Abstract: The accounting profession has long recognised the need for continuing and professional education for its members. While a large part of this has been focused on providing formal, professional courses for the ongoing registration of practicing accountants, an increasingly significant aspect of preparing accountants for full professional recognition is being addressed through the use of mentoring programs. Like many organisations in today's business environment accounting firms have been experiencing problems associated with the attraction, retention, motivation, satisfaction and development of their staff (Wolosky, 2005; Anonymous, 2004; Weinstein and Schuele, 2003; Viator, 1999). Traditional approaches to induction/orientation and support of graduates and new employees have fallen short of addressing these issues, and studies have shown that many accounting professionals not only leave an organisation, but also the profession (Anonymous, 2004; Kleinman, Siegel, and Eckstein, 2001). In an attempt to stem the flow of people from the profession, accounting professional bodies worldwide have returned to the use of formal and informal mentoring programs. This paper examines, with reference to CPA Australia, the reasons behind the shift to more formal mentoring programs, what the professional body hopes to achieve through this process, and how mentoring differs from the previous work experience arrangements used in accounting firms.

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CRO identification number: 14575
MENTORING WITHIN THE ACCOUNTING PROFESSION: AN AUSTRALIAN PERSPECTIVE

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ABSTRACT

The accounting profession has long recognised the need for continuing and professional education for its members. While a large part of this has been focused on providing formal, professional courses for the ongoing registration of practicing accountants, an increasingly significant aspect of preparing accountants for full professional recognition is being addressed through the use of mentoring programs.

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Keywords: Mentoring; staff development; accounting profession

1. INTRODUCTION

The competitive business environment has forced many organisations to examine issues associated with their products/services, staffing, efficiency and effectiveness. Organisations have recognised that being successful in the long term requires more than just the best product or service. Developing employee skills, motivation, job satisfaction and employee commitment are all important elements of staff retention; which is often the key to maintaining efficiency and effectiveness. Many organisations have turned to mentoring; which has been used in a number of different professions (i.e. finance, paralegals, healthcare workers, librarians, and teachers) to foster a work environment conducive to developing and supporting these objectives.

This paper discusses the increased use of mentoring in today’s business organisations, and its recent inclusion in CPA Australia requirements. The concept of mentoring, and the outcomes achieved by various organisations are considered, followed by a review of the current CPA Australia requirements and the primary objectives of the newly adopted program. Some consideration will also be given to why such a change was thought necessary.

2. THE CONCEPT OF MENTORING

Mentoring is a traditional method of transferring knowledge and understanding within organisations and is widely recognised as a valuable method of staff development, transmission of corporate culture, and socialisation. The concept of the mentor is very broad and varied, but usually contains two common elements: “(1) a mentor is usually a high ranking, influential, senior member of the organisation with significant experience and knowledge, and (2) the individual is also willing to share their experience with younger employees” (Mathews, 2003:316).

Mentoring programs can be useful, structured ways to communicate, and transfer organisational expectations to new and existing employees. Whilst it is only one method of facilitating learning in the workplace, it is designed to make use of guided learning to develop the knowledge and skills required for high performance in the workplace (Tovey, 1999:5), and can be geared to the specific requirements of any organisation at any time. It focuses on helping an individual to assess their experiences, and
strengths and weaknesses, and provides guidance and support to enable them to make the most of opportunities (Appelbaum, 2000). Mentoring has been used by many organisations to address a variety of issues and problems associated with equal employment opportunity, high turnover, commitment, job satisfaction, and employee diversity to name a few (Hansford, Ehrich and Tennent, 2003).

Many organisations have recognised that much of the learning and development of employees does not take place within the boundaries of traditional learning situations. Anthony Howard, CEO of Merryc in Sydney, states “There is also a recognition among organisations that the MBA and advanced study have their place, but aren’t really doing it for people in the front line of business. What is really doing it is the trusted advisor” (Charles, 2005:44). Similarly, Wallis (1998:15) argued that there is a “need for the organisational information, methods and culture to be transferred to other members of the workplace”, and this ‘learning transfer’ could best be addressed through the use of mentoring with its techniques of guided and assisted learning.

This belief is widely reflected in the number of private and public organisations that have introduced formal mentoring programs over recent years. These include: Bank of America, Allied Irish Bank, Pricewaterhouse Coopers, Proctor and Gamble, IBM, SmithKline Beecham, Pacific Bell, British Telecom, Royal Hobart Hospital, and TAFE (Cladwell and Carter, 1993; Garrick and Alexander, 1994; Messmer, 1998; and Klasen, 2002). The reported outcomes of mentoring include increased motivation, skill, self-confidence and job satisfaction; improved resource utilisation, communication, coordination, networking and support between individuals and units; and greater understanding of corporate culture and values (Spencer, 1996). In a recent study, Hansford, Ehrich and Tennent (2003:224) reviewed 151 studies on mentoring and found that over 90% of these reported evidence of positive outcomes. They argued therefore, that the “evidence suggests that implementing a mentoring program can be a productive strategic decision for the business” (p.224).

The American Institute of Certified Public Accountants (AICPA) in the United States advocates the use of mentoring for enhancing professional growth, performance and attitudes. Their programs have shown notable effects in the areas of job satisfaction, organisational commitment, intentions to leave, role ambiguity, job burnout, revenue, productivity, training, attitude, cooperation, socialisation and personal influence (Wolosky, 2005; Kleinman, Siegel, and Eckstein, 2001; Siegel, Rigsby, Agrawal, and Lavins, 1995). In fact, it has been argued that the increase in formal mentoring programs is a reflection of the staffing problems experienced by the accounting profession in recent years (Wolosky, 2005:29). The increased number of international assignments for professional accountants has, according to Siegel, Mosca, and Karim (1999), also reinforced the value of mentoring. PricewaterhouseCoopers have used mentoring for several years to assist new employees to settle in. They have found that mentoring helps with a range of job-related issues – from finding supplies to solving computer problems, and addressing concerns of high turnover among female employees (Messmer, 1998). A study conducted in Queensland by Herbohn (2004) found that accountants who received mentoring support demonstrated higher job satisfaction, lower turnover intentions, and lower intentions of female accountants to seek part-time employment. Given the problems of staff attraction and retention experienced by the accounting profession this is a particularly important finding.

The benefits to be derived from mentoring have both short and long-term impacts on the employee and the organisation. However, achieving a satisfactory mentoring design is often a ‘hit and miss affair’. In fact, Hansford, et al. (2003:224) have argued that “A spontaneous ‘spur of the moment’ mentoring program risks at least some negative outcomes”, such as increased staff turnover, the creation of gender or racial bias, the overburdening of mentors leading to declines in job performance, control difficulties, financial outlay, and the need for continual evaluation. To avoid these identified deficiencies, and improve the likelihood of a mentoring program being effective, designers should consider a number of factors that have the potential to limit or hinder their success. This includes lack of top management support, lack of clarity with regard to aims, roles, rules and expectations, lack of adequate or suitable training for mentors, poor selection and matching of personnel, an unnecessarily complex program, lack of adequate monitoring and evaluation of the program, conflicting work schedules of mentor and protégé, lack of physical proximity, and unreasonable time demands (Orpen, 1997; Hansford, Ehrich and Tennent, 2003). The effort involved in developing effective mentoring programs has been well worth it for many organisations.
Tailoring mentoring programs to meet the specific needs of organisations and employees is particularly important. In this paper two examples are discussed, academic mentoring and a mentoring program for professional accounting. In relation to academic mentoring, the work of an academic can be divided into three basic components – teaching, assessment and course administration; research, publication and research supervision; and service, both within and outside the university – mentoring can be tailored to address each of these areas, as well as the specific needs of the academic staff member. To determine the focus of the mentoring program for each staff member the characteristics of the individual, their development needs, and the role of various units in staff development should be considered. Of particular importance in designing any mentoring program and building an effective mentoring relationship is understanding the members’ current position and the skills or activities most relevant to them at that time. This could be determined by considering the position of the academic staff member and their professional development needs as outlined in Table 1.

### TABLE 1: THE RELATIONSHIP BETWEEN CAREER STAGE, PROFESSIONAL DEVELOPMENT AND MENTORING FOCUS FOR ACADEMIC STAFF

<table>
<thead>
<tr>
<th>Career Stage</th>
<th>Professional Development</th>
<th>Mentoring Focus</th>
</tr>
</thead>
<tbody>
<tr>
<td>New entrant</td>
<td>Teaching and assessment</td>
<td>Teaching and assessment</td>
</tr>
<tr>
<td>Probationary level</td>
<td>Research</td>
<td>University procedures</td>
</tr>
<tr>
<td></td>
<td>Administration – procedures</td>
<td>Guidance and support</td>
</tr>
<tr>
<td>Contract renewal –</td>
<td>Professional service</td>
<td>Research profile</td>
</tr>
<tr>
<td>‘tenure’</td>
<td>Postgraduate teaching</td>
<td>Publications</td>
</tr>
<tr>
<td>Career establishment</td>
<td>Research</td>
<td>Higher degrees</td>
</tr>
<tr>
<td></td>
<td>Administration – procedures</td>
<td></td>
</tr>
<tr>
<td>Contribution to</td>
<td>Research supervisions and refereeing</td>
<td>University policy/procedures</td>
</tr>
<tr>
<td>discipline</td>
<td>Administration</td>
<td>Committee membership</td>
</tr>
<tr>
<td>Advancement to senior</td>
<td>Committee membership</td>
<td>Leadership skills</td>
</tr>
<tr>
<td>positions</td>
<td>Representing university</td>
<td></td>
</tr>
<tr>
<td>Career exit – ‘retirement’</td>
<td>Mentoring activity</td>
<td></td>
</tr>
</tbody>
</table>

Source: Mathews (2003:326)

A second example of a tailored mentoring program can be seen in the recently introduced mentoring program design by CPA Australia.

### 3. MENTORING ACCOUNTANTS

CPA Australia is one of the two major professional accounting bodies in Australia. It offers postgraduate professional education leading to the internationally recognised CPA designation. To become a CPA you must: become an Associate Member of CPA Australia (necessitating completion of an accredited degree); participate in a Member Orientation Workshop; complete the three year practical experience mentor program; and successfully complete the CPA Program of study segments.

The mentoring program is a relatively new initiative for the organisation. Prior to 2002, the requisite practical experience component comprised three years supervised or five years unsupervised experience in accounting or finance. The supervision component, involving structured guidance by an established member of the profession, was seen to have a number of advantages including exposing prospective members to the skills, values and appropriate information technology of their chosen profession. Many members however chose to meet the practical experience requirement through unsupervised experience. Two hundred members in Victoria and Singapore were surveyed in an attempt to understand the factors that led them to this choice. While 85 per cent of respondents agreed that supervision enhances on-the-job learning, responses showed that the unsupervised choice was made for a variety of complex reasons including; existing experience; change of location or remote location where there was no supervisor; or a preference not to be seen to be supervised (Missingham & McKenzie, 2001).
Early in 2000, CPA Australia also undertook a survey of members’ career and education needs to identify the types of activities, courses and study modes which members found most useful. One of the key findings of the research was that CPAs perceived mentoring and on-the-job training to be two of the most useful forms of career development activities. The CPA Australia response to the two surveys was the development of a mentoring package as a potential alternative to direct supervision (Edwards, 2000).

The CPA practice experience mentor model is based on the European model. This developmental mentoring model focuses on career management and personal development. Mentees are encouraged to strengthen their interpersonal skills, including leadership abilities. The mentor’s role is to challenge the mentees’ beliefs and assumptions, provide support, and assist with the planning of career and development paths (Anonymous, 2003b).

The mentoring program was piloted in Queensland and Victoria in 2001 with fifty-eight mentor/mentee pairs established (Anonymous, 2001). At the time, the Professional Experience Mentoring was defined as a more senior, appropriately qualified and experienced person (the mentor) agreeing to take on a less experienced person (the mentee) and assist them with their career development and advancement to CPA status (Missingham & McKenzie, 2001). A broad objective for CPA mentoring was seen to be the formation of a development alliance with the mentee and the establishment of a high-quality, time-effective relationship that contributes directly to professional development (Missingham & McKenzie, 2001).

The Program was subsequently introduced nationally from 2002 and internationally from 2003. The Practical Experience Mentor Program replaced the previous supervised/unsupervised practical experience component and introduced a structured program with a formal framework and specified competency standards to be achieved by new Associate members within a three year time frame (Webb, 2003).

The details of the program have evolved over time and in response to organisational experience of the program. The Mentor Program now divides the accounting profession into nine main areas of work or competencies. The areas of work list the practical skills accountants are expected to develop within the workplace. The mentee is required to collect workplace evidence to demonstrate, to the mentor, competence in the workplace skills listed. (CPA Australia, 2005). The program is perceived by the professional accounting body as a useful tool for identifying career goals, strengths and values. It encourages discussion and documentation of major accomplishments, and personal strengths and limitations. It also encourages discussion and documentation of a career management strategy including core interests and preferred working style. The mentor relationship is thus intended to play a major part in advancement to CPA status within three years (Webb, 2003; CPA Australia, 2005).

CPA Australia defines the major tasks of the mentor as including acting as an advisor, sounding board and information provider; being a role model; and sharing knowledge and experience. Mentors do not need to be from within the mentee’s workplace; however they must fulfil particular requirements. They must be a CPA, FCPA or be a full voting member of an equivalent professional body; be a member in good standing; have two years work experience in accounting/finance or business advice; be available for a minimum of five one-hour consultations (face to face or by telephone or email) per six-month period; and have previous experience in supervision, managing or mentoring (Anonymous, 2003a; Anonymous, 2003b, p.6; CPA Australia 2005).

The mentee’s role includes establishing the relationship goals and expectations; showing initiative and commitment; and liaising with the mentor regularly (Webb, 2003). Ownership for the success of the relationship and the learning gained rests with the mentee (Anonymous, 2003b). Throughout the program, the mentee must collect documentary evidence of their experience and exposure to competencies in their chosen fields of work. At the end of the program, the mentor signs off that they have sighted the evidence that supports their charge’s claim that they have gained the skills and knowledge required under their chosen fields of work. At no stage however do they sign off that the mentee has the required skills and knowledge (Anonymous, 2003a).

Benefits for the mentor include a high level of satisfaction in assisting another professional through the sharing of critical knowledge and experience. Mentoring complements ongoing training and development activities, while enabling the mentee to develop new and/or different perspectives
(Missingham & McKenzie, 2001). Previous CPA Australia learning continuum manager Deirdre Missingham (cited in Anonymous, 2001, p. 32) suggested that the “generosity of spirit and depth of professional experience that our volunteer mentors bring is undoubtedly one of the keys to its success”.

Missingham (cited in Anonymous, 2001, p.32) identified a further key to the success of the mentoring program as the “mentee's clear recognition that, while they themselves are responsible for their own development, a mentor who can help guide them toward their professional goals, as part of a flexible and structured program is a structured asset”. One mentee noted “practical advice” as the most important factor in the mentoring relationship (Anonymous, 2001, p.33). Another elaborated on the benefits he had gained from the program:

The mentor program and my mentor provide broad direction and support to ensure particular skills and goals are to be achieved in a certain period of time. … I have discussed some of the difficulties I have encountered at work and David has suggested ways to resolve these. We have also discussed some of the activities and tasks in the mentor program which I have been required to complete within a set timeframe. My mentor is a very helpful and enthusiastic person. David provides assistance and guidance and suggests ways to improve my work performance. David takes a genuine interest in my professional development and I find it useful to discuss my long-term career goals with him (cited in Anonymous, 2003c, p.5).

Various training and development opportunities are offered to mentors and mentees. One mentee reported on his training experience:

David and I have attended the CPA mentoring communication training workshop. From the workshop I gained a deeper insight into the mentor program, my role as a mentee and David’s role as a mentor.

Webb (2003) notes several challenges for CPA Australia in relation to the mentoring program including understanding of the mentoring relationship, the large numbers involved and issues relating to remote and regional Associates. Having enough mentors for Associates who cannot obtain their own mentor is a significant issue of concern. To this end, mentees are strongly encouraged to nominate their own mentor (a non-refundable administration fee is imposed for access to the CPA Australia database of volunteer mentors) (Anonymous, 2003a, CPA Australia 2005).

The other major issue relates to the changing profile of the accounting graduate with the growing complexity of the profession. Sexton (2003, p. 26) cites Professor Peter Wolnizer, Chair of CPA Australia’s professional education board, and Dean of the Faculty of Economics and Business and Professor of Accounting at the University of Sydney who stated:

The CPA program has changed with the times because more and more CPAs are gaining higher degrees. If we look at the implication of professional life-long learning, the CPA Program is now uniquely located in a continuum of education, as well as meshing [through the mentor program] with professional experience.

Over the last 10 years there has been a proliferation of professional coursework masters degrees across a broad spectrum of business-related disciplines. It reflects the growing complexity of the profession, and is also evidence of the recognised need on the part of business professionals to engage in continuous and ongoing learning.

Margaret Webb (cited by Sexton, 2003, p.26), manager of education development at CPA Australia and manager of the mentor program has suggested that changes are likely to be made in the mentor program over coming years to reflect this higher intake of masters graduates the program will now get. The mentor program currently develops two levels of practical competency in candidates as they progress through the program and their working careers. Webb believes it may be necessary to introduce a third level to cater for the greater professional experience masters graduates are likely to have. “The practical experience of the mentor program is driven by the level our candidates are working at, so a third level of competency may require supervision of higher-level staff or greater strategic contribution at a higher level in the company” (Cited in Sexton, 2003, p. 26-27)
4. DEVELOPING A FRAMEWORK FOR MENTORING AT CPA AUSTRALIA

The mentoring program at CPA Australia is tailored to meet the needs of new entrants in the accounting profession; specifically providing structured guidance in the development of practical skills, and adjustment to organisational culture and processes, without being too prescriptive. The nature of the program incorporates a degree of flexibility allowing those involved to focus on the needs of mentees at that particular time, in that particular place of employment. An approach similar to that developed for academic mentoring could be used by CPA Australia to extend mentoring beyond the ‘entry years’, and harness the skills and experience of well established professionals, both within the organisation and the profession in general (see Table 2).

**TABLE 2: THE RELATIONSHIP BETWEEN CAREER STAGE, PROFESSIONAL DEVELOPMENT AND MENTORING FOCUS FOR ACCOUNTANTS**

<table>
<thead>
<tr>
<th>Career Stage</th>
<th>Professional Development</th>
<th>Mentoring Focus</th>
</tr>
</thead>
<tbody>
<tr>
<td>New entrant</td>
<td>Administration – procedures</td>
<td>Guidance and support</td>
</tr>
<tr>
<td>Earning of professional</td>
<td>Development of practical skills</td>
<td>Development of the nine specific competencies (as discussed on p.4).</td>
</tr>
<tr>
<td>qualifications</td>
<td>Career planning/paths</td>
<td>Transmission of organisational culture (value and attitudes)</td>
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<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Career establishment</td>
<td>Career goals</td>
<td>Interpersonal skills</td>
</tr>
<tr>
<td></td>
<td>Administration</td>
<td>Leadership skills</td>
</tr>
<tr>
<td></td>
<td>Technical skills</td>
<td>Time management</td>
</tr>
<tr>
<td></td>
<td>Client management</td>
<td>Team building skills</td>
</tr>
<tr>
<td></td>
<td>Develop mentoring skills</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Administration</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mentoring activity</td>
<td>Transfer of corporate knowledge</td>
</tr>
<tr>
<td>Career exit – ‘retirement’</td>
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</tbody>
</table>

As can be seen from the few ideas outlined in this table mentoring would be of benefit to accountants at all stages of their career: contributing to their own job satisfaction; the development of others and the organisation. Once the current program at CPA Australia is well established and formally evaluated the introduction of a program designed for those with more established careers needs to be examined.

5. CONCLUSION

The effective, on-going development of professionals has been debated for many years, and various different approaches to development have been tried. Mentoring, in many forms, has perhaps been the most enduring, and the benefits acquired by companies and individual participants are widely recognised. The recent adoption of a more formal mentoring program within CPA Australia is a reflection of its widespread acceptance. As yet the ‘newness’ of the program does not enable us to examine its value or contribution in addressing the difficulties being faced by the accounting profession, particularly in the areas of job satisfaction and staff retention. However, the comments offered above suggest that many positive experiences have already been achieved. The mentoring program itself provides continuing professional development for both the mentor and the mentee, and will have a progressive and continual role to play within the accounting profession as mentees move into the role of mentors. Further examination of the on-going effectiveness of the CPA Australia program will provide more insight into its effectiveness, and the benefits achieved in due course.

A framework has been introduced that suggests the tailoring of a mentoring program for different types of employment for each career stage, and provides examples of the different focus for mentoring and development activities. At this stage this is only a tentative proposal, but does serve to indicate the further benefits that can be gained for accountants, the profession, and the relevant organisations.
VI. REFERENCES


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