A Survey of
Accounting Firms' Managers' and
Trainees' Perceptions of
Diversity Management in
KwaZulu-Natal, South Africa

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Abstract
There is a shortage of black chartered accountants, with some progress being made in transforming the industry. Accounting managers must be prepared to effectively manage the increasing diversity of the profession.

The primary objective of the study is to determine KZN accounting firms' managers and trainees perceptions of diversity management in the accountancy profession. The study consists of relevant literature review and it was sourced from journal articles, websites, textbooks and newspaper articles. A prospective, descriptive and analytical, cross-sectional design, using systematic sampling, was employed. The responses of 44 accounting managers and 90 trainees were analysed.

The conclusion reached is that incongruities between managers' and trainees' perceptions of managerial diversity efforts and the equity of remuneration call for greater transparency in existing and future diversity management practices. While the CA Charter remains the guiding professional piece on diversity, poor awareness and the lack of targets/benchmarking may fuel the divided perceptions. The language and

race-based attachments of both trainees and managers are reminiscent of the divisive and exclusive history of the profession. There is still much work to be done in the way of changing perceptions, attitudes and behaviours, before diversity can be effectively managed.

Keywords: Diversity management, accounting firm, accounting firm managers, trainees, accountancy profession, KwaZulu-Natal, South Africa

Introduction

In South Africa, there is only one accounting body, The South African Institute of Chartered Accountants (SAICA), that manages the designation Chartered Accountant (South Africa) – CA (SA). To become a CA (SA), one must complete university studies (Bachelors degree in accounting and Certificate in theory of accounting), a training contract, qualifying examinations (part I and part II) and register with SAICA in order to use the designation CA (SA). Chartered accountants work in the public sector, private sector and in government.

The official SAICA statistics indicate that, in the apartheid era in South Africa, Whites dominated the accounting industry, almost exclusively constituting the profession (Table 1). The under-representation of black CAs in the profession is a direct result of race-based exclusion in the profession prior to democracy (Khumalo 2009). In the post-apartheid era, the accountancy profession in South Africa is becoming more diverse, with previously disadvantaged races now having access to the prestigious chartered accountancy career. While the elimination of discrimination and the provision of equal opportunities are essential steps forward in the social and economic progress of nations, strong opposition to discriminatory practices in South Africa has only become evident in the past last two decades (Perumal 1994; Hammond *et al.* 2008).

	White		Asian		Coloured		African		Other		Total	
	n	%	n	%	n	%	n	%	n	%	n	%
1930s	88	100.0	0	0.0	0	0.0	0	0.0	0	0.0	88	100.0
1940s	325	100.0	0	0.0	0	0.0	0	0.0	0	0.0	325	100.0
1950s	793	99.9	0	0.0	0	0.0	0	0.0	1	0.1	794	100.0
1960s	1312	99.5	2	0.2	2	0.2	0	0.0	2	0.2	1318	100.0
1970s	1909	97.3	45	2.3	4	0.2	1	0.1	2	0.1	1961	100.0
1980s	3389	93.7	168	4.6	35	1.0	18	0.5	6	0.2	3616	100.0
1990s	7383	87.9	602	7.2	147	1.8	249	3.0	19	0.2	8400	100.0
2000s	9638	73.6	1711	13.1	502	3.8	1228	9.4	23	0.2	13102	100.0
Total	24837		2528		690		1496		53		29604	

Table 1. New Admissions to the South African Institute of Chartered Accountants (SAICA) by Decade (Source: SAICA Help Desk, Tyron Lewis, August 5, 2009).

Increasing the number of black accountants and auditors is a national imperative and all stakeholders are working to address this issue. The efforts to balance the scales of race and gender have started to bear fruit. The number of black candidates taking the CA qualifying examinations has increased dramatically in the recent past, and the pass rate of black candidates in the professional qualifying examinations, increased from 41% in 2007 to 73% in 2008 (Mulder 2008).

The current statistics reveal (Mulder 2008):

- Out of 28 483 CAs, a best ever 7 569 (26%) are women and 4 145 (14%) are Black;
- In the 20 to 25 age group, 44% of CAs are Black;
- In the 20 to 25 age group, females make up 52% of the group total;
- A record high 47% of CA trainees are currently black, while 50% of the total are women;
- In 2008, 17% of first-time qualifying examination candidates were African, 5% Coloured, 14% Asian and the remaining 64% White; and
- 33% CAs have a disability.

While the numbers may be viewed with optimism for transformation of the profession, the country's demographics are a stark reminder that the profession still has a long way to go (Khumalo 2009).

Problem Statement and Objectives

In the diverse and competitive South African environment, previously excluded racial groups in the chartered accountancy (CA) profession appear to be riding the wave of exclusion. South Africa has a shortage of black chartered accountants. This situation has arisen due to a combination of political, socio-economic and related educational reasons during the four decades of apartheid rule. In recent years, numerous academic ventures have commenced in an attempt to increase the number of black chartered accountants (Weil & Wegner 1997). The accountancy profession developed a CA Charter complying with the Broad-Based Black Economic Empowerment

(B-BBEE) Act with the aim of increasing the number of black people in the CA profession to more closely reflect the country's population demographics. These efforts are beginning to translate into a more diverse CA workforce, albeit very slowly. The goals of accounting firms will not be achieved if these personnel are not effectively managed. Managers in accounting firms need to develop diversity management skills to be effective in their job because this will result in improved productivity, reduced absenteeism, decreased staff turnover and increased employee job satisfaction (Swanepoel 2000). Managers in accounting firms are appointed to their positions without formal qualifications in management or training in diversity management. The purpose of this study is to assess accounting firms' managers' and trainees' perceptions of diversity management in the accounting profession, against the background of the changing demographic profile of the profession.

Diversity

The accounting firms' managers in South Africa are faced with a challenge of adapting to a workforce that is increasing in diversity. Diversity is the presence of people with subjective identities based on unique primary (inborn) and secondary (learnt) attributes in one social system (Cilliers 2007). These identities influence behaviour on the individual, group and organizational levels, leading people to behave in terms of power relations, subgroup affiliations and inter-group dynamics. Three categories of diversity have been described, namely, functional diversity which refers to differences based on organizational functions and tasks, business diversity which refers to products and services offered and workforce diversity which implies different types of employees with different types of attributes (Uys 2003a). Demographic diversity reflects the degree of mix of characteristics of the people who make up an organisation's workforce while cultural diversity refers to the full mix of the cultures and subcultures to which members of the workforce belong (Hellriegel *et al.* 2007).

There are several important primary and secondary dimensions of diversity. The primary dimensions of diversity include inborn differences or differences that can hardly change (unchangeable) and have an ongoing impact throughout one's life. These dimensions are age, ethnicity, gender,

physical abilities/qualities, race and sexual orientation. These dimensions are the core elements through which people shape their view of the world and are closely related to culture (Smit *et al.* 1997). The assumption is that the greater number of primary differences between people, the more difficult it is to establish trust and mutual respect. This leads to 'culture clashes' which could have devastating effects on human relations in the organization (Cilliers 2007). The secondary (changeable) dimensions of diversity can be acquired or changed throughout one's lifetime. These dimensions tend to have less impact than those of the core, but nevertheless have some impact on the way persons see the world. These dimensions are education, religious beliefs, military experience, geographical location, income, work background, parental status, communication style, and marital status (Smit *et al.* 1997). These dimensions normally add complexity to the individual's self-image. The interaction between the primary and secondary dimensions shapes the individual's values, priorities and perceptions. The assumption is that effective *human* relations among diverse employees in the organization are possible only when the differences are accepted and valued (Cilliers 2007).

Benefits Gained by Managing Diversity

Research results indicate that diversity management initiatives at organizations increased productivity, competitiveness and workplace harmony (Uys 2003a). Follow-up studies of diversity management drives, suggested improvements in the organisation's culture and fairer treatment of people of colour and women. Other research findings suggested that diversity management resulted in an increased understanding of the diverse needs of groups within the population, that creativity increased, that employees were more committed to the organization and that retention increased and absenteeism decreased (Uys 2003a). Theories and case studies on diversity management support the vision that, if managed well, diversity can help improve organizational effectiveness (Uys 2003a).

The advantages of managing cultural diversity effectively include (Nel *et al.* 2004):

- It stimulates, rather that stifles, individual participation and creativity;

- It increases the flow of ideas;
- It attracts and retains the best skills;
- It improves employer-employee relations;
- It increases the morale of the workforce, rather than create suspicions and hostilities amongst employees;
- It reduces tension, confusion and counter-productivity in the workforce;
- It leads employers to view differences as valuable assets rather than unwanted liabilities; and
- It increases the motivational levels of organisational members.

Results of Failure in Managing Diversity

Failure to manage the potential difficulties associated with diversity can lead to the following problems: high turnover costs, higher absenteeism, lawsuits, failure to compete well for talent and reduced organizational performance (Uys 2003a) Organisations that cannot change will be faced with higher employee turnover and higher recruitment and training costs. Employee conflicts that may result in sabotage or high absenteeism can be expected. Misunderstandings can lead to expensive discrimination litigation (Grobler 2006).

Managing and Valuing Diversity

There are three different methods or paradigms for managing diversity. The discrimination and fairness paradigm focuses on equal opportunity, fair treatment, recruitment of minorities, and strict compliance with the equal employment opportunity laws. Successful diversity management, therefore, is usually measured by how well companies achieve recruitment, promotion, and retention goals for women, people of different racial/ethnic backgrounds, or other underrepresented groups (Williams 2007). There are benefits of the discrimination and fairness paradigm: it does tend to increase demographic diversity in an organisation, and it often succeeds in promoting fair treatment of employees (Thomas & Ely 1996). The limitations of this paradigm is that its colour-blind, gender-blind ideal is to some degree built on the implicit

assumption that 'we are all the same' or we aspire to 'being all the same'. The company operates as if every person were of the same race, gender, and nationality. It is unlikely that leaders, who manage diversity under this paradigm will explore how people's differences generate a potential diversity of effective ways of working, leading, viewing the market, managing people, and learning (Thomas & Ely 1996).

The access and legitimacy paradigm focuses on the acceptance and celebration of differences to ensure that the diversity within the company matches the diversity found among primary shareholders, such as customers, suppliers, and local communities (Williams 2007). Thomas and Ely (1996) state that the strength for access and legitimacy paradigm is market-based motivation and the potential for competitive advantage that it suggests are often qualities an entire company can understand and, therefore, support. Thomas and Ely further state the limitation of this paradigm that organisations tend to emphasize the role of cultural differences in a company without really analysing those differences to see how they actually affect the work that is done.

The learning and effectiveness paradigm focuses on integrating deep-level diversity-differences, such as attitudes, personality, beliefs and values, into the actual work of the organisation. People feel valued not only on the bases of surface-level diversity (i.e., gender, race/ethnicity), but also for all their knowledge, skills, abilities, and experiences (Williams 2007). This new model for managing diversity transcends both discrimination and fairness and access and legitimacy paradigms. The learning and effectiveness paradigm promotes equal opportunity for all individuals, acknowledges cultural differences among people and recognizes the value in those differences and lets the organisation internalise differences among employees so that it learns and grows because of them (Thomas & Ely 1996).

Valuing diversity (or diversity awareness programmes) have evolved from moral and ethical imperatives to recognize and appreciate culturally diverse people (Uys 2003a). Programmes designed to 'value diversity' have made great strides in addressing diversity at the individual and inter-personal levels, but usually do not ascend to organizational level. Consequently, organizational issues and organizational systems are excluded from the process of redress (Uys 2003a). While valuing diversity aims to recognize and tolerate, managing seeks to harness and capitalize on sensitivity to

salient differences to create a more dynamic and competitive organizational culture (Uys 2003a).

Affirmative Action and Diversity Management

The pluralistic, proactive, inclusive, and long-term nature of diversity management contrasts with the group-based, reactive, socially exclusive, relatively short-term nature of Affirmative Action (Human 2005; Hunt 2007; Uys 2003b). Pursuing affirmative action (AA) alone, in the hope that the representation it brings about will contribute to the management of diversity in the organization is an ill-founded assumption which threatens to be more crippling to the organization than enabling. Optimizing the potential of the workforce is essentially a managerial task, best achieved through managing its inherent diversity. Affirmative action for equal employment opportunity is aimed at the elimination of discrimination against those persons previously treated unfairly by the employment policies and practices of a given institution (Perumal 1994). While affirmative action is necessary to correct past imbalances, it cannot be seen as diversity. Affirmative action is government initiated, whereas diversity is totally natural. Affirmative action is imposed by law on people and organisations. The acknowledgement of diversity, on the other hand, is a voluntary act of understanding other people (Bates *et al.* 2006).

Management of diversity enables the manager to move beyond affirmative action. Reasons for the shift in perspective are the frustrations being experienced in managing affirmative action, the growing tendency among employees to utilise differences and the world–wide battle for survival among companies (Greybe & Uys 2001). Managing diversity as a planned, systematic and comprehensive managerial process for developing an organisational environment in which all employees, with similarities and differences, can contribute to the strategic and competitive advantage of the organisation, and where no-one is excluded on the basis of factors unrelated to productivity (Grobler 2006). The goal of managing diversity, on the other hand, is more holistic – treating people as individuals, recognizing that each employee has different needs and will require different kinds of help to succeed (Inyang 2007).

The Challenges of Managing Diversity in the Accountancy Profession

Diversity management faces considerable challenges in the accountancy profession. The absence of benchmarks in the accountancy profession is a major limitation to managing diversity. In addition, the severe capacity and resource constraints in the accountancy sector places diversity management low on the priority list of many managers who do not recognize it as a strategic and urgent need. Accounting firms are large bureaucratic organizations, and change will, predictably, come slowly (Gay & Bamford 2007). The lack of accountability for diversity management within the accountancy profession enables the perpetuation of the status quo. Arguably the greatest challenge facing long-term, sustainable diversity management is the inequalities in education and training of future accountancy professionals. Current disparities in opportunities for education translate into differential access to employment (Inyang 2007). The accountancy sector is directly affected by the failure of the South African education schooling system to produce students who are adequately skilled in mathematics and accounting, and who are eligible for entry into institutions of higher learning. The inherent gender and racial disparities in primary and secondary education cannot be meaningfully corrected at the tertiary education level, and will inevitably manifest in the workforce. Diversity preparedness of accountancy managers and employees is lacking and will need to be addressed through awareness programmes and training. Diversity management would certainly not have been included in the conventional management skills set of many present managers in the system. In addition, many managers in the accountancy profession, particularly accounting firms, have little or no general management education, let alone formal training in diversity management.

In terms of race, the SAICA membership statistics indicates that blacks are still grossly underrepresented in the profession. Black Africans, who comprise 79% of the South African population, constitute a mere 5% of the CA profession. The gender statistics also reflect that the accountancy profession is dominated by males. The chartered accountancy profession has introduced a Charter that is in line with the Broad-Based Black Economic Empowerment (B-BBEE) Act (No. 53 of 2003). The South African

Government defines B-BBEE as an integrated and coherent socio-economic process that directly contributes to the economic transformation of South Africa and brings about significant increases in the numbers of black people represented in the economy (Dti 2003). The vision of the CA Charter is to grow the number of black people in the CA profession to reflect the country's population demographics and to empower and enable them to meaningfully participate in and sustain the growth of the economy, in the process of advancing equal opportunity and equitable income distribution (CA-Charter-Council 2008). The challenge for the CA Charter is to prove equal to the task of reversing the race-based exclusion in the accountancy profession.

A survey of the National Association of Black Accountants' (NABA) membership conducted by Howard University's Center for Accounting Education (CAE) in the United States of America reveals the following (DiversityInc 2006):

- Racial bias continues to impede black's career objectives. Of more than 400 survey respondents, nearly 60 percent feel their race has biased employer decisions. Almost half believe that higher-level work and advancement opportunities are disproportionately given to less-experienced white colleagues.
- Diversifying the workforce can temper these disparities, but hiring black accountants does not guarantee an environment of inclusion. An environment of inclusion requires the participation, more than the presence, of diverse groups.
- There are few visible role models for blacks in the industry.
- Firms are happy to hire blacks with middle- or upper- class backgrounds, because they believe these new employees will more quickly assimilate to the firm culture, but the majority of blacks do not come from such backgrounds, and these students sometimes feel alienated.

There is still the perception of white managers that black staff are not adequately skilled to produce work of equal quality as their white counterparts (Hammond *et al.* 2008). Blacks continue to feel that their

managers give them inferior tasks and allocate them to less important clients than their white counterparts, with many black accountants feeling like they are 'used as tokens'.

Language has historically been used in the profession as a tool of exclusion. While some black trainees are fluent in both English and Afrikaans, most are not (Hammond *et al.* 2008). Blacks, who are unable to communicate in Afrikaans, may face 'social closure' in a firm of predominantly Afrikaans speaking individuals, with detrimental social and professional implications. The white power structure of South African society is also reflected in the fact that the main professional journal, Accountancy SA, is published in English and Afrikaans only. When raised as a complaint in a letter to the editor in 1994, the editorial reply cited the large Afrikaans-speaking membership and the paucity of members of other language groups for the exclusion of the nine other official South African languages (Hammond *et al.* 2008).

Research Methodology

Objective: The primary objective of the study was to evaluate accounting managers' and trainees' perceptions of diversity management in the accountancy profession.

Study design and sampling: A prospective, descriptive and analytical, cross-sectional design was employed. The South African Institute of Chartered Accountants provided lists of managers and trainee accountants in accounting firms in KwaZulu-Natal, and respondents were accordingly drawn using systematic sampling. Every fifth (5th) manager (n=115) and every fourth (4th) trainee accountant (n=304) were selected from each list, respectively. This paper presents the preliminary results of the first 44 responses from managers and the first 90 responses from trainees available at the time of this analysis. Two parallel-worded versions of the questionnaires were used to collect data for accounting managers and trainees. Questions on diversity used a 3-point scale to assess attitudes and behaviours of managers and trainees. Ethical clearance was obtained from the Human Research Ethics Committee (HREC) of the University of KwaZulu-Natal.

Statistical analysis: All statistical analysis were two-sided and used the SPSS version 15.0 (SPSS Inc., Chicago, Illinois, USA). For all statistical

comparisons, the 5% significance level was used. Pearson's two-sample chi square tests were used to compare between Managers and Trainees for categorical nominal or ordinal variables.

Results
Table 2. Demographic Profile of Managers and Trainees

Features and descriptions	Managers		Trainees	
	Count	%	Count	%
Gender:				
Male	38	86.4%	44	48.9%
Female	6	13.6%	46	51.1%
Age in years:				
21 – 30	0	.0%	90	100.0%
31 – 40	14	31.8%	0	.0%
41 – 50	16	36.4%	0	.0%
51 – 60	10	22.7%	0	.0%
Above 60	4	9.1%	0	.0%
Race group:				
White	20	45.5%	22	24.4%
Indian/Asian	20	45.5%	22	24.4%
African	4	9.1%	42	46.7%
Coloured	0	.0%	4	4.4%

Of the 44 managers surveyed, 38 (86.4%) were male, with 40 (90.9%) of managers between the ages of 30 and 60 years. White managers constituted 45.5% of managers, Indian/Asian managers constituted 45.5%, while African managers constituted 9.1%. Of the 90 trainees surveyed, 44 (48.9%) were male, with all trainees between the ages of 21 and 30 years. White and Indian /Asian trainees comprised 48.8% of all trainees, African trainees comprised 46.7% and Coloured trainees comprised 4.4%. (Table 2)

Significantly, more managers reported ensuring that diversity is a non-negotiable agenda item at all relevant meetings in their firms than was reported of them by trainees (81.8% vs 39.5%, $p<0.05$). Only 38.6% of trainees reported knowledge of the CA Charter, in contrast to 86.4% of managers ($p<0.05$). 20.9% of trainees did not believe that remuneration in

their firm was regardless of sex, race, colour or creed, as compared to 4.5% of managers ($p<0.05$). The majority of both managers (63.6%) and trainees (60.5%) believed that their accounting firm should include a commitment clause regarding diversity in its mission statement. (Table 3)

Both managers and trainees believed that diversity programmes should be led by top management, followed by the Human Resource Department. Transformation managers and specialized diversity committees ranked lower in both groups. (Table 4)

Trainees felt significantly more attached than managers to individuals who were of the same race or spoke the same language as themselves ($p<0.05$). Both managers and trainees felt more attached to individuals who were of the same race or spoke the same language as themselves than to individuals who were of a different race group or spoke a different language as themselves. More managers (40.9%) and trainees (40%) were not attached to individuals who spoke a different language as themselves as compared to managers (31.8%) and trainees (26.6%) who were not attached to individuals from a different race. (Table 5)

Table 3. Behaviours and Perceptions of Managers and Trainees Regarding Diversity Management

	Managers (44)			Trainees (90)			Two-sample Chi-square
Adaptation to questions for trainees shown in parenthesis	**Yes %**	**No %**	**Not sure %**	**Yes %**	**No %**	**Not sure %**	
Do(es) you(r manager) ensure in your accounting firm that the employees represent the demographics of the country?	72.7	22.7	4.5	57.8	26.7	15.6	347
Do(es) you(r manager) address diversity barriers in	86.4	9.1	4.5	50.0	29.5	20.5	**.016**

your accounting firm in order to have a workforce that is productive and united?							
Does you(r manager) encourage social gathering of diverse employees in your accounting firm?	95.5	4.5	.0	77.8	17.8	4.4	.178
Do(es) you(r manager) ensure that diversity is a non-negotiable agenda item at all relevant meetings in your firm?	81.8	9.1	9.1	39.5	30.2	30.2	**.005**
Do you have knowledge of the CA Charter?	86.4	9.1	4.5	38.6	54.5	6.8	**.001**
Do you think the CA Charter is an excellent platform to qualify more Black Chartered Accountants?	59.1	13.6	27.3	32.6	11.6	55.8	.079
Is the remuneration in your firm regardless of sex, race, colour or creed?	81.8	4.5	13.6	46.5	20.9	32.6	**.022**

Does your accounting firm have an incentive scheme for managers who co-operate in the implementation of the diversity management programme?	38.1	47.6	14.3	9.1	27.3	63.6	**.000**
Do you believe that your accounting firm should include a commitment clause regarding diversity in its mission statement?	63.6	31.8	4.5	60.5	18.6	20.9	.160
Managing diversity in your firm lead to the following:							
Improve motivation	76.2	4.8	19.0	63.4	9.8	26.8	.576
Loyalty	66.7	19.0	14.3	63.4	12.2	24.4	.563
Commitment	76.2	9.5	14.3	64.3	11.9	23.8	.613
Self-confidence	81.0	4.8	14.3	68.3	9.8	22.0	.561
Enthusiasm	71.4	9.5	19.0	59.5	14.3	26.2	.650
Dignity	90.5	4.8	4.8	65.9	12.2	22.0	.107
Stress decreases	52.4	19.0	28.6	36.6	26.8	36.6	.487

Table 4. Leadership of Diversity Management Programmes

	Managers (44)	Trainees (90)	Total
Who should drive diversity programmes for the accounting firm to achieve business excellence?	**Ranking order**	**Ranking order**	**Ranking order**

Top management	1	1	1
Human Resources Department	2	2	2
Transformation manager	3	4	4
Diversity committee/leadership team/steering committee	4	3	3
Other	5	5	5

Table 5. Race and Language Based Attachments of Managers and Trainees

	Managers (44)			Trainees (90)			Two-sample chi-square
	Not attached %	Attached %	Not sure %	Not attached %	Attached %	Not sure %	
To what extent do you feel attached to the following types of people?							
Those trainee accountants who speak the same language as you	18.1	59.1	22.7	6.6	88.9	4.4	.047
Those trainee accountants who do not speak the same language as you	40.9	36.3	22.7	40.0	57.7	2.2	.021
Those trainee accountants who belong to the same race group a you	27.3	54.6	18.2	6.7	91.1	2.2	.003
Those trainee accountants who do not belong to the same race group as you	31.8	50.0	18.2	26.6	64.5	8.9	.237

Discussion and Recommendations

The results of this study reveal that both accounting managers and trainees perceive diversity management to be an important management issue. While the majority of managers are still white and male, the demographic profile of trainees reflects an increase in racial and gender diversity. The changing profile of the profession is likely to be one of the key imperatives for increased diversity management efforts. The older and white managers may also require diversity management training so that they will be able to respond appropriately to the increasing diversity of their workforce. While the majority of managers expressed commitment to increasing the diversity of the profession, attaining greater representation from historically underrepresented groups, and managing existing workforce diversity, only 59.1% of managers believed that the CA Charter is an excellent platform to promote racial transformation of the profession. The CA Charter currently serves as the guiding policy in the profession in terms of reversing race-based exclusion and improving demographic representation. The less than satisfactory confidence of managers in the Charter reflects a need to review the perceived deficits in the document, the level of knowledge and awareness of its contents among managers, and the degree to which these key stakeholders are consulted on the formulation and implementation of the Charter. In addition, only 63.6% of managers believed their personal commitment to diversity should be extended to include a commitment clause on diversity in the firm's mission statement. In all questions regarding the diversity efforts of managers, fewer trainees than managers believed that managers are involved actively ensuring that diversity remains a key issue in the workplace and that efforts are made to ensure the management of this diversity. Fewer trainees than managers believed that managers address diversity barriers in the accounting firm ($p<0.05$), or that managers ensure that diversity is a non-negotiable agenda item at all relevant meetings ($p<0.05$). If accounting firms are to adequately and sensitively respond to the challenge (and opportunity) of workforce diversity, they will have to increase the involvement of all stakeholders, especially trainees who are likely to constitute a significant amount of racial and gender diversity within these organizations. In addition, the incongruity of trainees' and managers' perceptions on the diversity efforts of managers suggests that either managers are over-estimating their efforts or that trainees are not made aware

of the efforts of their managers. These significantly different perceptions between managers and trainees may discount existing diversity efforts and threaten future efforts. Clear goals and diversity performance objectives are necessary to create reasonable expectations for diversity management. The lack of benchmarking in the profession poses a serious challenge to creating acceptable and similar expectations of both managers and trainees. While documents such as the CA Charter provide a broad framework for addressing issues of diversity, there is a desperate need for diversity goals to be benchmarked with targets in similar professions, or with accounting professions in other similarly diverse parts of the world. A minority (38.6%) of trainees had knowledge of the CA Charter which reflects the urgent need to improve diversity training and to improve the awareness of this central piece of guidance to the profession on issues of diversity. This may be done as part of graduate education at the tertiary level or as part of the accounting training programmes within accounting firms. The need for accounting professionals to be formally trained or educated on these issues remains crucial, if significant strides are to be made in reversing some of the imbalances created as a result of the profession's history of social and race-based exclusion. The disagreement between managers and trainees on the perceived equity of remuneration across diversity dimensions ($p<0.05$), is a cause for concern. Only 46.5% of trainees believed that remuneration in their firms are equitable, and this is likely to fuel perceptions of racism, sexism and other forms of discrimination. Moreover, this perception may serve as a potent de-motivator and impact on job satisfaction. In the absence of data on the actual remuneration of employees in these firms, it is impossible to draw conclusions on the accuracy of these perceptions. Nonetheless, it is the incongruity of the responses between managers and trainees that is alarming and reflects the need for greater transparency within firms on issues such as remuneration. In this way, existing inequities can be rooted out and misperceptions can be avoided. The majority of trainees and managers agree on the benefits of managing diversity to individuals, with dignity and self-confidence being the most highly selected benefits perceived by managers and trainees, respectively. Top management and the human resource department are the preferred leaders of diversity management by managers and trainees. This places significant responsibility on top management and human resource departments to signal their commitment to diversity

management by actively pursing workforce diversity and strategically positioning its diversity management within the firm's goals and objectives. However, this does absolve the workforce from actively participating in diversity management at both the strategic and operational/implementation level, and does not imply that they be excluded in a top-down approach to diversity management. Inclusion, consultation and transparency remain key elements in optimally responding to workforce diversity within the accounting profession where the culture of exclusion has been so painfully entrenched. The attachment of managers and trainees to individuals who are of the same race or speak the same language as themselves, and the much lower reported attachment to individuals which are racially and linguistically different from themselves, creates the potential for discrimination, exclusion and segregation. While the situation with trainees is slightly better than with managers, 26.6% of trainees report no attachment to individuals of a different race group and 40% of trainees report no attachment to individuals who speak a different language as themselves. Language in the accounting profession has been a powerful tool for exclusion and segregation in the profession, and the perpetuation of this behaviour among the new and more diverse trainees must be actively averted. Language-based attachment promotes both geographic and racial segregation, perpetuates same-language social groupings, alienation of individuals of non-dominant linguistic groups, and limits the professional growth of individuals whose functionality and preference within the firm is reduced by language-based attachments.

Conclusion

The accounting profession in South Africa is experiencing a spurt in its diversity as more black professionals are produced. While the progress of increasing the diversity in the profession has been slow, it is a significant change to the almost exclusively white accounting profession of the apartheid era. A democratic South Africa demands a more diverse professional workforce, and that serious efforts are made to improve the under-representation of previously excluded groups, with a coupled demand to effectively and sensitively manage the increasing diversity of the profession. Incongruities between managers' and trainees' perceptions of managerial diversity efforts and the equity of remuneration call for greater

transparency in existing and future diversity management practices. While the CA Charter remains the guiding professional piece on diversity, poor awareness and the lack of targets/benchmarking may fuel the divided perceptions. The language and race based attachments of both trainees and managers are reminiscent of the divisive and exclusive history of the profession. The perceptions of managers and trainees suggest that while both groups view diversity to be an important issue in contemporary management, there is still much work to be done in the way of changing perceptions, attitudes and behaviours, before diversity can be effectively managed.

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