

Mentor Practical Experience Guidelines

July 2019

**Chartered Accountants Australia and New
Zealand Customer Service Centre**

Australia

1300 137 322

+61 2 9290 5660 (outside of Australia)

8am-6pm (AEST)

Monday - Friday (excl. Public Holidays)

New Zealand

0800 4 69422

+64 4 474 7840 (outside of New Zealand)

8am-6pm (NZ time)

Monday - Friday (excl. Public Holidays)

Email: service@charteredaccountantsanz.com

charteredaccountantsanz.com

Welcome

Practical Experience to achieve real business benefits

Practical experience is where essential on-the-job knowledge and skills are developed so that candidates can learn, adapt quickly and achieve consistent, quality results at work. Mentored practical experience is one of the reasons why the Chartered Accountants Program is a leading postgraduate accounting program and why the Chartered Accountant designation is esteemed world-wide.

Chartered Accountants Australia and New Zealand have designed an approach to practical experience to assist employers in developing their accounting staff.

Practical experience is gained in the workplace where candidates encounter real-life situations and use their knowledge and skills to solve problems, make decisions, work in teams, build relationships and communicate with others. In doing this, candidates also test and apply their values, ethics and attitudes.

There are three key roles in the Practical Experience component: that of mentor, line manager and candidate. As a mentor, you are asked to support and guide the candidate to learn in the workplace and develop the knowledge, skills and attributes required for a successful Chartered Accounting career. The Mentor Practical Experience Guidelines and Toolkit offer advice and structure to assist mentors in fulfilling this responsibility. With these resources every effort has been made to minimise the compliance requirements and provide flexibility so that tracking a candidate's practical experience can be easily integrated into existing staff performance systems.

It is easy to appreciate that candidates need as much support as possible to achieve the learning and development they need. The complementary Candidate Guidelines and logbook are designed to help candidates set development goals and plan a structured approach to become fully productive employees and qualified Chartered Accountants.

Research has shown that while training alone improves productivity, when coupled with the support of a mentor or coach, it can achieve three times as much as training alone. I hope that the benefits of this structured approach to practical experience will deliver results to you that make the investment in time worthwhile and ultimately strengthen the profession.



Simon Hann

General Executive Education & Learning

Contents

1. Practical Experience in the Chartered Accountants	5
1.1 An international approach	5
1.2 The Chartered Accountant Pathway	6
1.3 The elements of Practical Experience	6
2. Competencie	7
2.1 What is competency?	7
2.2 Technical and non-technical competencies	7
2.3 Levels of competency	8
3. Key	9
3.1 Roles and responsibilities	9
3.2 Practical Experience	9
4. About	10
4.1 What is my role as a mentor?	10
4.2 What attributes should I demonstrate?	10
4.3 Why do candidates need line managers and mentors?	11
4.4 When can I be an external mentor?	11
5 Performance management	12

1. Practical Experience in the Chartered Accountants Program

1.1 An international approach

The International Federation of Accountants (IFAC) prescribes the practical experience that candidates of member bodies need to complete before they qualify as accountants. As members of IFAC, Chartered Accountants Australia and New Zealand (Chartered Accountants ANZ) have adopted the IFAC framework in the Practical Experience component of the Chartered Accountant Program. It is reflected in these guidelines and in the Candidate Practical Experience Guidelines and Logbook.

According to IFAC, practical experience will:

- Enhance candidate understanding of organisations, how businesses work and work relationships
- Enable candidates to relate accounting work to other business functions and activities
- Develop awareness of the environment in which services are provided
- Develop the appropriate professional values, ethics and attitudes in practical, real-life situations
- Provide candidates with the opportunity to develop at progressive levels of responsibility while under appropriate levels of supervision.

Sufficient practical experience has a blend of depth and breadth, knowledge and application and, where appropriate, integration of material from different areas applied to a range of situations and contexts. The breadth of practical experience is affected by factors such as: nature of role; level of proficiency; national or local laws; requirements of regulatory authorities; and the public's expectation for professional competence. The depth of practical experience is affected by factors such as the variety and complexity of tasks as well as the level of supervisory and monitoring support.

Combining formal accounting education with practical experience produces competent Chartered Accountants with appropriate values, ethics and attitudes, who are capable of making a positive contribution to the profession and society.

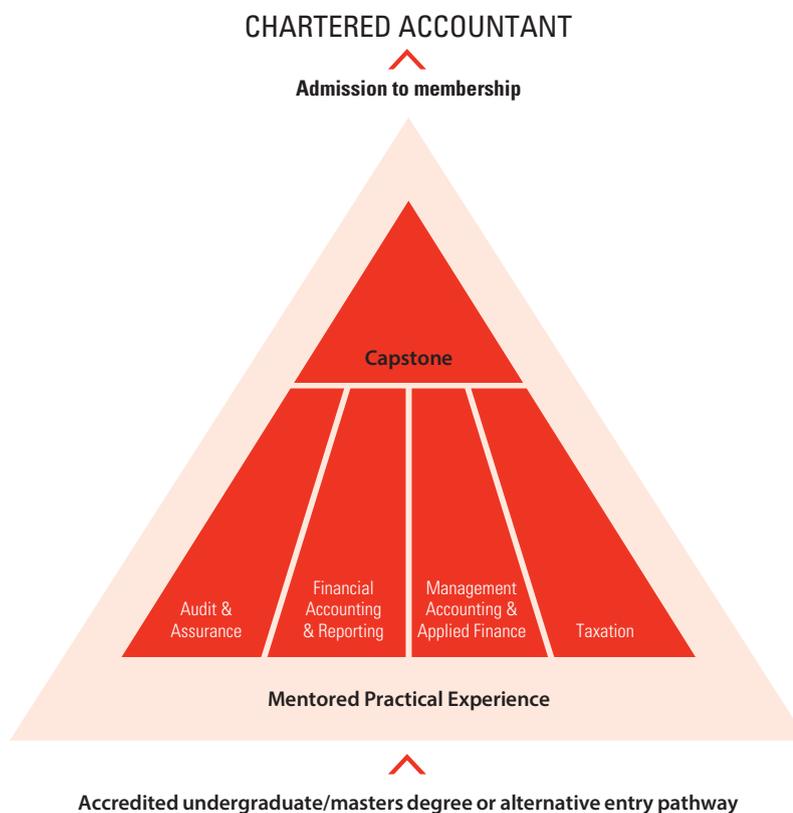
1.2 The Chartered Accountant Pathway

The Chartered Accountants Program combines two components:

- 1 Five modules of study
- 2 Practical Experience, under the guidance of a mentor.

This combination creates an environment that encourages Chartered Accountants to develop superior technical skills, appropriate values, ethics and attitudes, outstanding professional competence and an exciting future in which they are capable of making a positive contribution to the profession and society.

Our holistic approach to development of competencies fulfils employer and public expectations that Chartered Accountants can be relied on to provide accurate, complete and independent information and advice.



1.3 The elements of Practical Experience

Practical Experience in the Chartered Accountants Program consists of three elements:



2. Competencies

2.1 What is competency?

IFAC defines competency as:

'the ability to perform a work role or task to a demonstrated defined standard. To meet a competency standard, the activity is performed under specified conditions to the specified standard of performance'.

The areas of workplace competency expected of a Chartered Accountant at the point of admission to membership are outlined below and categorised according to technical and non- technical areas and their level of complexity.

Candidates are expected to develop competency in at least two of the below listed technical areas and all of the non-technical areas over their three years of qualifying practical experience.

Competencies are recorded by candidates and signed off by mentors via the Candidate Practical Experience Logbook as candidates' progress through their period of practical experience.

2.2 Technical and non-technical competencies

Technical competencies are prescribed in nine areas of accounting work:

- Accounting academic
- Accounting information systems
- Auditing
- External reporting
- Financial management
- Insolvency and reconstructions
- Management accounting
- Taxation
- Financial advice.

Non-technical competencies are generic competencies required by all accounting professionals. They include:

- Teamwork
- Organisational skills
- Research and evaluation
- Decision making
- Exercising ethical and professional behaviour
- Communication and interpersonal skills.

2.3 Levels of competency

Level 1 - Foundation

- Working under supervision and carrying out tasks of a low level of risk and complexity using established processes
 - Makes judgements of quality using given criteria.
-

Level 2 – Intermediate

- Working as part of a team and carrying out some tasks independently, being responsible for the quality of own work
 - Exercises judgement within established parameters.
-

Level 3 –

- Managing your own work and being responsible for the quality and quantity of the work you do
 - Exercises professional judgement
 - May be responsible for leading a team and managing certain functions.
-

When candidates lodge a Practical Experience Agreement with Chartered Accountants ANZ, and their provisional membership is approved, they will receive access to the Candidate Practical Experience Logbook. The logbook will provide more detailed information on each of the required competency areas. Its purpose is to enable you to track your candidate's progress in developing the required competencies.

3. Key parties

3.1 Roles and responsibilities

There are three parties involved in the Practical Experience component – candidates, mentors and Approved Training Employers (ATE). The responsibilities of each party are set out below:

THE CANDIDATE IS RESPONSIBLE FOR:	THE MENTOR IS RESPONSIBLE FOR:	THE ATE IS RESPONSIBLE FOR:
Finding a mentor and managing the relationship	Registering as the candidate's mentor by signing the Practical Experience Agreement	Applying for ATE status before the commencement of the period of practical experience
Keeping a record of the experience they have gained	Acting as a guide, coach and role model for the candidate	Providing a range and depth of practical experience
Developing a training plan in conjunction with their mentor, taking responsibility for documenting the plan	Developing a training plan in conjunction with the candidate	
Ensuring records of experience are signed off quarterly	Meeting regularly with the candidate to review experience gained and set objectives for the next period	Providing an appropriate environment to support the candidate through the Chartered Accountants Program
Completing the required period of practical experience	Helping transfer information to a new mentor, if required	Running a formal performance appraisal process to monitor and review the candidate's progress
Advising Chartered Accountants ANZ of any change in their situation (for example, change of mentor or employer)	Completing a Mentor's Interim Report if the candidate changes mentor and/or employer	
Enrolling into Program modules	Supporting the candidate to prepare for the Program modules	Allowing time for candidates to participate in the Program learning and assessment activities
Successfully completing the Program modules and the required practical experience (note these do not need to occur concurrently) within the maximum 8-year provisional membership period	Supporting the candidate through the Program and, on the completion of their practical experience, completing the Mentor's Final Report to accompany the candidate's application for membership	Motivating and supporting candidates as they prepare for the Program

3.2 Practical Experience Agreement

The roles and responsibilities of the key parties in the Practical Experience component are formalised in the Practical Experience Agreement. The candidate is responsible for ensuring that each party signs the Agreement. Candidates must then submit it to Chartered Accountants ANZ to signify the start date of their Practical Experience component, as part of their application for provisional membership.

4. About mentoring

4.1 What is my role as a mentor?

Your role as a mentor is to monitor and support your candidate's progression throughout the Practical Experience component of the Chartered Accountants Program by:

- Sharing your knowledge and experience
- Helping your candidate to identify and plan to meet the gaps in their knowledge
- Meeting with your candidate face-to-face at least quarterly to plan and focus on demonstrating how their daily work meets the areas of competency.
- When your candidate is eligible for membership, you will need to complete a final mentor report confirming that your candidate has developed technical and non-technical workplace competence to the required levels.

You support your candidate to:

- Design and plan their Practical Experience component
- Recommend suitable activities where your candidate can demonstrate competence in the workplace
- Provide guidance on how your candidate can progressively develop their competence
- Identify the competencies that your candidate is already assessed on as part of their employer's performance management system
- Document all meetings they have with you
- Review their logbook regularly and sign off on competency development
- Assess your candidate's overall level of competence at the end of the Practical Experience component and complete a final mentor report
- Ensure that your candidate's Practical Experience component is efficient and cost effective for your organisation.

4.2 What attributes should I demonstrate?

Your candidate will expect you as a mentor to be:

- Willing to share your knowledge, experience and networks
- Supportive and encouraging
- Achievement and goal oriented
- Open and honest in your communication
- Technically respected.

4.3 Why do candidates need line managers and mentors?

The line manager and mentor roles offer equally important, yet different benefits to the candidate during their practical experience period. We recommend that candidates do not have their line manager as their mentor as this can detract from the benefits of an 'independent' mentor.

The line manager will ensure that the candidate has day-to-day exposure to the relevant activities and tasks needed to develop required competence. They will assist in monitoring of performance against these competencies and provide feedback on achievements and areas for development. Depending on how many projects or roles the candidate works in, it is likely they will be assessed by a number of line managers during their years of practical experience.

The mentor's role is to provide high level workplace support and guidance to the candidate. This involves providing advice and insight into career options, sharing their own experience as a Chartered Accountant and encouraging candidates to think beyond the present.

4.4 When can I be an external mentor?

It is preferable for candidates to have a mentor at their place of work. However, candidates have been advised that if there are no available Chartered Accountants working within their organisation, they can look at the option of working with an external mentor. As with all mentors, an external mentor must be an experienced member of Chartered Accountants ANZ or a member of a recognised Global Accounting Alliance body, and be willing to take on the same responsibilities of quarterly and final assessments of candidate competence. Any external mentoring arrangement must be agreeable to the mentor, the candidate and the employing organisation. All parties signing a new Practical Experience Agreement and the candidate is responsible for lodging it with Chartered Accountants ANZ.

If a candidate changes employment during their practical experience period and wishes to continue a mentoring relationship they have built in a former organisation, they are advised to discuss this with both their new employer and their mentor and if all parties are agreeable, a new Practical Experience Agreement should be completed and lodged with Chartered Accountants ANZ by the candidate.

5. Performance management system

Unless you are an external mentor, your candidate is also an employee of your organisation and you and/or their line manager are likely to be involved in monitoring their performance as part of your organisation's in-house performance appraisal system. Evidence gathered from the performance management system can be used to substantiate their development of competencies in the Practical Experience component. As the mentor you can assist your candidate to integrate this assessment into the worksheets in their logbook

The professional skill competencies, such as interpersonal and communication skills and ability to work in teams, are examples of competency development that can be mapped from your organisation's performance reports. Ask your organisation's Chartered Accountant Program Coordinator to keep you informed of your candidate's development in these competencies. Where there is strong alignment between the competencies assessed as part of your organisation's in-house performance appraisal system and the Practical Experience framework, your organisation may like to apply for Chartered Accountants ANZ recognition of the in-house system to avoid unnecessary duplication.