

DEMAND FOR ACCOUNTANTS IN BOTSWANA: VIEWS OF EMPLOYERS

Christian J. Mbekomize¹

ABSTRACT

The objective of this study was to explore the problem of shortage of accountants in Botswana in order to establish which types of accountants are in short supply, identify the sector of the economy which has been most affected by the shortage and find out how this shortage could be curtailed. A survey of the views of employers of accountants revealed the vacancy rate of professional accountants in Botswana as 15% of the establishment, with that the ratio of local to expatriate accountants about 1:1. These findings do not support the findings by the Botswana Institute of Accountants in 2009, which estimated the supply of qualified accountants in Botswana as 20% of the demand and the ratio of indigenous to expatriate accountants as 3:7. This study also indicated that the commerce and industry sector had the highest level of vacancies for professional accountants followed by accounting firms.

Key words: Demand for accountants, Botswana, labour turnover, indigenous accountants, expatriate accountants.

INTRODUCTION

The shortage of accountants has been the main subject matter of various studies worldwide (Hermanson & Hermanson 1995; Weil & Wegner 1997). According to the International Federation of Accountants' (IFAC) 2007 Global Leadership Survey, addressing the shortage of professional accountants, building the reputation of the profession and attracting new entrants to the profession were among the major concerns of the accounting profession in 2008 (Iyer, 2008). The IFAC study further found that most countries were facing the challenge of shortage of accountants, which in turn, was adversely impacting their national economies. Commenting on the findings of the IFAC 2008 Global Leadership Survey, the executive president of the South African Institute of Chartered Accountants (SAICA) said that shortage of accounting

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*Mr. Christian J. Mbekomize; Department of Accounting and Finance; University of Botswana, Private Bag UB 00701 Gaborone; Tel. +2673554062, Fax +2673554555

skills was perhaps the biggest challenge faced by South Africa as a country (Temkin, 2009).

In Botswana, a Southern African country which has been recording an economic growth rate of around 9% for the past three decades, the Botswana Institute of Accountants' (BIA) President was quoted as saying that estimates showed that professional accountants, available in the country met only 20% of the demand, with 67% of them being expatriates and 33% citizens (Baputaki, 2009). At that time the demand for professional accountants was estimated to be 3000. At the end of 2009, The BIA register of professional accountants reflected a ratio of indigenous and expatriate professional accountants as 1:1.6 (BIA, 2009). This phenomenon in Botswana had previously been highlighted by Magembe et al. (1999), when they noted that a shortage of trained national accountants in Botswana was forcing the country to engage more expatriate accountants than local ones in the accounting firms.

Accounting profession development in Botswana

The endeavour to train national accountants in Botswana can be traced back to 1987 when the Botswana Centre for Accountancy Studies was formed. The passing of the Accountants Act followed in 1988 which paved the way for the formation of the Botswana Institute of Accountants in 1990, with the objective of regulating accountants and auditors in Botswana. The birth of the Botswana Accountancy College (BAC) in 1996 under the Ministry of Finance and Development Planning proved the resolve of the Botswana Government to expand the production of indigenous accountants. The clear intent in the formation of BAC was to reduce the reliance of the country on expatriate accountants. To what extent this objective has been met is part of what this study is intending to find out.

Following the recommendations of the World Bank Report (2006) on the Observance of Standards and Codes by the Republic of Botswana, in mid 2009, BIA embarked on a project that was expected to change the landscape of the accounting profession in Botswana. In partnership with the Institute of Chartered Accountants in England and Wales (ICAEW) BIA worked on the establishment of a Botswana Professional Accountancy qualification. The exercise was intended to create a qualification that would be under full control of the Botswana Institute of Chartered Accountants (BICA), in terms of the curriculum and examinations, and still be at the same level of proficiency as that of its partner, ICAEW, thus becoming internationally recognised (Majinda, 2009). This paper investigates the problem of the shortage of accountants in Botswana with a view to establishing the types in short supply, the sector of the economy where the shortage is felt the most and finding out how this shortage could be curtailed.

LITERATURE REVIEW

Importance of Accountants

Ndzinge and Briston (1999) described accounting as an indispensable information system in any modern economy, in commercial, industrial and public sectors alike. Economic development heavily depends on the accounting profession to provide relevant and reliable information to various players in the economy to enable them to make rational economic decisions. Due to this significance of accounting, providers and users of accounting information require the accounting profession to supply competent individuals who are capable of confidently supplying and interpreting financial information. Traditionally the role of accounting has been limited to the provision of useful figures to people about their resources and examination of those figures to ascertain their correspondence to set criteria (Alexander & Britton 2004). It is now believed, however, that the recent market turmoil would extend the demand of accountants' services to the areas of corporate recovery, insolvency, risk and compliance-related work (Temkin, 2009). The expanding role of the professional accountant is another factor which is putting the accounting profession under pressure to supply more accountants.

Determining accounting needs in Developing countries

According to the United Nations report (1991, p.191), factors that contribute to the demand for accountants in most African countries include government interest in developing the accounting profession, economic growth in commercial and industrial sectors, structural changes requiring a shift from a centrally planned economy, to a services and market oriented one; increase in transnational corporations, offshore lenders and aid agencies. All these factors have, in one way or the other, fuelled the demand for accountants in Botswana. In particular, the remarkable economic growth that Botswana has been over for the past three decades has been a major driving force in the demand for accountants in the country. In support of this BIA once admitted that the expansion of the Botswana economy had raised the demand for accountants in the country as the profession was trying to keep up with global demands (Baputaki, 2009).

Causes of shortage of accountants

The shortage of professional accountants in the western world, particularly in the USA, has been attributed to the failure of the accounting profession to attract the "best and brightest" business students into the profession (Hermanson & Hermanson 1995). The factors contributing to this failure were summed up by Garner and Dombrowski (1993) which were: attracted to more immediate rewards and possibilities in other fields; increased litigation and personal liability in accounting; low starting salaries in

accounting firms; other areas of business being more exciting or important than financial accounting; accounting still had a “bean counter image”; students’ perception of accounting firms as having long and inflexible hours; students’ early decision to pursue fields that require graduate studies; and the bookkeeping approach used in the first course of accounting not appealing to top students.

When addressing the decline in accounting students’ enrolment in the USA, Albrecht and Sack (2000) identified further factors contributing to this decline as: lower starting salaries in the accounting profession than in other business majors; more attractive career alternatives available to students than in the past; willingness of students to select risky majors; and a lack of information and misinformation about what accounting is and what accountants do. Some of these factors are undoubtedly applicable to Botswana.

Accountants’ Turnover

Employee turnover is costly to the employer, both in terms of money and the time it takes to hire and train new employees. For several reasons, ranging from economic expansion both at national and organisational level to personal desires, this problem is reported to be acute within accounting firms (Larkin 1995; Roth & Roth, 1995). Taylor and Cosenza (1998) advised that in order to retain their accounting professionals firms have to opt for an internal marketing strategy whereby communication channels are kept ajar to allow workforce to have more interaction with management, more satisfaction with the job, more responsibility and more control over the decisions affecting them.

METHODOLOGY

Research Design

The present study employed a descriptive sample survey with a researcher-designed questionnaire. It is mainly quantitative research using an inductive approach to show that the magnitude of the problem of shortage of accountants in an organization is seen in the difference between vacant and filled posts.

The sample

The target population for this study were the employers of accounting personnel, in both the public and private sector of the economy in Botswana. In the public sector, the study targeted 3 departments, namely the Accountant General’s office, the Auditor General’s Office and the Department of Local Government Service Management (LGSM). While the Accountant General’s office employs all the accounting staff for

the central government (16 ministries), the LGSM recruits accounting personnel for 9 district councils, 4 town councils, 2 city councils and 12 land boards in the country. Also included in the target population were the 40 parastatals and 27 auditing firms that were in existence at the time of this research. Other targeted companies in the private sector comprised organisations which constitute part of the membership of the Botswana Confederation of Commerce, Industry and Manpower (BOCCIM).

Purposive sampling was used to select the respondents for the survey questionnaire, because it was the intention to include in the sample organisations which are likely to employ more than two professional accountants in the capital city, Gaborone. In Botswana, many such organisations have representation in Gaborone, either in the form of a head office or a branch. A significant number of state-owned enterprises and accounting firms are based in Gaborone. The method is economical and reduces the likelihood of omitting from the sample big entities, which are able to employ a good number of accountants. The sample consisted of 62 organisations, made up of 3 government departments, 16 parastatals, 27 accounting firms, and 16 other companies in commerce and industry. Respondents were identified by telephoning or physically visiting an organisation and requesting either the personnel manager or an officer responsible for accounting to fill in the questionnaire. Questionnaires for the accounting firms were sent electronically to all practising firms found on the BIA website and were followed up by telephoning.

Questionnaire

The questionnaire consisted of three sections with 15 questions. The first section, which was about the organisation, required information on the type and size of the organisation. The second section asked about the number of filled and vacant posts for accounting technicians and professional accountants and whether they were indigenous or expatriates. Another question in this section sought the opinions of the respondents concerning the 8 statements about the causes of the shortage of accountants adopted from Juchau, White, and Hopkins, (1986). These scholars suggested in their work the questions that might be raised when assessing developing countries' accounting needs and the type of accountants required. From the said questions the current study developed statements about the factors that may be considered to be the causes of the shortage of accountants in the country. Employers of accountants were asked to indicate their agreement or disagreement with these 8 statements using a 5-point Likert scale, whereby "strongly agree" was at the high end and "strongly disagree" at the low end. The third section was about the frequency, and severity of and the reasons for accounting staff turnover. On the question of how severe the labour turnover was for each type of qualification, the respondents were given a 5 point Likert scale from

“extremely severe”, to “not severe at all”. In addition, respondents’ views were sought regarding the solutions to the problems of staff turnover and shortage of accountants.

Examination of Newspapers

Another method which was employed to establish the demand for accountants in Botswana was an examination of the newspapers to identify the advertisements for the posts of professional accountants and accounting technicians. Out of about 10 newspapers published in the country 2 were scrutinized. These were “Sunday Standard”, a privately owned paper and “Daily News”, a government owned and freely distributed paper. Sunday Standard was used because it was considered to have an elite readership so that anyone in that class looking for qualified personnel like professional accountants would be more likely to advertise in this paper. The Daily News was considered ideal for inclusion in the study because it offers cheaper advertising space and attracts wider readership since it is free. As expected, the advertisements that appeared in the Daily News did not feature in the Sunday Standard. Caution was exercised to avoid counting twice the re-advertised posts.

Out of 62 questionnaires distributed 30 were returned, making a 48% response rate. Received questionnaires were from 13 stated-owned corporations, 8 organisations in commerce and industry, 6 from accounting firms, and 3 from government departments.

Categories of accounting personnel

For the purposes of this study accounting staff were grouped in 2 main cohorts, namely technical accounting staff and professional accountants. In 1999, the IFAC Education Committee changed the name from accounting technician to technical accounting staff, with the latter defined as “the staff engaged in technical accounting work, which are directed by, and support professional accountants and include staff customarily known as accounting technicians” (IFAC 1999, p. 2). In the technical accounting staff category, this study included those holding a university accounting degree, an Association of Accounting Technicians (AAT) certificate, a Certified Accounting Technician (CAT) certificate and a Higher National Diploma in Accounting and Business Studies.

The International Standard Classification of Occupations (cited in IFAC Education Committee p. 2) defines professional accountants’ role as : “to plan and direct accountancy services, advise on accountancy problems and plans and conduct financial audits of private persons, enterprises, institutions and government”. The classification of professional accountants in this study was in line with the IFAC Education Committee definition.

Data Analysis

Quantitative responses were analysed using SPSS software and Microsoft Excel to obtain the frequencies, percentages and means, while qualitative responses were grouped to identify the main themes emanating from the responses. One-sample t-tests were used to measure the significance in the difference between mean scores and mid-values of the relevant scale. The newspapers' data was tallied and frequencies in terms of positions advertised were determined. Care was taken to ensure that the re-advertised posts were not considered more than once.

RESULTS AND DISCUSSION

Number and origin of accountants

Table 1 shows that overall, 15% of professional accountants' posts and 5% of accounting technicians' posts were vacant. The required number of accountants as indicated by respondents was 389 and 1630 for professional accountants and accounting technicians respectively. As regards the working environment, 19% of the posts of qualified accountants in commerce and industry sectors and 15% of the same cadre in accounting firms were vacant.

Table 1: Vacant Posts per Employment Sector

Employment Sector	Technicians			Accountants		
	No. Required	No. Vacant	Vacant %	No. Required	No. Vacant	Vacant %
Commerce and Industry	229	10	4%	165	32	19%
Education Institutions	28	0	0%	24	0	0%
Accounting firms	254	56	22%	186	27	15%
Government	1119	20	2%	14	0	0%
Overall	1630	86	5%	389	59	15%

Table 1 also shows that 22% of the posts that require accounting technicians in the accounting firms were vacant. Although it appears to be a big percentage, this number is mainly contributed to by one large auditing firm, which indicated a 33% level of vacant posts in the technician accounting cadre.

On the composition of accountants with respect to their origin, this study revealed that all accounting technicians working in Botswana were citizens and less than 1% of expatriate accounting technicians were still employed in the auditing firms (see Table 2). This could be due to the nature of work in these firms, which requires a combination of some accounting skills and vast experience which the firms might be finding difficult to part with. Just below 50% of the professional accountants employed

in Botswana were expatriates, and most of them are found in accounting firms and educational institutions.

Table 2: Origin of Accounting Personnel per Employment Sector

Employment Sector	Technician				Accountants			
	Local		Expatriate		Local		Expatriate	
	No	%	No	%	No	%	No	%
Commerce and Industry	219	100%	0	0%	123	92.5%	10	7.5%
Education Institutions	28	100%	0	0%	8	33%	16	67%
Accounting firms	188	95%	10	5%	29	18%	130	82%
Government	1099	100%	0	0%	12	86%	2	14%
Overall	1534	99.35%	10	0.65%	172	52%	158	48%

Table 2 shows that an overwhelming 82% of professional accountants in accounting firms and 67% in tertiary institutions are expatriates. Around 90% of professional accountants working in commerce and industry as well as government sectors were however citizens. While it may not be clear why few indigenous accountants are found in accounting firms and in educational institutions, it may be speculated that the long working hours and relatively low salaries associated with these 2 sectors may be discouraging citizen accountants from taking up jobs in such working environments. Expatriate accountants are more likely to tolerate these working conditions as they have little flexibility in terms of changing employers.

Newspapers

Findings from the 2 newspapers reviewed to establish the number of advertised posts for professional accountants and accounting technicians are presented in Table 3.

Table 3: Advertised Posts in Newspapers

Sunday Standard

Year	Accounting Technicians	Professional Accountants
2007*		
2008	22	31
2009	47	30
Daily News		
2007	42	27
2008**	32	22
2009	43	27

*Sunday Standard had not started circulating in 2007

Table 3 shows the number of accounting posts that advertised in 2007, 2008 and 2009. Using 2009 as the reference year, Table 3 shows that the number of professional accountants required in a year by the market could be estimated as 60 (30 in Sunday Standard and 27 in Daily News) and the number of accounting technicians to be 90 (47 in Sunday Standard and 43 in Daily News). Interestingly, the same advertisement did not appear in both papers.

BIA views

While many local accountants have graduated from local accountancy training institutes, some observers are still doubtful about the success rate of efforts to produce them. Majinda, the Chief Executive of BIA, noted that the objective of producing national accountants has not yet been fully met. He asserted that the shortage of professional accountants in Botswana will continue for some time because of factors that are poised to increase the demand for professional accountants (BIA Personal Communication, October 06, 2009). These factors comprise: expansion of the country's economy; the intention of government to introduce accrual accounting for the public sector; Companies Act requirement that private companies with P2 000 0000 total assets, P5 000 000 turnover and none of its shareholders is a company, should comply with International Financial Reporting Standards and be audited; the Registrar of Companies enforcing the auditing requirement for companies; great demand for accountants globally that causes their high mobility; and the introduction of the Botswana Accounting Oversight Board (BAOB) which is supposed to ensure that regulations governing accountants in the country are enforced. The BIA Chief Executive is of the view that Botswana now has enough accounting technicians as a result of the increased intake in both professional and academic institutions training accountants in the country.

The number of registered technical accounting staff and professional accountants in Botswana over six years, starting in 2004, is reflected in Table 4.

Table 4: Botswana Institute of Accountants Membership:

Year	2004	2005	2006	2007	2008	2009
Professional Accountants	754	707	750	794	834	874
Accounting Technicians	324	227	204	209	241	240
Total	1078	934	954	1003	1075	1114

Source: BIA 2009 Annual Report

** Four months of papers (March to June) were missing from the National Archive Library. Efforts to get alternative sources from other libraries and publishers were in vain.

Table 4 shows that, since 2007, the number of registered accountants has been increasing steadily in Botswana. This could either be a sign that the efforts of BIA to encourage registration with the Institute, of national accountants, is beginning to bear fruits or that the introduction of *scarce skills allowance* by the government in 2008, which recognised chartered accountants registered with BIA as a scarce skill, has encouraged local accountants to register with the Institute.

According to interviews with CIMA and ACCA offices in Botswana, at the end of 2009 there were 164 registered members of the Chartered Institute of Management Accountants and 338 members of the Association of Certified Chartered Accountants in Botswana. The details of how many, among these, are expatriates or indigenous accountants were not available.

Factors contributing to the shortage of accountants

Respondents were asked to indicate their agreement or disagreement with the statements relating to factors that may be causing the shortage of accountants in Botswana. Table 5 depicts the opinions of respondents on the factors that influence the demand for accountants in the country. The majority of respondents (67%) disagreed with the statement that economic forces in Botswana are not conducive for the development of sophisticated accounting practice. They reflected a mean of 2.33, which according to the one-sample t-test is significant at $p = 0.01$. This is in agreement with the literature, which shows that Botswana has been enjoying consistent economic growth which has led to the demand for accountants (Baputaki, 2009; World Bank, 2009). Moreover, 70% of respondents did not concur that the manpower needs of Botswana are mainly for technical accounting staff implying that most respondents are of the view that Botswana's economy has reached a state where it has to be managed by qualified accountants who can assist in making strategic decisions.

Table 5: Factors Contributing to Shortage of Accountants

	SA	A	U	D	SD	MEAN
Economic forces existing in the country are not conducive to the development of sophisticated accounting practice	10.0%	10.0%	13.3%	36.7%	30.0%	2.33*
Manpower needs of the country are largely for accountants trained to accounting technician level	3.3%	20.0%	6.7%	60.0%	10.0%	2.47*
There are no strategic posts in the civil service for which highly qualified accountants are	13.3%	23.3%	10.0%	26.7%	26.7%	2.70
There are no large operations of multinational corporations to employ professional accountants in Botswana	10.0%	30.0%	3.3%	36.7%	20.0%	2.73
Public accounting firms in Botswana do not need a large number of accountants	3.3%	16.7%	23.3%	26.7%	30.0%	2.37*
The accounting profession offers low starting salaries	6.7%	40.0%	6.7%	30.0%	16.7%	2.90
Other areas of business are more attractive than financial accounting	0%	23.3%	16.7%	33.3%	26.7%	2.37*
Students perceive accounting firms as having long and inflexible hours	13.3%	36.7%	23.3%	16.7%	10.0%	3.27

*Significant, at $p = 0.01$

While 53% of the respondents disagreed with the statement that the Botswana civil service lacks strategic posts that require highly qualified accountants, 37% of them agreed. The overall position on this statement had a mean of 2.7, ($p = 0.264$). Although the vast number of respondents did not support the idea that the manpower needs of the country can largely be met by accounting technicians, they seemed not to be convinced that the civil service in Botswana has enough strategic posts that need professional accountants. This is supported by the responses to the question about the number of currently employed accountants, which revealed that by the end of 2009 the Government of Botswana had only 14 professional accountants in post, with no indication of vacant posts.

The respondents appeared to be divided on the statement that what could be causing the shortage of accountants in Botswana is the fact that the country lacks multinational corporations to employ professional accountants. The majority of respondents (57%) disagreed with the statement while 40% of them agreed with it. Surprisingly, 23% of respondents were unsure about the fact that if public accounting firms in the country did not require a large number of accountants, it will discourage young people from joining the accounting profession. Another 57% of respondents disagreed with the statement that accounting firms in Botswana needed few professional accountants in

their operations. Again respondents were almost equally split over the issue of low starting salaries offered by the accounting profession as contributing to the shortage of accountants in Botswana. Some 48% of respondents agreed with the statement that low starting salaries in the accounting profession might be the cause of failing to attract more people into the profession, while the other 48% disagreed with the statement. Although it was reported by Albrecht and Sack (2000) that low starting salaries in the accounting profession deter students from choosing accounting as a career, it appears that in Botswana the inadequacy of starting salaries for accountants is not yet an issue.

Exactly 60% of respondents did not accept that other areas of business were more attractive than financial accounting. Only 23% of respondents agreed with the idea that other areas of business may be more exciting than financial accounting and that this could be discouraging people from becoming accountants. The mean score for this statement was 2.37, significant at $p = 0.01$. This is contrary to the finding of Garner and Dombrowski (1993) that one of the reasons why the accounting profession fails to attract the best students is that other business areas are more exciting than accounting. This finding was also not in line with that of Byrne and Willis (2005) who reported that Irish secondary school students rank accountants lower than scientists and solicitors. Exactly half of respondents (50%) responded affirmatively to the statement that students perceive accounting firms as having long and inflexible hours, which discourages them from taking up accounting as a career. This supports the finding of Garner and Dombrowski (1993) that long and inflexible hours in accounting firms deter aspiring accountants. This factor was also cited by respondents of this study as the cause of the relatively high turnover in accounting firms. A good number of respondents (23%) did not like to commit themselves concerning the perceptions of students on accounting firms. The statement registered the highest mean score of 3.27, ($p = 0.234$), and only 27% of respondents disagreed with it.

Staff Turnover

In the labour market where there are wide disparities between enterprises in terms of employment benefits and the perceived shortage of a particular labour force, there is bound to be a turnover of labour. The respondents were asked to indicate how frequent the turnover of accounting cadre in their organisations was. The majority of respondents (53%) said that the turnover of accountants happened sometimes and 40% said that they were always witnessing the movement of accountants between entities. It appears, in general, that organizations that participated in this study experienced the turnover of accountants to a moderate extent.

Another question on the intensity of turnover per qualification is presented in Table 6, which shows that 45% of respondents experienced severe turnover of professional

accountants. Only 28% and 25% of respondents suffered severe turnover for of degree holders and AAT or CAT holders respectively. However, no severe turnover of HNDA holders was reported.

Table 6 Severity of Labour Turnover

Qualification	ES	VS	S	NS	NSA	MEAN
Higher National Diploma in Accounting	0%	0%	0%	37.5%	62.5%	1.38*
AAT, CAT	7.1%	3.6%	14.3%	64.3%	10.7%	2.32*
Degree in Accounting	8.0%	8.0%	12.0%	68.0%	4.0%	2.48**
ACCA, CA,CIMA, CPA, etc	17.2%	17.2%	10.3%	51.7%	3.4%	2.93

*Significant, at $p < 0.01$

**Significant, at $p < 0.05$

The cross tabulation between responding organisations and qualification turnover, as reflected in Table 7, revealed that 4 out of 5 accounting firms (80%) experience severe turnover of degree holders.

Table 7: Employment Sector and Qualification Turnover Cross tabulation

Qualification	Employment Sector	ES	VS	S	NS	NSA
Higher National Diploma in Accounting	Commerce and Industry				4 (66.7%)	7 (70%)
	Education Institutions				1 (16.7)	0 (0%)
	Accounting firms				0 (0%)	2 (20%)
	Government				1 (16.7%)	1 (10%)
Total					6 (100%)	10 (100%)
AAT, CAT	Commerce and Industry	0 (0%)	0 (0%)	4 (100%)	10 (55.6%)	3 (100%)
	Education Institutions	0(0%)	0(0%)	0 (0%)	2 (11.1)	0 (0%)
	Accounting firms	1 (50%)	1 (100%)	0 (0%)	4 (22.2%)	0 (0%)
	Government	1 (50%)	0 (0%)	0 (0%)	2 (11.1%)	0 (0%)
Total		2 (100%)	1 (100%)	4 (100%)	18 (100%)	3 (100%)
Degree in Accounting	Commerce and Industry	1 (50%)	0 (0%)	1 (33.3%)	13 (76.5%)	1 (100%)
	Education Institutions	0 (0%)	0 (0%)	1 (33.3%)	1 (5.9%)	0 (0%)
	Accounting firms	1 (50%)	2 (100.0%)	1 (33.3%)	1 (5.9%)	0 (0%)
	Government	0 (0%)	0 (0%)	0 (0%)	2 (11.8%)	0 (0%)
Total		2 (100%)	2 (100%)	3 (100%)	17 (100%)	1 (100%)
ACCA, CA,CIMA, CPA, etc	Commerce and Industry	1 (20%)	4 (80%)	2 (66.7%)	9 (60%)	1 (100%)
	Education Institutions	1 (20%)	0 (0%)	0 (0%)	2 (13.3%)	0 (0%)
	Accounting firms	2 (40%)	1 (20%)	1 (33.3%)	2 (13.3%)	0 (0%)
	Government	1 (20%)	0 (0%)	0 (0%)	2 (13.3%)	0 (0%)
Total		5 (100%)	5 (100%)	3 (100%)	15 (100%)	1 (100%)

Also this study found that accounting firms were again the first to face severe turnover of professional accountants, followed by parastatals. While 67% of accounting firms suffered severe turnover of qualified accountants only 41% of enterprises in commerce and industry sector endured the same. This shows that the noticeable flow of accounting personnel was from accounting firms to other sectors of the economy, which compares with Roth and Roth (1995), who reported high turnover rates of staff and senior accountants per year among public accounting firms in the USA.

Reasons for staff turnover

All the respondents said that the accounting personnel moved from one organisation to another to look for better pay, a better working environment, greater responsibility, more challenging opportunities and clearer career progression. The movement from accounting firms was associated with the nature of the work in these firms, which was perceived to be a more demanding, requiring intense concentration for long hours, but rewarded with inadequate remuneration package.

This is a mind boggling phenomenon. One would expect that demanding jobs in terms of time and intellectual concentration should be remunerated highly. It is ironic that auditing firms, which require a lot of an accountant's time and concentration, fail to offer attractive enough packages to attract and retain their very important employees, without whom effective audits would not be done. Is it because accounting firms do not charge adequate fees to cover their costs? Or are the audited companies not ready to pay high fees commensurate with their challenging audits? Or is there a deliberate attempt on the part of accounting firms to train people in the industry so that their work is easier, when they go to audit financial statements that have been prepared by the people they trained? If accounting firms find that turnover of their professional accountants is a disturbing matter, they have to seriously consider how they can improve their retention strategies. These are the issues that can be investigated in another study.

Resolving staff turnover problem.

As to how the turnover of accounting staff could be curtailed, respondents' suggestions hinged on improving the remuneration packages and working conditions of the accountants. Specific suggestions included offering accountants a competitive package, paying them above the median of the market and creating development opportunities for them. Other respondents proposed that increasing the number of accountants in the market, keeping accountants aware of current practices in other organisations, and providing career prospects for accounting staff may result in their retention. A respondent in one organisation, which happens to employ a good number of professional accountants, suggested that they should be given challenging work to retain them, because upon qualification these accountants have high expectations, implying that not all accountants in this particular organisation are assigned challenging duties.

Resolving shortage of Accountants.

Those who believe that there is a shortage of accountants in Botswana overwhelmingly recommended the training of more accountants. Their specific suggestions included

encouraging degree and AAT holders to pursue professional qualifications, accounting training institutions to market the accounting profession and accounting programmes so as to increase the intake of accounting students, establishing another reputable institute to complement the Botswana Accountancy College and making accounting jobs attractive through good conditions of service.

Other recommendations included an option for the government to provide grants to accounting students instead of loans giving accountants preferential treatment just like medical and engineering professionals, and opening the labour market to allow organisations to recruit from outside the country. One respondent thought that the problem of the shortage of accountants could be resolved by organizations hiring semi-qualified accountants to carry out accounting functions and having the accounting firms check the financial statements.

Out of 30 respondents 3 felt that there was no shortage of accountants in Botswana. Among them there were sentiments that the flow of accountants from organizations which are considered to offer low pay to those paying high salaries gives a false impression that there is shortage of qualified accountants. They were concerned that some of the qualified accountants who run to big well-paying organizations end up being assigned tasks that should have been performed by accounting technicians. While these are in the minority and are definitely subject to debate, they do highlight some important issues about the accounting profession in Botswana that cannot simply be dismissed. Stakeholders in the accounting profession, led by BIA, need to seriously ponder these sentiments coming from the market for accountants in order to arrive at a commonly accepted position regarding the demand for accountants in the country.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

The main objective of this study was to investigate the problem of the shortage of accountants in Botswana with a view to establishing which types of accountants were in short supplies and in which sector of the economy the shortage was felt the most. By comparing the number of accountants required and the number of filled posts in each organisation, the study found that only 15% of the posts of professional accountants and 5% of technician accounting staff were vacant. The exact number of years in which those posts have been vacant could however not be ascertained. Unexpectedly, the commerce and industry sector happened to have the highest level of vacant posts, followed by accounting firms. Organisations in commerce and industry are perceived to have a better remuneration package for professional accountants. Therefore, the highest number of vacant posts in these entities could signify the shortage of

professional accountants in the country. The widely held view that there is a serious shortage of accountants in the public sector could not be supported by this study. Perhaps the ongoing training needs analysis by the Ministry of Finance and Development Planning will reveal the exact requirements.

The secondary data from the two newspapers that were reviewed revealed that in 2009 the market needed about 60 professional accountants and around 90 accounting technicians. It should be noted, however, that this study was conducted during the global recession when employment numbers were low. It is worth mentioning here that most of the professional accountants' posts advertised required a working experience of between 3 and 5 years. This could support the view that the shortage of accountants is felt at senior position levels, which may mean that the rising number of CIMA and ACCA graduates could not immediately be absorbed by the market if most of them were new entrants in the job market. However, it may also be highly possible that professional graduates would not be new job seekers as most of them would have been sponsored by their employers to pursue professional studies. Another study that can provide a clearer picture regarding the demand for accountants in Botswana should try to establish the length of time accounting graduates have to wait before they secure a job.

Surprisingly, this study also found out that the ratio of employed local and expatriate professional accountants was not that alarmingly big, as it was close to 1:1. From the sample 52% of professional accountants in the country are locals and 48% expatriates. These results do not agree with the estimates of BIA which indicate ratio of almost 3:7.

Responses to the question about the factors contributing to the shortage of accountants in Botswana did not indicate major shortfalls in the economy in terms of being ready to absorb skilled professional accountants. The existing turnover of professional accountants was considered not to be frequent and severe and it could be resolved by a well targeted employment benefits package for professional accountants. Most respondents seem to agree that there is a shortage of accountants in Botswana, which could be resolved by a deliberate attempt by accounting training institutions and the accounting profession to attract more school leavers to chose accounting as a career, and by employers, including the government, offering professional accountants preferential employment benefits.

Recommendations

There seems to be a discrepancy between the BIA figures and the findings of this study about the ratio between indigenous and expatriate accountants employed in Botswana and the shortage of qualified accountants. As such it is recommended that a future

research, fully backed by BIA, should be conducted to investigate the exact demand for accountants, and establish the deficiency in the supply. That study may also look at the accounting skills needed by employers and compare them with what is supplied by training institutions, with a view to recommending the provision of targeted training.

Botswana Institute of Accountants also needs to devise mechanisms that will encourage employers to employ qualified accountants, and discourage them from designating the title “accountant” to semi-qualified personnel. To avoid confusion in the usage of accounting titles, BIA should develop guidelines that would describe the titles of accounting cadre.

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