

## From Compliance to Alliance

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*Embracing a modernised competency  
framework in pursuit of sustained  
relevance in the future world of work*

*presented by*

**Anton van Wyk** M. Com CA(SA)



(innovate)  
***“You can’t change what***  
(appreciate)  
***you don’t acknowledge.”***  
- Phillip C. McGraw

**The case for innovation**

# The case for innovation

***“Progress is impossible without change, and those who cannot change their minds cannot change anything”.***

- George Bernard Shaw

- The major drivers for **innovation** in the audit profession
    - Perception
      - Quality
      - Complexity
      - Human capital
      - Growth and sustainability
      - Development
- 



# The backdrop to positive disruption

From...



To...



Public | Colleagues | Profession | Clients | Employer  
Stakeholders



# A new approach to lifelong learning

**Input-based model**



**Outcome based model**



# The first step...

- **International Accounting Education Standards Board (IAESB)**
  - International Education Standard (IES) 7, Continuing Professional Development (Revised)
  - The IRBA adopted a new CPD policy applicable to **all RAs**.
  - The policy is effective from **1 January 2020**.
  - To comply, RAs are required to:
    - Complete the **mandatory annual CPD activities**; AND
    - Apply the **IRBA CPD Framework** at least annually.

# Mandatory annual CPD activities

## Ethics

- Plan for, complete and record relevant learning and development activities on ethics **annually**.
- During a reporting period (calendar year) an RA shall complete a minimum of **three hours** of relevant learning and development activities on ethics.

## Audit and assurance

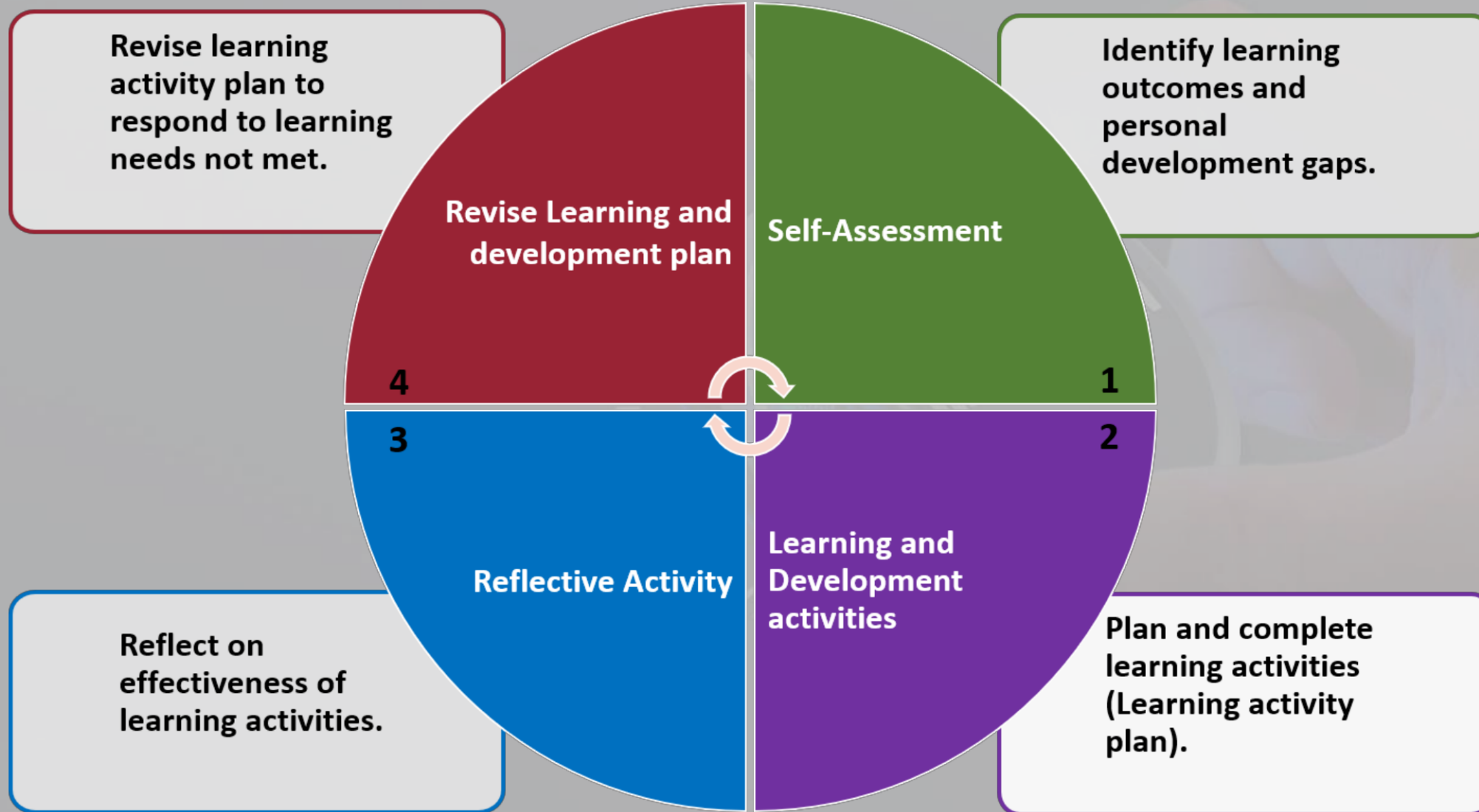
- Perform **self-assessment activities** on audit and assurance topics annually, to identify relevant learning outcomes and personal development gaps and complete **learning and development activities** to address these gaps.

## Other

- Any **additional areas** published by the IRBA.



# The IRBA CPD Framework



**Source:** (IFAC IES7 (Revised) implementation support materials)

# Self-assessment – why?

## What is my objective as I complete the self-assessment as required by the IRBA's CPD policy?

The purpose of completing the self-assessment is to identify your personal development gaps and learning outcomes that you will then address through completing relevant CPD activities. The self-assessment is the process that you will follow to identify your personal development gaps and learning outcomes. individual

## What should I document as I complete the self-assessment?

You should document the following as you complete your self-assessment:

- Your current role and the responsibilities of your role;
- Your future role and responsibilities thereof, as applicable;
- What you considered in performing your self-assessment;
- The specific learning outcomes and development gaps that you identified; and
- How you identified your learning outcomes and development gaps.

## Will I be non-compliant with the CPD policy if I do not complete the self-assessment?

Yes. Not completing the self-assessment is considered non-compliance with the CPD policy.

## How do I complete the self-assessment?

Different activities can be used to gather information when identifying relevant learning outcomes and personal development gaps including the following:

Competencies required in your current role.

Competencies required in your future role.

Feedback from your firms internal and external quality reviews.

Feedback from the IRBA including the public inspections report.

Changes to laws, regulations, standards, processes and technology that affect your current and future roles.

Performance feedback from your firm and other relevant stakeholders.

Personal learning needs.

Developments within the industry in which your clients operate, e.g. insurance, REITs, public sector.

## Does the IRBA prescribe any areas that I must consider as I complete the self-assessment?

Yes. The IRBA prescribes that you consider the following as you complete your self-assessment:

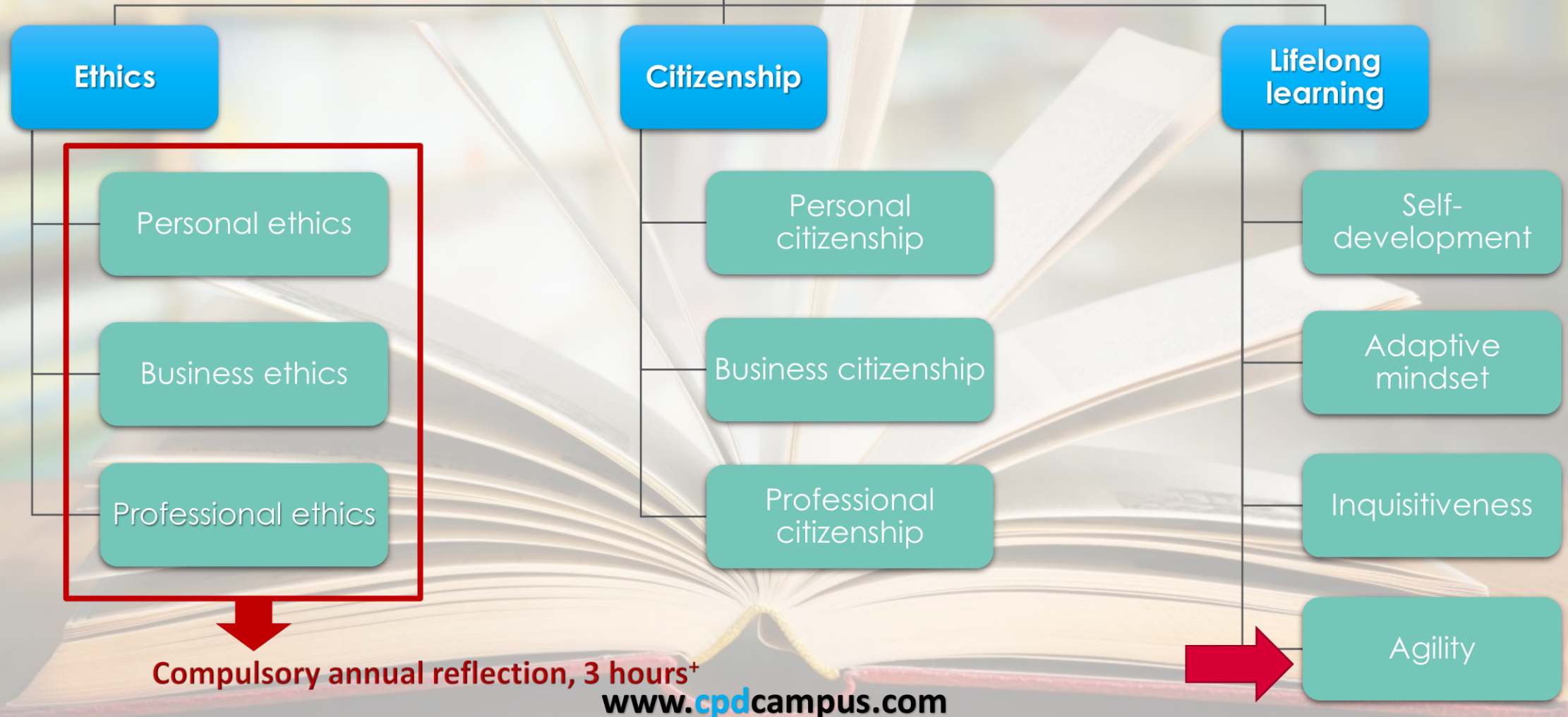
**Ethics:** The policy requires that you plan for, complete and record relevant learning and development activities on ethics annually. As part of your self-assessment you will identify your learning outcomes and personal development gaps that you will address through the ethics learning and development activities that you complete [Section 3.7].

**Audit and assurance:** The policy requires that you consider audit and assurance topics in your self-assessment and whether you have any learning and development needs. This requirement applies to both RAs with an assurance status and RAs with a non-assurance status. You will only complete relevant learning and development activities to address the development gaps identified [Section 3.9].



## Competency Group 1

Professional values and attitudes

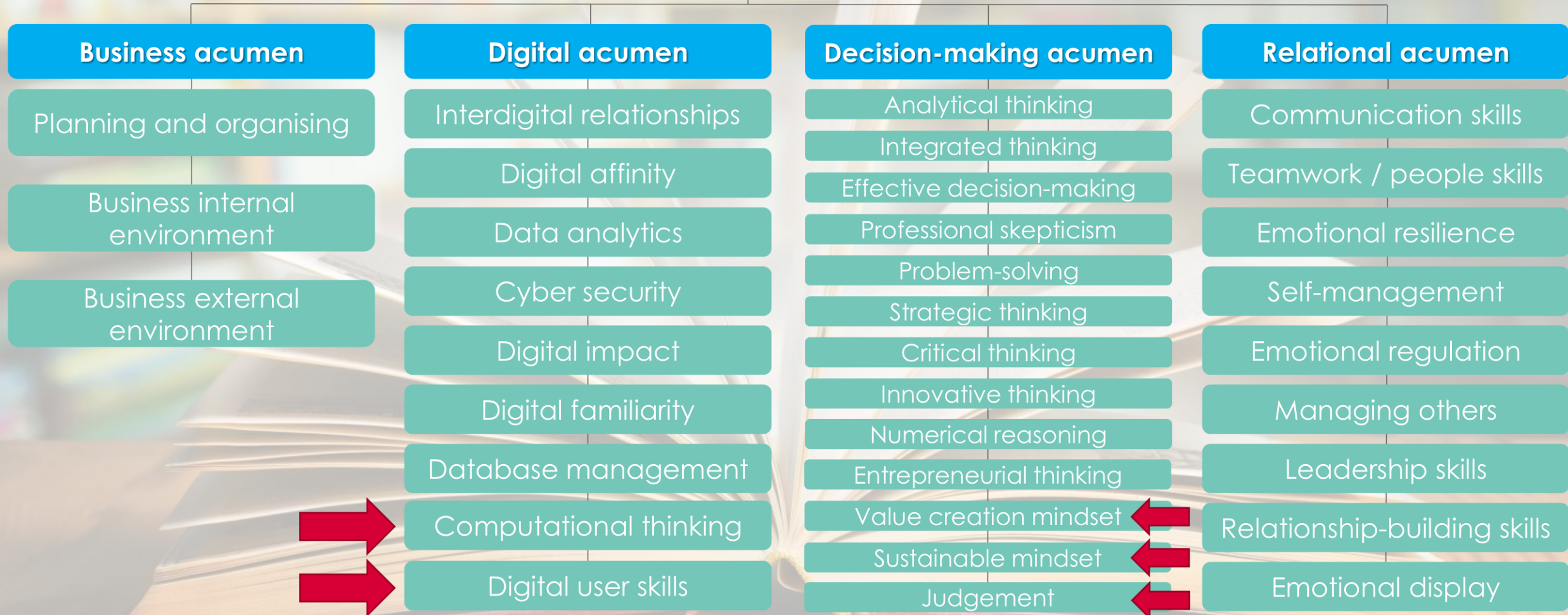




# The skills taking the RA into the future



## Competency Group 2 Professional and leadership competencies



## Competency Group 3

### Technical competencies

#### Inputs

Strategy and governance to create sustainable value

Tax planning

Financial management

Governance model

Business strategy

#### Business activities

Stewardship of capitals:  
Business process and risk management

Reporting fundamentals

Risk and asset management

Business system applications

Review, analyse, and monitor

Business processes implementation

Change management

New developments and protocols knowledge

Automation management

Decision-making to increase, decrease or transform capitals

Internal financial decision-making

Investment decisions

Stakeholder management

Resource mobilisation

Managing uncertainty

Operational decision-making

Design and innovate

Project implementation

Drawing conclusions

#### Outputs leading to outcomes

Reporting on value creation

External financial decision-making

Providing advice

Compliance

Tax governance

Laws and regulations

Assurance and related services

Assurance engagements

Quality assurance

Audits of historical financial statements



# Learning and development activities

## What do I do once I have completed my self-assessment activity?

Step 1: Learning outcomes and development gaps have been identified through the self-assessment activity. These relate to your technical competencies, professional skills and professional values, ethics and attitudes.

Develop learning plan with learning and development activities to address your learning outcomes and development gaps identified.

Reflect on activity and update learning plan as necessary.

Execute activity.

Following the development of the learning plan, upon completion of each learning and development activity the RA would reflect on the activity and make revisions to the learning plan as necessary.

## What must I consider as I develop my learning plan and identify my learning and development activities?



### Relevant

Guidance to the CPD policy: Q11, Q13, Q14 and Q15.



### Targeted

Activities must be targeted to address your learning outcome both in terms of breadth and depth of knowledge/skill you need to develop.



### Learning Style

Identify activities that are suited to your learning style.



### Innovative

Be innovative and embrace technology as you identify different activities.



### Work activities

As you develop your learning plan identify work activities that will address your learning outcomes and development gaps.

## Some examples of learning and development activities



Attending training, watching webinars, listening to podcasts, reading articles, papers and journals.



Commenting on local and international standards, review of ADP POEs, writing articles, setting examinations, preparing/presenting training, relevant work activities.



Participating in committees, mentoring, coaching.



Completing post graduate degrees, short courses, etc.



## Mandatory CPD activities

RAs shall perform learning and development activities on ethics annually that address the RAs personal learning outcomes and development gaps. The learning and development activities undertaken shall include activities that assist the RA to comply with the IRBA Code of Professional Conduct for Registered Auditors [Section 3.7].

RAs shall also perform learning and development activities to address the learning outcomes and personal development gaps identified through the mandatory self-assessment activity on assurance topics [Section 3.9].



# Reflective activity, revising my plan

## What is the objective of doing the reflective activity?

 The objective of the reflective activity is to assess progress made in achieving my learning outcomes, following the completion of the learning and development activity(ies).

Therefore one would reflect on:



- What were the key learnings from the activity?
- How will I incorporate what I have learned into my work?



- How did these learnings contribute to me fulfilling my learning outcomes in terms of content covered and the depth of knowledge/skill that I developed?



- How effective was my learning?
- If my learning was not as effective as I anticipated, what were the reasons for this?

## What are some of the tools/inputs that I can use as I do the reflective activity?



An effective self-assessment.



Feedback from others such as colleagues and clients and including performance appraisals.



Results of assessments on completion of the activity.



Effective application of the learning outcome in my work.

 Set aside sufficient time to do the reflection.

 Complete the reflection timeously after the learning activity is completed.

 Be honest as I do my reflection.

## Revising my plan

From my reflection I found that:

The content of my learning activity was not appropriate to achieve my learning outcome.

The content of my learning activity was appropriate however I did not achieve the depth of knowledge/skill I require.

The type of learning activity that I selected did not result in effective learning.

The learning activity achieved the content and depth of knowledge/skill that I required.

## Revisions to my planning could be:

Revise my self- assessment to more accurately specify my learning outcomes and development needs in terms of the depth of knowledge/skill I require.

Revise my learning and development plan for additional learning outcomes and activities based on my reflection.

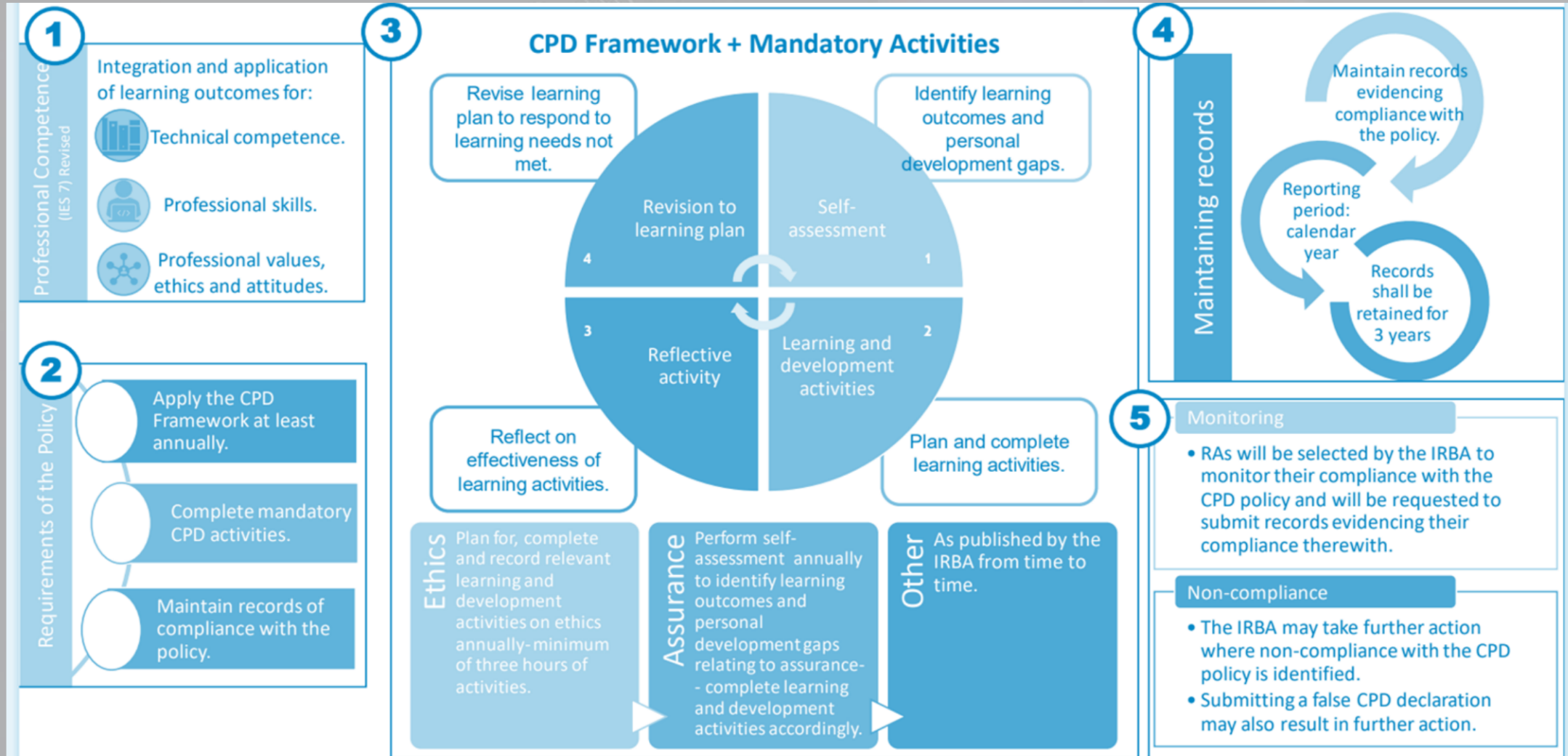
Identify additional learning and development activities to deepen my knowledge/skill on this learning need.

What does it mean in terms of my work if my development gaps remain after I have completed the CPD activity, e.g. do I need to supplement my teams with the required skills? Do I need to use an expert to assist me in this area?

Include additional learning outcomes on my self assessment.

Identify different and more effective learning activities better suited to my learning need and style.

# In summary – a toolkit to start with



# The key take-away today

- Remember: innovate, or disintegrate...
- Make the mind shift about why change is necessary
- Identify the opportunities to innovate
  - **In**novation starts from within
- Use the tools available to equip yourself for the future world of work
- **Innow**vate, don't procrastinate
- Start small... but start!
- Step up and **LEAD!**

## Ignite your passion



To what level are YOU ready  
to take this profession? 😊

# Questions

Thank you for the opportunity

**[www.cpdcampus.com](http://www.cpdcampus.com) / [info@cpdcampus.com](mailto:info@cpdcampus.com)**

**CPD Campus** is in the business of **solving CPD headaches** by providing learning solutions **to RAs** that ensure compliance with outcome based CPD policies, whilst achieving sensible professional development at the same time.