

INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS OF UGANDA GRADUATE TRACER STUDY AND EMPLOYERS' EXPECTATIONS SURVEY REPORT

BACKGROUND

The Institute of Certified Public Accountants of Uganda (ICPAU) is the national body for accountants in Uganda. It was established in 1992 by an Act of Parliament now replaced with the Accountants Act 2013 (TORs, 2018). The functions of the Institute are to;

1. regulate and maintain the standard of accountancy in Uganda, and
2. prescribe and regulate the conduct of accountants and practicing accountants in Uganda.

The Accountants Act, 2013 mandates ICPA(U) to conduct accountancy examinations for their approved courses. Currently ICPA(U) conducts examinations for three course namely;

1. Accounting Technicians Diploma (ATD),
2. Certified Public Accountants (CPA), and
3. Certified Tax Advisor (CTA).

ICPA(U) examinations are conducted from seven (7) Examination Centers namely: Arua, Fort Portal, Gulu, Kampala, Mbale, Mbarara and Nkozi. Cumulatively, more than 4,800 students have completed ICPA(U) courses i.e. 1689 students have completed the Accounting Technicians Diploma (ATD) course; 13 students have completed the Certified Tax Advisor (CTA) course and 3119 students have completed the Certified Public Accountants (CPA) course.

ICPA(U) courses have been conducted for more than 20 years and graduates have gained employment in different sectors and establishments within and outside Uganda. However, there was inadequate information in respect of these graduates in terms of career progression, performance, employers' satisfaction and impact of their work on their respective organizations and the wider society.

It is against this background that a graduate tracer study and employers' expectations survey of the CPA(U) Graduates was undertaken in 2019 to assess graduates' employment and career status following their completion of ICPA(U) courses. The study also analyzed the wider economic and social impacts of accountancy training. More specifically the study sought responses to the following questions;

1. What is the current employment and career status of ICPA(U) graduates?
2. Are the ICPA(U) graduates meeting the competence, skills, values and attitude expectations of their employers?
3. What are the social and economic enablers and barriers facing ICPA(U) graduates in securing valued employment?
4. What skills and qualities will ICPA(U) graduates need to be successful in the future?
5. What changes are likely to impact the future of the accountancy profession in Uganda?
6. What is the perceived social and economic impact of ICPA(U) (accountancy) training in Uganda?

STUDY DESIGN

The study employed a descriptive, cross-sectional survey research design to describe the current state of affairs as is, in order to propose actionable strategies to improve the quality of CPA(U) courses, their delivery and overall employability of CPA(U) graduates. The Team selected eight (8) districts which had the biggest concentration of CPA(U) graduates from 2010-2015, i.e. Kampala, Wakiso, Mbale, Soroti, Masaka, Mbarara, Gulu and Arua. The survey targeted all graduates irrespective of where they were located as long as they could be reached on phone, email or physical contact. The contact lists of the graduates and their current employers was secured from ICPA(U) database. All the 1215 ICPA(U) graduates (2010-2015) and their current employers were eligible to participate in the study.

A survey questionnaire was developed, peer-reviewed for clarity, sequencing and relevance. The tool was thereafter pilot tested on ten (10) CPA (U) graduates who did not participate in the final survey. The modified tool was physically distributed to the sampled graduates. Upon realizing that the return rate was poor, and therefore the findings could not be generalized, the Team designed an online survey monkey tool to reach as many graduates as possible. Eventually, 301 graduates completed the questionnaire.

Additionally, the Team held face-to-face interviews selected employers as key informants. Eight (8) employers were interviewed out of the targeted ten (10). Findings from both the questionnaire and interviews conducted were supplemented by a review of relevant documents. Qualitative data were analyzed using content and thematic analysis, while quantitative data were analyzed using SPSS for basic and inferential statistics where applicable.

The following were the study limitations:-

- (i) There was notable apathy on the part of some graduates to complete the questionnaire.
- (ii) Being a largely postgraduate training course, it was difficult to delineate the knowledge, skills and attitudes acquired from ICPA (U) and those acquired during training undertaken at other education levels and elsewhere including on-the-job training
- (iii) Low return rates on the on-line graduate and employer questionnaires, which would have tremendously reduced field visits, time taken and data entry costs.
- (iv) It was difficult to schedule face-to-face interviews with some of the employers, most were not available for the interview.

STUDY FINDINGS

Graduate's bio data

Majority of respondents (298, 99%) had CPA (U) qualification and only 3 (1%) attained ATC qualification. This means that the study findings presented in this report were in favor of CPAU graduates. Of the total respondents, 202 (67.1%) were male and 73(24.3%) were female, while 26(8.6%) did not indicate their sex. Therefore, there were more male graduates who participated in the study compared to the females.

Most the respondents (165, 54.8%) completed the CPA(U) qualification between 30-39 years old, 91(30.2%) completed between 20-29 years old, 41(13.6%) completed between 40-49 years old and 4(1.3%) of the graduates were over 50 years old when they completed the Course. This

implies that most Graduates join the accountancy profession when they are relatively young, energetic to serve and have a relatively long professional career.

Current employment and career status of ICPA (U) Graduates

Majority of graduates took some time after their 1st degree before enrolling for the course, however, they were gainfully employed by the time they completed CPAU qualification, and continued in employment related to the profession after attaining the qualification. 32.7% graduates were promoted immediately after they obtained the CPA (U) qualification. Only 13% indicated being employed in a job not related to their qualification. At least 22% of the respondents indicated a level of unsatisfactory employment even with their Qualification but a substantial majority indicated positive career progress since completion of the CPAU study programme. This implies that ICPA (U) is a value-adding institution and that the professional qualification is relevant to formal employment.

Majority (87, 28.9%) of the sampled graduates are employed in Central Government agencies, followed by International Companies/NGOs (58, 19.3%), Local Government (32, 10.6%), private local companies (35, 11.6%), Audit Firms (13, 4.3%), Local NGOs and Financial Institutions (14, 4.7%) and other institutions, i.e. faith-based institutions, private business (22, 7.3%). Twenty six respondents (8.6%) did not indicate in which sector they were employed, while 4(18.2%) indicated that they were unemployed. Therefore, Government is the major employer of the CPA graduates followed by international organizations. Given that 266 (88.4%) of the 301 sampled graduates are formally employed, it was concluded that courses offered by ICPA are relevant to the job market.

Graduates meeting the competences (skills, values, attitudes) and expectations of employers

The CPA (U) professional course has largely contributed to the development of several attributes and competences among graduates including field-specific theoretical knowledge; practical knowledge/skills; attitudinal change and perception to work; analytical competences; problem solving ability; ability to take initiative; assertiveness, decisiveness, persistence; accuracy and attention to detail; planning, coordinating and organizing; applying rules and regulations; getting personally involved; written communication skills; adaptability; team building/working skills; communication skills; people management skills; influencing skills; customer orientation; negotiation skills; ethical conduct and providing professional solutions to workplace challenges. However, ethical conduct was a major point of discussion among the employers with some words of caution to the Institute regarding leadership, the need to jealously guard the integrity of the members and quality of services offered by members.

Skill sets needed other than what was taught formally on the Course

In addition to what is currently taught, Graduates also need other skills including computer literacy/technology, project management skills/leadership, innovation/pro-activeness, analysis and interpretation, multi-tasking/delegation skills, report writing skills, URA portal, NSSF portal use, change management, entrepreneurship skills, marketing skills, personal management, and time management. Graduates and employers emphasized the need to imbed ICT in CPA courses. Graduates noted that technology has highly impacted their work by increasing and improving work efficiency and reducing workload, easing access to information, enhancing electronic

transactions, improving communication and work efficiency, increasing artificial intelligence, electronic transactions, learning at work and reducing cost of doing business.

Socio-economic enablers and barriers facing ICPA (U) Graduates

The following were highlighted by Graduates and employers as facing Graduates' at the workplace:-

Enablers	Barriers
a) Confidence gained upon completion	a) Inadequate communication with other professions
b) Increased responsibility	b) Lack of growth opportunities
c) Conducive environment	c) The accountancy law is autocratic and forcefully conscripts members into membership
d) The law making it mandatory to acquire the qualification	d) There is a gap between what is learnt and the practice
e) Opportunities for training abroad	e) High expectations from graduates after completion may not be met
f) Opportunities for career progression and the need to grow	f) Less pay compared to other professions
g) The accounting profession is protected	g) Busy schedules
h) Payment of subscription fees	
i) Increased annual salary	
j) Facilitation for CPD trainings	

Source: Primary Data, 2019

Skills and qualities needed by ICPA (U) graduates to be successful in the future

The skills and qualities ICPA (U) graduate needs range from IT-oriented requirements through business focus to soft skills. These include: IT and ICT skills, Automation of processes, IT security, Data analytics, combining IT and Accounting, Artificial intelligence (AI), Web-based audit, skills to support business decision making processes, advising on a wide range of business aspects specifically financial, sales and marketing, and public sector auditing. The Graduates also need soft skills such as coping with the increasing changing environment, negotiation skills, customer care, integrity and interpersonal relationships.

Changes likely to impact the future of the accountancy profession

The pessimists predict that heavy workloads and the tendency to report wrong information could negatively affect the future of the profession. They further predict: “...*accounting is routine and automation will soon eliminate it totally.* On the other hand, the optimists project: “*risk management presents a clear opportunity for the Accountants,*” and note the need for all professionals to embrace IT in the execution of their duties. Another key opportunity that stood out clearly concerns partnership with different professions which has the potential to leverage high level synergies: “*imagine a firm where one partner is an accountant and another one a lawyer. This is a perfect partnership.*”

Perceived social and economic impact of ICPA (U) training in Uganda

Socially, ICPA (U) facilitates the graduates to have both vertical and horizontal mobility in the job market. In addition, the professional gatherings were considered fundamental in promoting

networking among members. Members participate in community services to support societal initiatives thereby contributing to social transformation of the society.

From the economic viewpoint, the impact was more personal than societal. For example, respondents cited the impact of improved incomes via salary and other remunerations and job related perquisites. The other impact alluded to was opportunity to gain employment and the status that comes with it. Perhaps the most positive impact cited was overall improvement in the quality of the work of accountants which translates into better service delivery.

CONCLUSION

ICPA (U) is a value-adding Institution and the professional qualification is relevant to the employment and career status of its Graduates. Taxation, accounting and auditing remain critical to the accountancy profession. However, the current Course should be enriched with entrepreneurial skills, customer orientation and focus, negotiation skills, people management skills, communication, taking initiative and ethical conduct.

A number of social and economic enablers and barriers facing the graduates are environmentally-driven, but some are profession-specific and as such may necessitate action. Among the enablers is the increased confidence of the Graduates upon completion of the course, which boosts their efficiency and respect from peers. Notable barriers include limited growth opportunities and inadequate efforts to link theory to practice during training.

The major skills and qualities required of a future accountant rotate around technical, business and soft skills. The technical skills still remain those offered during training with a positive bias towards taxation, accounting and auditing. However, a future accountant needs more analytical skills, IT skills and systems knowledge to support the key technical skills. The accountant needs business skills including financial management, sales and marketing, public sector auditing and entrepreneurial skills. The soft skills that are critical to a future accountant include interpersonal and communication skills, change management, and leadership skills.

The fast-paced technology is likely to impact the future profession of accountancy in Uganda. Technology is increasing efficiency and lowering costs of delivering accountancy services. The future also presents opportunities for partnerships and collaborations, implying a lean, but more globally focused profession. Nonetheless, IT and artificial intelligence is very much anticipated to cause mass employment of accountants.

Training in accountancy in Uganda provides a foundation to for members to grow intellectually, socially and economically. This way, the profession benefits the individuals, organizations where they work and the Uganda at large.

RECOMMENDATIONS

The following recommendations are made arising from the findings:

1. Review of the CPA and ATC curricula taking into account the papers graduates have recommended for dropping or merging and those ranked as less relevant than others. The review should be informed by an in-depth survey involving all key stakeholders. The review needs to focus on reviewing the multiple qualifications under ICPA (U), more practical skills

than theoretical knowledge, making internship mandatory requirement before graduation with CPA, and the skill sets needed by a future accountant in the Fourth Industrial Revolution.

2. The Institute should scale up its branding so that it is also reflected in the offices of the Institute and in the training institutions.
3. Establish essential partnerships with key stakeholders such as URA, Uganda Law Society, the Private Sector and international accountancy bodies. Further, ICAP (U) should benchmark best practices and build capacity of trainees for the global market with ease of transferability to other international accountancy bodies.
4. The Institute should in collaboration with relevant agencies strengthen the weeding out of illegal practicing firms.
5. The Institute should endeavour to generate measures for increasing the demand for services of its Members through creation of awareness among the consumers of Accounting, Taxation, Auditing and other advisory services to appreciate the employment of qualified individuals and recognised accounting firms.