than the less assertive female learners in accounting classrooms." Fillmore, C. (2000). Gender gap? *CA magazine*: 23-25.

"Only when their silence is broken in the classroom will women be heard in the boardroom"
Brazelton, J.K. (1998). Implications for women in accounting: Some preliminary evidence regarding gender communication, *Issues in Accounting Education*, 13(3):509-530.

ACTIONS TO CONSIDER

Use role models to show that it is possible to balance work and relationship challenges: Firms should encourage women who are able to balance all their responsibilities to serve as role models to single CAs.

A study conducted in Australia indicated that accountants that received mentoring support had lower turnover intentions and mentoring lowered the "intentions of female accountants to seek part-time employment.... The size of the accounting firm and the national culture of the country in which the firm operates, appeared to have some bearing on mentoring experiences".

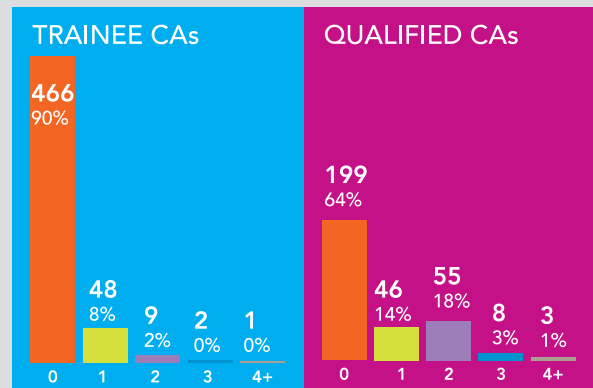
Herbohn, K. (2004). Informal mentoring relationships and the career processes of public accountants. *The British Accounting Review*, 36(4), 369-393.

A study tested a model that posits that different functions of mentoring have differing effects on turnover intentions. Results indicate that "while the psychosocial support function of mentoring can serve to reduce public accountants' turnover intentions, the career development function of mentoring has the potential to increase turnover intentions."

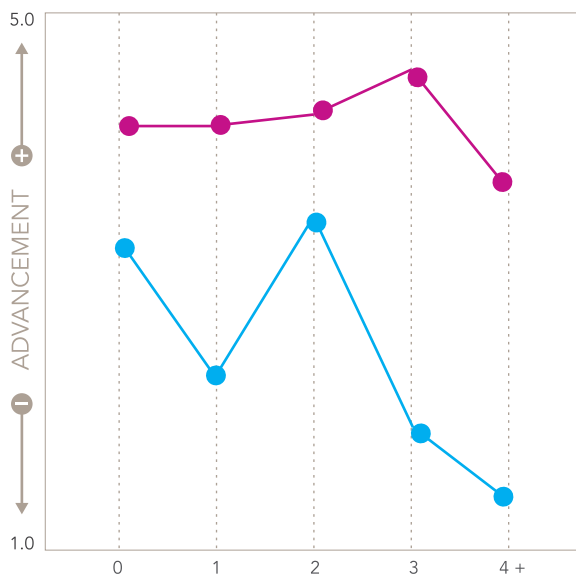
Hall, M. & Smith, D. (2009). Mentoring and turnover intentions in public accounting firms: A research note. *Accounting, Organizations and Society*, 34(6-7), 695-704.

NUMBER OF CHILDREN

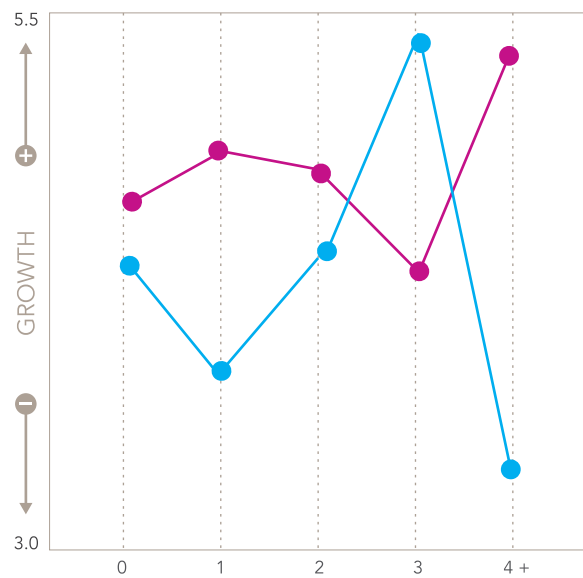
There are five categories: no children, one child, two children, three children, and four and more children.



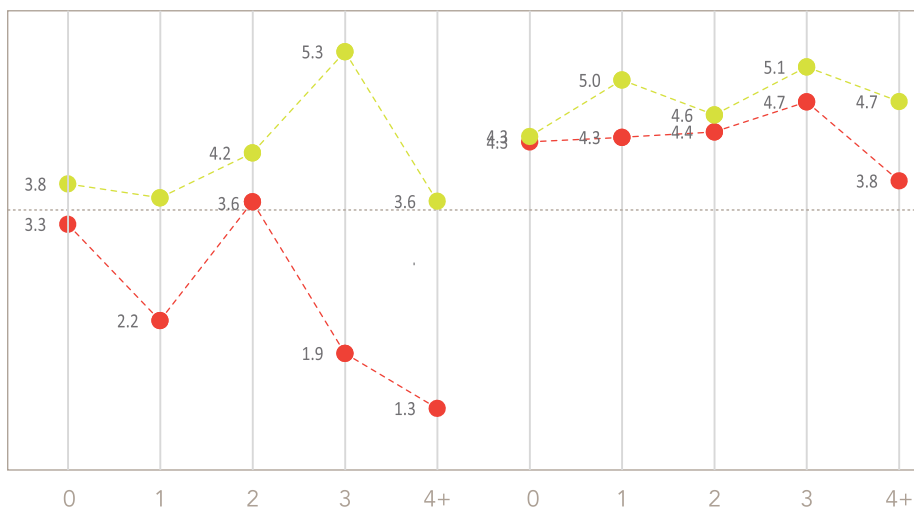
FINANCIAL ADVANCEMENT



GROWTH OPPORTUNITIES



TRAINEE CAs



QUALIFIED CAs

- ADVANCEMENT
- COMMUNICATION

QUALIFIED CAs WITH CHILDREN RATE FINANCIAL ADVANCEMENT AND GROWTH OPPORTUNITIES HIGHER THAN TRAINEES WITH CHILDREN

The data shows

- **Female qualified CAs rate their experience of job resources higher than trainees CAs:** For both financial advancement and growth opportunities, female qualified CAs score their experiences higher than trainee CAs.
- **Financial advancement:** As female qualified CAs have more children they increasingly rate their financial advancement higher until they have four or more children – and then they rate it lowest. Female trainees who do not have children rate their financial advancement higher than those with one child – but those with two children rate their financial advancement highest.
- **Growth opportunities:** Female qualified CAs and trainee CAs are mirror images of each other. Female qualified CAs with four or more children experience higher access to growth opportunities; trainee CAs with four or more children rate their experiences lower. *(However there was only one trainee CA with four or more children (0.2%) in the sample, so this observation should be treated with caution.)*

When it comes to financial advancement, both qualified and trainee CAs with more than three children rate their financial advancement opportunities lower than those who do not have children. This is probably because of the impact of children on one's budget – having and raising children comes with a high financial cost.

For growth opportunities, other studies have shown that the responsibility of balancing the demands of family and work can be daunting¹⁵. Women may feel that having children reduces their potential for promotion. As women become first-time parents they need to decide how they will juggle these responsibilities, and they may consider flexible work arrangements, or a career break.

However, the data shows that CAs with no children are less certain about their professional growth opportunities than those with one child. It could be that once these women actually have their first child they balance growth opportunities with family responsibilities and are satisfied that public-practice firms are affording them opportunities for both. CAs with no children might have a greater focus on their careers compared to those with one child and therefore show a greater need for growth opportunities.

ACTIONS TO CONSIDER

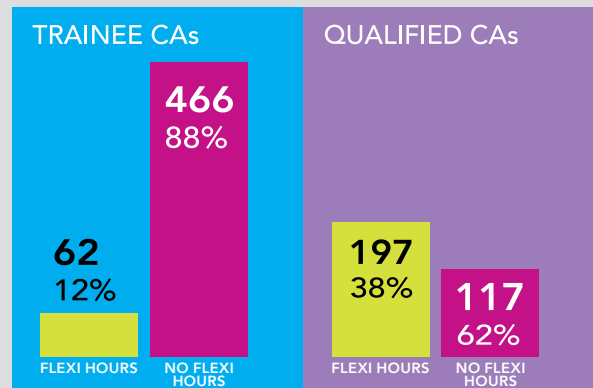
Provide coaching when women plan to have children: Firms could coach both women planning to start a family, and their managers, about the changes that parenting will bring to the workplace. This will help managers understand how to manage the dynamics and accommodate working mothers through all phases of parenting.

Benefits for working mothers may build loyalty: Firms that provide benefits like on-site day-care facilities, or contributions towards child-care costs to cover overtime or extended hours should have an advantage over those that do not.

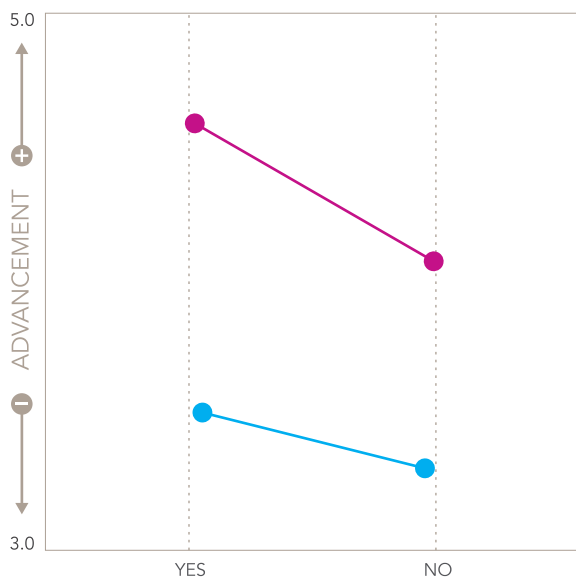
¹⁵ Sadler, E. (1989). Prospects for the advancement of women Chartered Accountants in Public Accounting firms in South Africa. *De Ratione Winter*, 3:27-34.

FLEXIBLE WORK HOURS

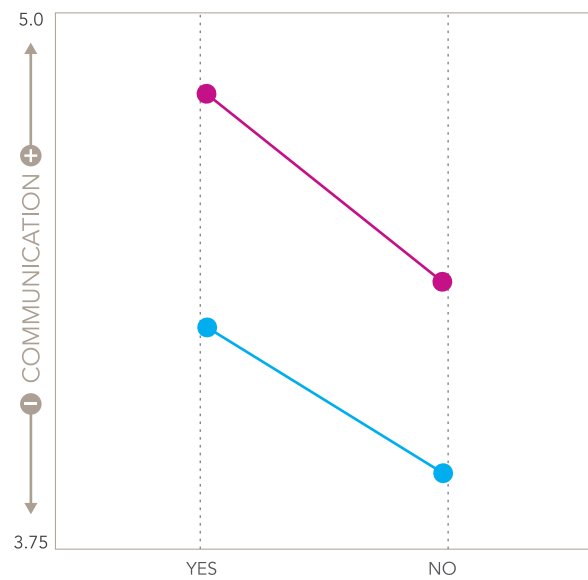
Flexible work hours include both half-day and irregular office hours



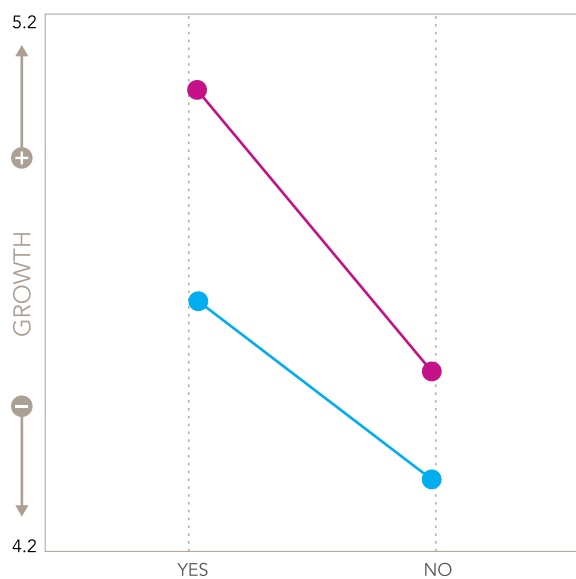
FINANCIAL ADVANCEMENT



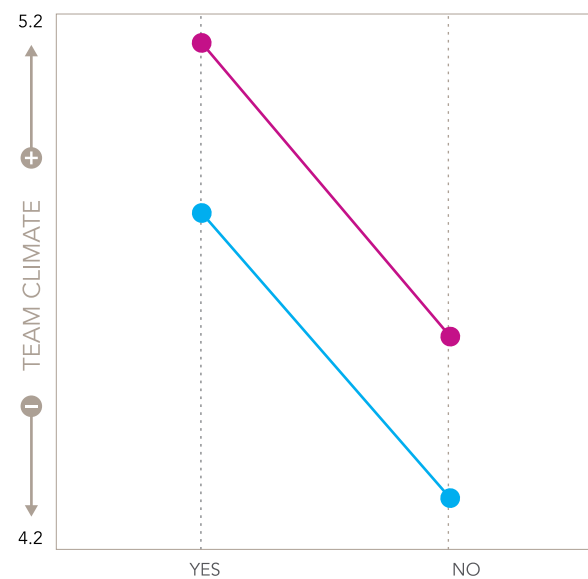
COMMUNICATION AND PARTICIPATION IN DECISION-MAKING

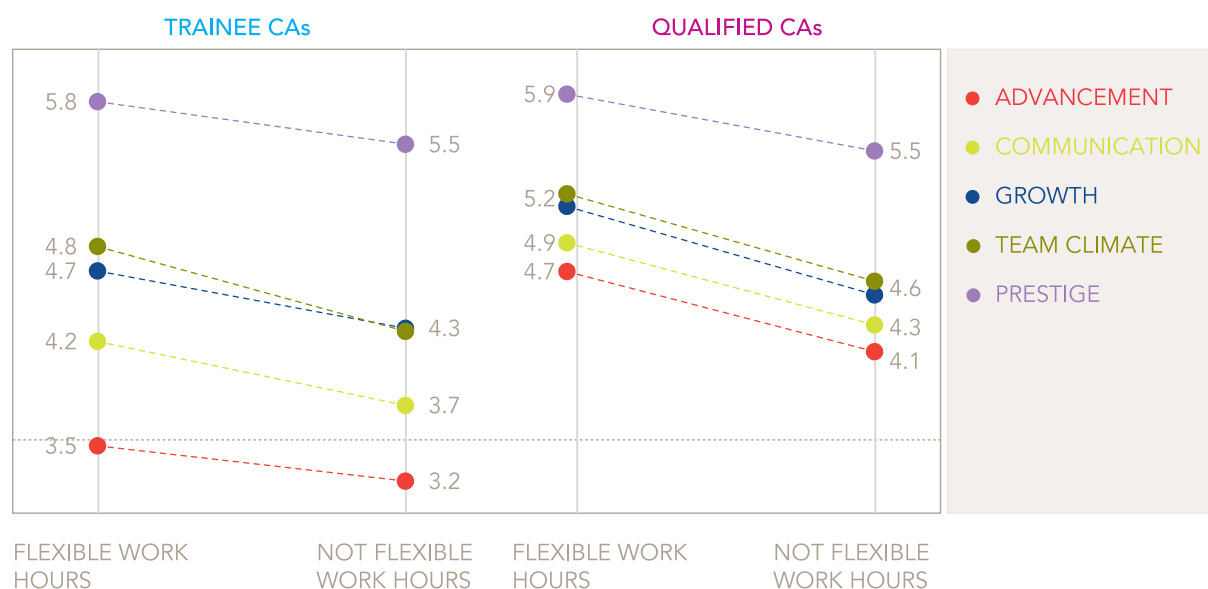
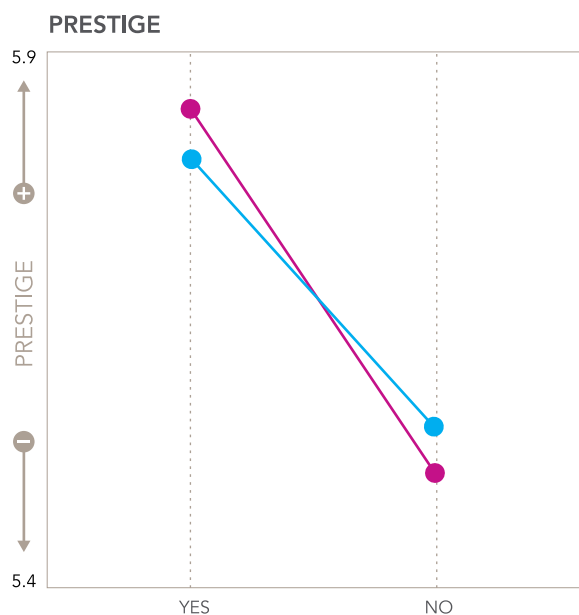


GROWTH OPPORTUNITIES



TEAM CLIMATE





CA_s WHO HAVE TAKEN UP FLEXIBLE WORK HOURS FEEL MORE ABLE TO BENEFIT FROM JOB RESOURCES THAN THOSE WHO HAVE NOT

The data shows

- **Female qualified CAs feel better supported than trainee CAs:** The trend is the same across financial advancement, growth opportunities, clarity, communication, team climate and perceptions of prestige.
- **Female qualified CAs and trainee CAs who have taken up flexible work hours feel better supported than those who have not:** The trend is the same across financial advancement, growth opportunities, clarity, communication, team climate and perceptions of prestige.

The first report in this series showed how women who make use of flexible work hours feel more insecure about their jobs than those who do not. This is true for both qualified and trainee CAs.

The relationship between flexible work hours and job resources is just as interesting. Women who have taken up flexible work hours give higher ratings for these five job resources: growth opportunities, communication and participation in decision-making, financial advancement, the external prestige of the firm, and team climate.

Since women who take up flexible work hours feel more supported in their work environment, firms should encourage the use of flexible-work arrangements to help counter the intense job demands.

Both firms and women benefit: women who take up a 5/8 hour work-day arrangement inevitably end up working longer than their contracted daily hours, for less pay than those on full-time arrangements. However, for these women it seems as if it is a trade-off they are willing to make: they have "bought their flexibility¹⁶" and have more control over their time.

"Perceived organisational support, social support, and encouragement promote satisfaction, and negatively influence the intention to leave."

Reinardy, S. (2009). Beyond satisfaction: Journalists doubt career intentions as organizational support diminishes and job satisfaction declines. *Atlantic Journal of Communications*, 17:126-139.

ACTIONS TO CONSIDER

Flexible work hours remain a powerful job resource to women: Having the choice to 'purchase your time' by earning less and freeing up time to spend on other activities remains a powerful job resource for public-practice firms to use to help to attract and retain women. However, firms should think flexibly about what flexible work is and give female CAs and trainee CAs greater opportunities to define the arrangement to suit their situations.

¹⁶ Lewis, S. & Humbert, A. L. (2010). Discourse or reality? "Work-life balance", flexible working policies and the gendered organization. *Equality, Diversity and Inclusion: An International Journal*, 29(3):239-254.

CONCLUSION

It is clear that different groups have different perceptions of how well job resources work for them.

Overall, qualified female CAs feel that they have higher levels of access to job resources than female trainee CAs when it comes to financial advancement, opportunities for growth, role and performance clarity, ability to communicate and to have an impact on decision-making, and team climate.

However, not all female CAs and trainees are the same. Race, age, relationship status, number of children and whether or not they have taken up flexible work hours all correlate to two or more job resources. There are no differences in perceptions either between female CAs and trainees or within each group when it comes to the level of perceived social support that they receive in their firms.

The relationship between demographics and job resources is complex as different groups of women have very different experiences of their access to job resources.

Firms should note that it's not just about providing job resources in a one-size-fits-all approach – but about how to provide for the unique needs of different women.

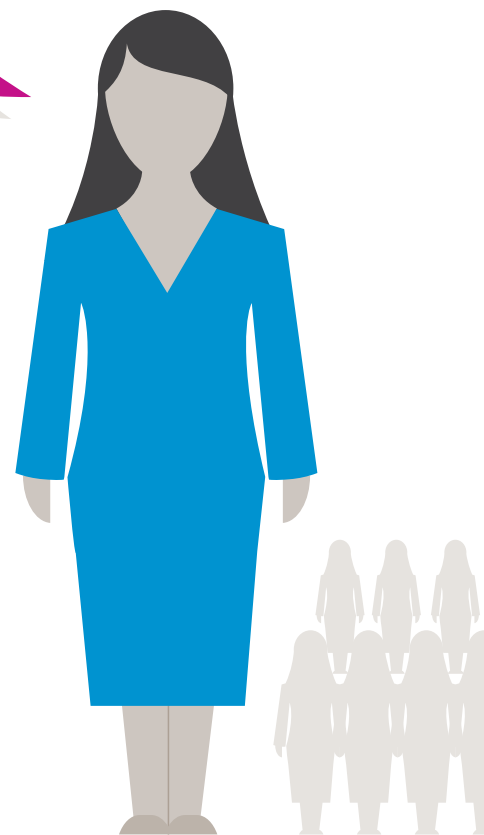
The next part of this report explores the relationship between turnover intentions and demographics.

Our final report draws all the threads together by using job demands and job resources as predictors of turnover intentions. In Report three we determine whether the adjustment of job resources could assist firms to increase the attraction and retention of top female talent.



PART THREE: TURNOVER INTENTIONS

Recommendations and conclusions



PART THREE: TURNOVER INTENTIONS

Employees who are seriously thinking about leaving an organisation to find work elsewhere are said to have turnover intentions¹⁷. These employees are invariably dissatisfied, disengaged and underproductive. Their low levels of productivity¹⁸ have a negative impact on both profitability and team morale. The more involved in their job, the less likely they are to want to leave.

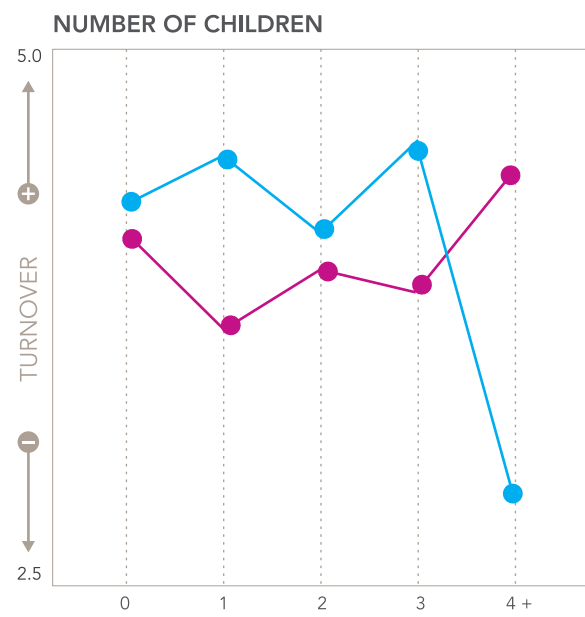
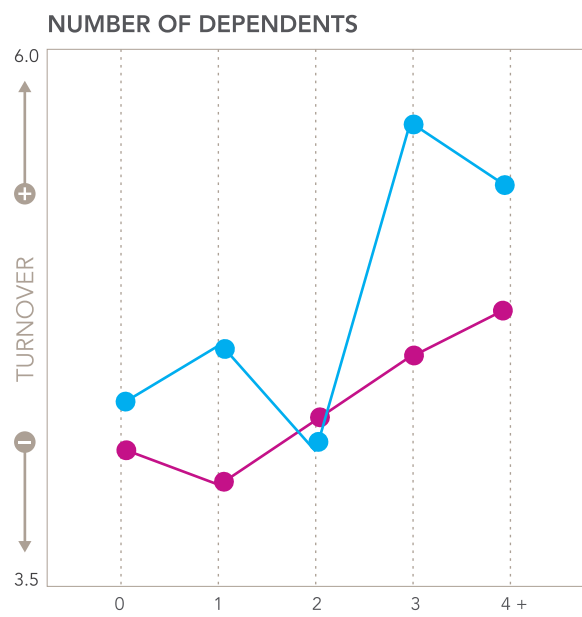
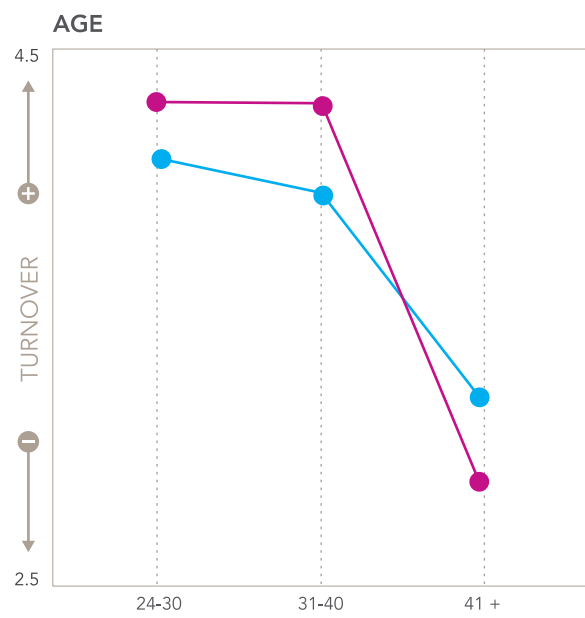
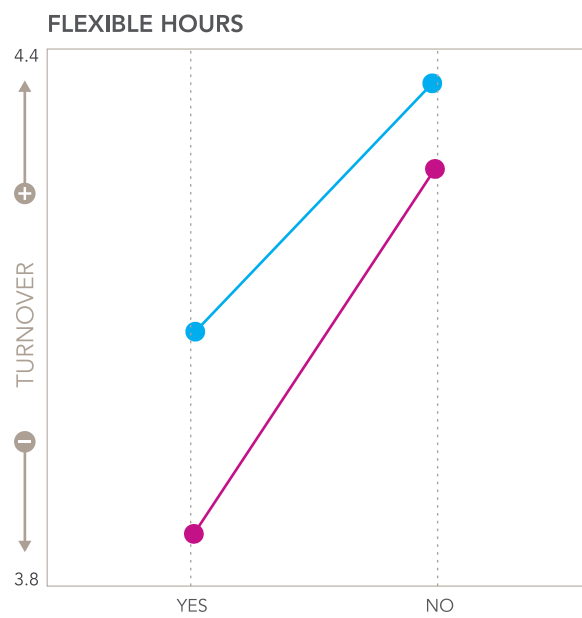
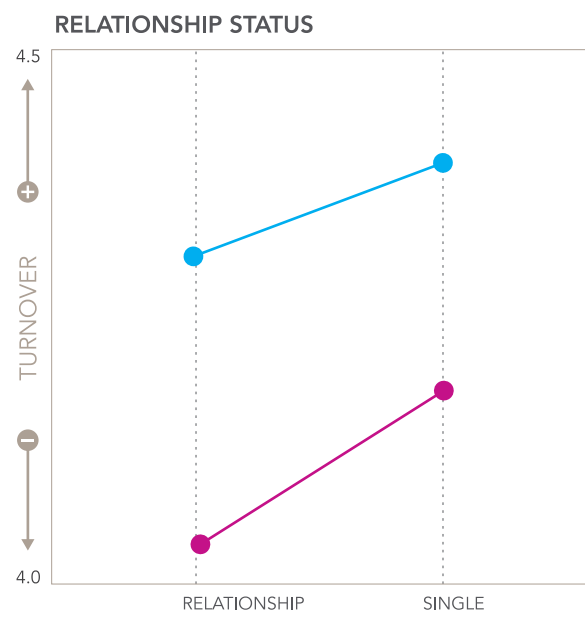
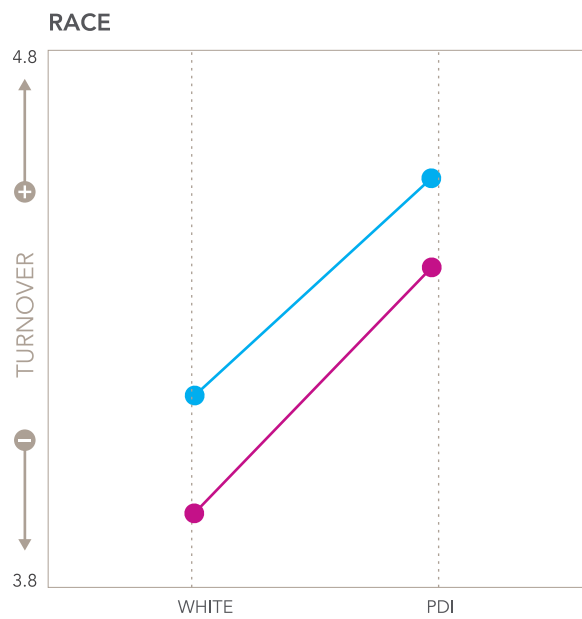
Part three of report two explores turnover intentions across our sample of female qualified and trainee CAs. We report on the relationship between turnover intentions and race, age, number of children, marital status and flexible work hours and number of dependants.

A study on turnover intentions in multi-national companies "... indicated that pay satisfaction led to greater organizational commitment and lower turnover intentions."

Yu-Ping Wang, C., Chen, M. ; Hyde, B. & Hsieh, L. (2010). *Social Behavior & Personality: An International Journal*. 38(7):871-894.

¹⁷ Carmeli, A. & Gefen, D. (2005). The relationship between work commitment models and employee withdrawal intentions. *Journal of Managerial Psychology*, 20(2):63-86.

¹⁸ Tsai, Y. & Wu, S. (2010). The relationships between organisational citizenship behaviour, job satisfaction and turnover intentions. *Journal of Clinical Nursing*, 19(23):3564-3574.



The data shows

- **Overall, female trainees are more likely to be thinking about leaving than qualified female CAs are.**
- **Previously disadvantaged female trainees and qualified CAs are more likely to be thinking about leaving:** white, qualified CAs are the least likely to consider leaving.
- **Younger female CAs and trainee CAs are more likely to be thinking about leaving:** younger CAs and trainees are more likely to consider leaving, and those over 41 are not at all likely to leave.
- **Single** female CAs and female trainees report higher intentions to leave their current jobs than those who are involved in a relationship.
- **Tied to care:** both female CAs and female trainee CAs show a steady increase in turnover intentions when they have two or more dependants that rely on them for primary care.
- **Flexible work arrangements help to ease the pain:** those on flexible work hours are least likely to be thinking of leaving.

495 (93%) of trainees in this sample are between 24 and 30 years old. Once their training contract is complete, these young women must choose between remaining at the firm and pursuing other avenues. Perhaps it is not surprising that they may decide to explore other career opportunities within the industry – after all, they are young, without dependants and have only experienced one firm.

Female trainees may also want to leave if they are driven to work-exhaustion (work overload, role ambiguity and conflict, lack of autonomy and lack of rewards). If they are worked too hard, as there are too few staff¹⁹, trainees may burnout²⁰ and leave with the hope that the next firm offers greater work-life balance.

In South Africa, many individuals provide care and support to members of the extended family (dependants). The more dependants there are, the greater the responsibilities – and the greater the demands on time and financial resources. As the number of dependants increases so too does the intention to leave. Are these women in search of better pay, more flexible time arrangements, or both?

RECOMMENDATIONS AND CONCLUSION

Sell the benefits of staying at the firm to female trainee CAs: Giving clear information about the firm's approach to career progression, role clarity, rewards, wellness and work-life balance will help to motivate trainees to stay after completing their articles.

Offer flexible work hours: Flexible work arrangements have been affirmed to be an effective way to combat turnover intentions.

¹⁹ Moore, J. (2000). One road to turn over: An examination of work exhaustion in technology professionals. *MIS Quarterly*. 24(1):141-168.

²⁰ Du Plooy, J. & Roodt, G. (2010). Work engagement, burnout and related constructs as predictors of turnover intentions. *SA Journal of Industrial Psychology*. 36(1):13 pages.

AUTHORS

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Jürgen specialises in the building of structural and mathematical models that can be applied to diagnose and inform human capital solutions in the workplace. He has helped numerous organisations in the public and private sector to position their human capital investment through sound business intelligence. Jürgen is a consultant at the Statistical Consultancy Service of the University of Johannesburg (STATKON) and lectures psychometrics, research design and predictive statistical modelling. He has published in the areas of organizational culture, values, assessment centres, integration of minorities in the workplace, burnout and organizational wellness.

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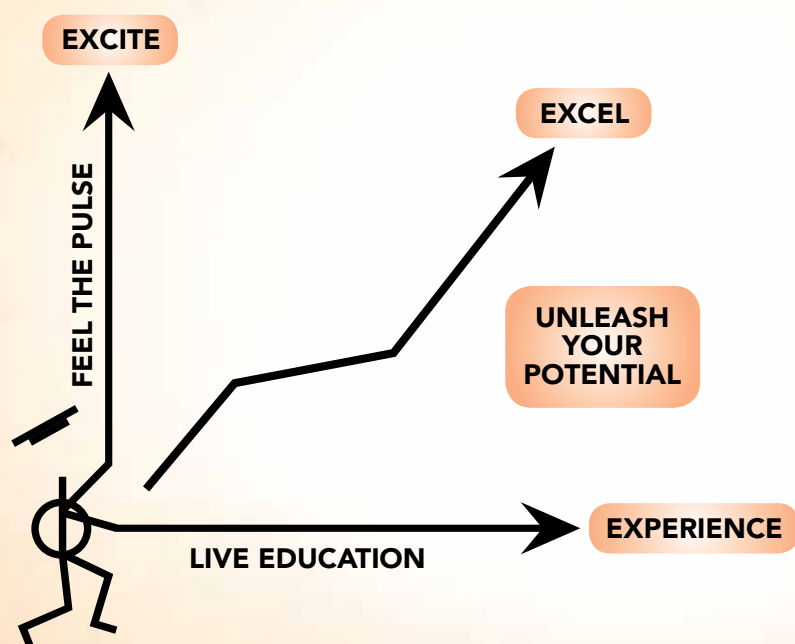
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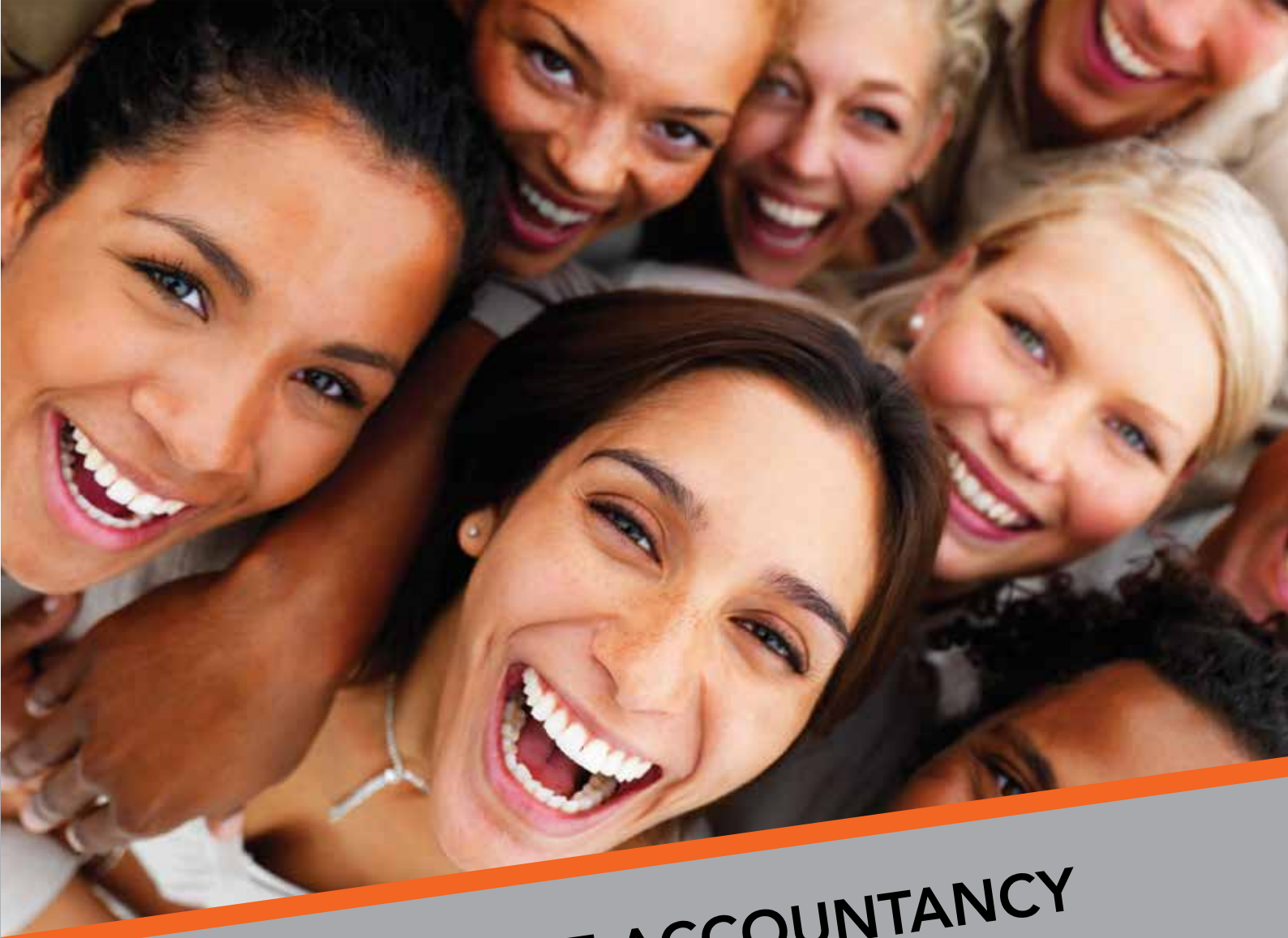


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