

Manager Practical Experience Guidelines

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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 has 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, manager and candidate. As a manager, you are asked to support and assess the candidate's competency development in the workplace. These Manager Practical Experience Guidelines offer advice and structure. 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 Mentor Guidelines, 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.



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General Executive Education & Learning

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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.

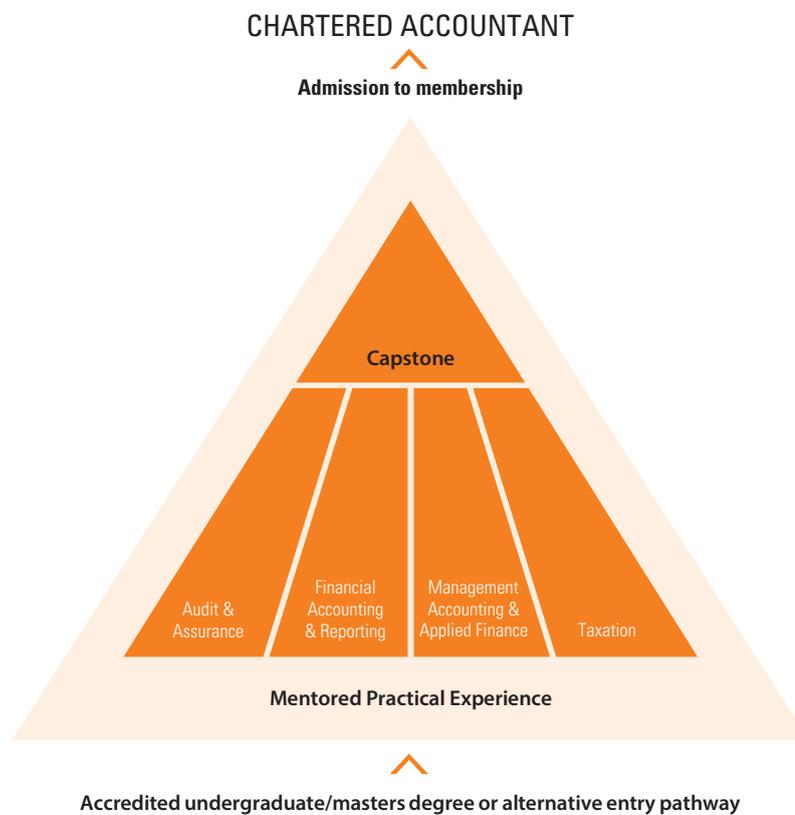
1.2 The Chartered Accountant Pathway

The Chartered Accountants Program combines two components:

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

This combination produces Chartered Accountants with superior technical skills, appropriate values, ethics and attitudes, outstanding professional competence and an exciting future.

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, verified by managers and signed off by mentors via the Candidate Practical Experience Logbook as candidates' progress through their three years 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 completed Practical Experience Agreement with Chartered Accountants ANZ, and their provisional membership application 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.

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) represented through the manager. 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	Providing an appropriate environment to support the candidate through the Chartered Accountants Program
Ensuring records of experience are signed off regularly	Meeting regularly with the candidate to review experience gained and set objectives for the next period	Implementing a formal performance appraisal process to review and verify candidate progress
Completing the required period of practical experience	Helping transfer information to a new mentor, if required	Helping transfer information to a new manager, if required
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 has the responsibility to ensure that each party signs the Practical Experience Agreement. They must then submit it to Chartered Accountants ANZ to signify the start date of their Practical Experience, as part of their application for provisional membership.

4. Being a manager

4.1 What is my role as a manager?

Your role is to ensure the candidate's work environment and assignments are suitable for them to meet their Chartered Accountant Program Practical Experience requirements and regularly review their competency development.

You should work with your candidate to:

- Design and plan their Practical Experience component
- Find suitable activities where your candidate can demonstrate competence in the workplace
- Check your candidate's practical experience is meeting the required level of competence
- Monitor their logbook regularly and make any comments on their competency development which may assist the mentor to complete sign off
- Identify the competencies that can be covered by assessment within your organisation's existing performance management framework
- Document all meetings you have with your candidate and keep records throughout the practical experience component
- Ensure that your candidate's Practical Experience component is undertaken in an efficient and cost effective mode for your organisation.

4.2 What attributes should I demonstrate?

Your candidate will expect you as a manager to be:

- Aware of their Chartered Accountant Program candidate status and the Practical Experience requirements
- Supportive and encouraging
- Achievement and goal oriented
- Open and honest in your communication
- Technically proficient to assess and review their competency on the job.

4.3 Why do candidates need managers and mentors?

The 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 manager as their mentor as this can detract from the benefits of an 'independent' mentor.

As a manager, you will ensure that your candidate has day-to-day exposure to the relevant activities and tasks needed to develop required competence. You will provide continuous 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 managers during their first few 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.

5. Performance management system

You and/or the candidate's mentor are likely to be involved in monitoring their performance as part of your organisation's in-house performance appraisal system, and evidence gathered from the performance management system can be used to substantiate their development of Practical Experience competencies. As the manager, you can assist your candidate to integrate this assessment into their records.

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, Human Resources or Training division 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.