

Capstone in Applied Accounting Sciences (CAS4801)

LU1 Citizenship and the role of a Chartered Accountant

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1. Citizenship and the role of a Chartered Accountant (CA)



Source: <https://www.activecitizenship.net/projects/82-2011-building-active-citizenship-in-europe-an-experience-in-mentoring.html>

| | |
|---|---|
|  | <p>Webinar 1</p> <ul style="list-style-type: none">• Date: 09th April 2026, 18:00-20:00• 2 hours,• Introducing the module purpose, content and assessments for this learning unit |
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1.1. Introduction

From the moment you are born, you become a member of a family that belongs to a particular culture and a specific nation. Simultaneously, you assume the role of a 'global citizen,' connected to the broader humanity on planet earth. In this learning unit, we will delve into the communities you belong to, ranging from local to global, and discuss the corresponding rights and responsibilities that come with your citizenship in these communities. Furthermore, we will examine the role of accountants in each of these communities. This knowledge forms part of the professional values and attitudes that are expected from a CA which you need to demonstrate always under all circumstances and even in challenging and complex circumstances. See below the competency framework adapted from SAICA.

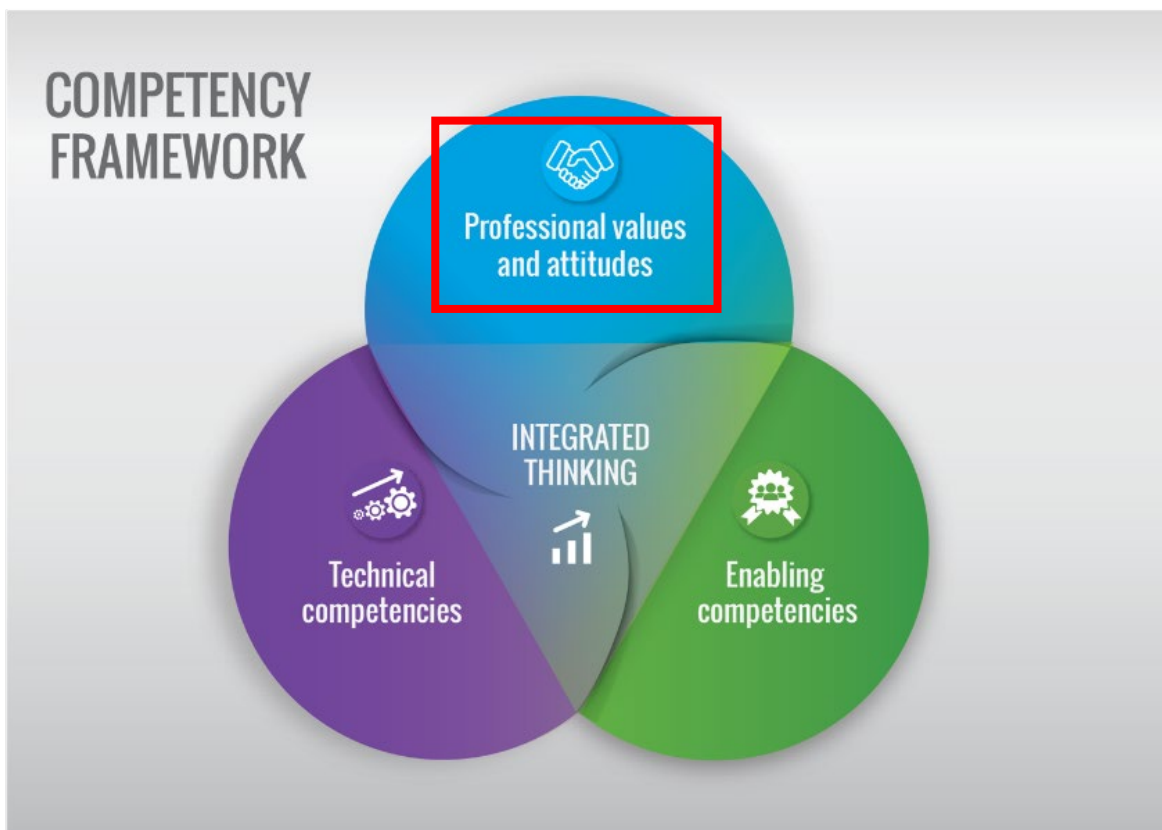


Figure 1.1 Professional values and attitudes in the SAICA Competency Framework Source: Adapted from SAICA 2021:6

CAs are expected to be honest, have integrity, be accountable, trustworthy, ethical and protect the public interest (SAICA 2021:14); these values and attitudes stem from the role that CAs play in society in the different communities that they operate in.

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The learning outcomes covered in this learning unit which align with the SAICA 2021 Competency Framework (CF) are as follows:

| Extract from SAICA CF |
|---|
| Demonstrate a responsive, valuing and tolerant approach to diversity and differences |
| Identify situations to demonstrate a responsive, valuing and tolerant approach to cultural diversity and individual differences (not examinable) |
| Evaluate, for a specific course of action (by an individual), the impact on the community in which you live and work, and the local environment |
| Evaluate, for a specific course of action (by a business), its likely impact on sustainability beyond a narrowly defined business case (not examinable) |
| Understand the role that business plays in achieving the UN's Sustainable Development Goals and critique a predominant focus on delivering short-term financial results, often at the expense of long-term societal and strategic risks |
| Identify relevant stakeholders in your business environment |
| Contribute to the community at large through, for example, acts of philanthropy, social responsibility, and environmental stewardship |

The **content** that will be covered in this learning unit is:

- Personal citizenship (as part of a local-cultural community, a national community, the African community, or the global community and contributing to the achievement of United Nations Sustainable Development Goals (UN SDGs) in a personal capacity)
- Professional citizenship (Professional ethics, Professional behaviour, Business ethics)
- Corporate citizenship (stakeholder theory, stakeholder inclusivity, stakeholder engagement, business ethics, United Nations Global Compact (UNGC))

The knowledge that is **assumed to be in place** from prior modules includes:

- UN SDGs, UNGC (from CAS3701)
- The South African Constitution and the concept of ubuntu (from CLA1503)
- Professional ethics, professional behaviour, SAICA Code of Professional Conduct (from CAS1501, AUE3761)
- Ethical decision-making, ethics theories (from CAS1501, AUE3761)

1.2. Community and citizenship

A community can be defined as a group of people who share a story that ultimately shapes part of their identity (Lowe 2021). Communities play an important role in bringing people together, providing a sense of togetherness and belonging (Wolf 2022:1). As a future CA, you should be aware of the different communities that you are a part of, how they shape your identity and the rights and responsibilities associated with being a good citizen in those communities.

Citizenship incorporates several different elements but essentially refers to the status granted to the members of a community, together with the associated rights and obligations (Lister 1997:14). In other words, citizenship means that you belong to a specific community and this 'belonging' has certain rights

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and responsibilities attached to it. Rights are things you are entitled to, and responsibilities are things that are expected of you.

As an individual, you have communities that you belong to in your capacity (personal citizenship), and your professional capacity (professional citizenship). Organisations, which are legal or juristic persons also have 'corporate citizenship' which denotes the rights and obligations that arise from this status granted to them. We will explore personal, professional, and corporate citizenship in more detail below.

A person is a person through other persons. None of us comes into the world fully formed. We would not know how to think, or walk, or speak, or behave as human beings unless we learned it from other human beings. We need other human beings in order to be human. (Tutu, 2004:25).

1.3. Personal citizenship

Good citizenship in your individual capacity (or good personal citizenship) means modelling the personal values and attitudes that contribute positively to the communities you belong to. Values represent ideal standards of behaviour, and they inform our actions and guide us in how we make decisions in life – some of these values are personal and some are influenced by the social, professional, or cultural communities we are members of (Eccles, 2009:78-80; Sagiv, Roccas, Cieciuch & Schwartz 2017:3).

Below we explore the different communities (local, professional, national, African, and global) to identify the values, rights and obligations that stem from being a member of these communities and the role of a CA within these communities.

1.3.1. Local-cultural community

A local community, as defined by Dictionary.com, is "a social group of any size whose members reside in a specific locality, share government, and often have a common cultural and historical heritage." Members of your local community encompass individuals such as your family and friends, as well as local organizations like schools, businesses, and churches.

South Africa, often referred to as the rainbow nation, is celebrated for its diversity. Our local communities reflect this diversity, bringing together individuals from various ethnicities with distinct cultures, values, traditions, and spiritual beliefs. Let's introduce Ava Dlamini, a first-year trainee who will be joining us on this learning journey throughout the year.



Ava Dlamini
First-year trainee

Hi!

My name is Ava Dlamini. I am 23 years old, and I have just started my articles with New Horizons (Pty) Ltd ('New Horizons') in their office in Johannesburg, Greenstone.

New Horizons is a global firm providing auditing and advisory services to a wide range of clients. I am a South African, and I grew up in a township called Umlazi in Durban. This year I moved to Benoni in the East Rand for work. I have observed that a diverse mix of people live in this area including Black Africans, Whites, Asians and Coloureds. Coming from Umlazi which is mostly Zulu-speaking Black Africans I am still adjusting to the different cultures.

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| | |
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| | I'm excited to meet you and look forward to learning together throughout the year! |
|--|--|



Activity 1.1 What is a local-cultural community?

Which of the following makes Ava's local cultural community? (Choose all that are applicable)

- Umlazi, Durban
- Benoni, Johannesburg East Rand
- New Horizons
- South Africa
- The Zulu tribe
- Her local church

Solution

- Umlazi, Durban
- Benoni, Johannesburg East Rand
- New Horizons
- The Zulu tribe
- Her local church



Activity 1.2 Introduce yourself and your communities

Now that we have met Ava, please also introduce yourself in the Activity 1.2 discussion forum. Tell us a bit about who you are and name at least four communities that you are a member of.

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Participation in your local community or being an active citizen is one of the pillars necessary to unlock sustainable development and build social cohesion in South Africa (National Planning Commission 2012:26) as shown in Figure 1.2. below – active citizenry is a core aspect of building social cohesion.

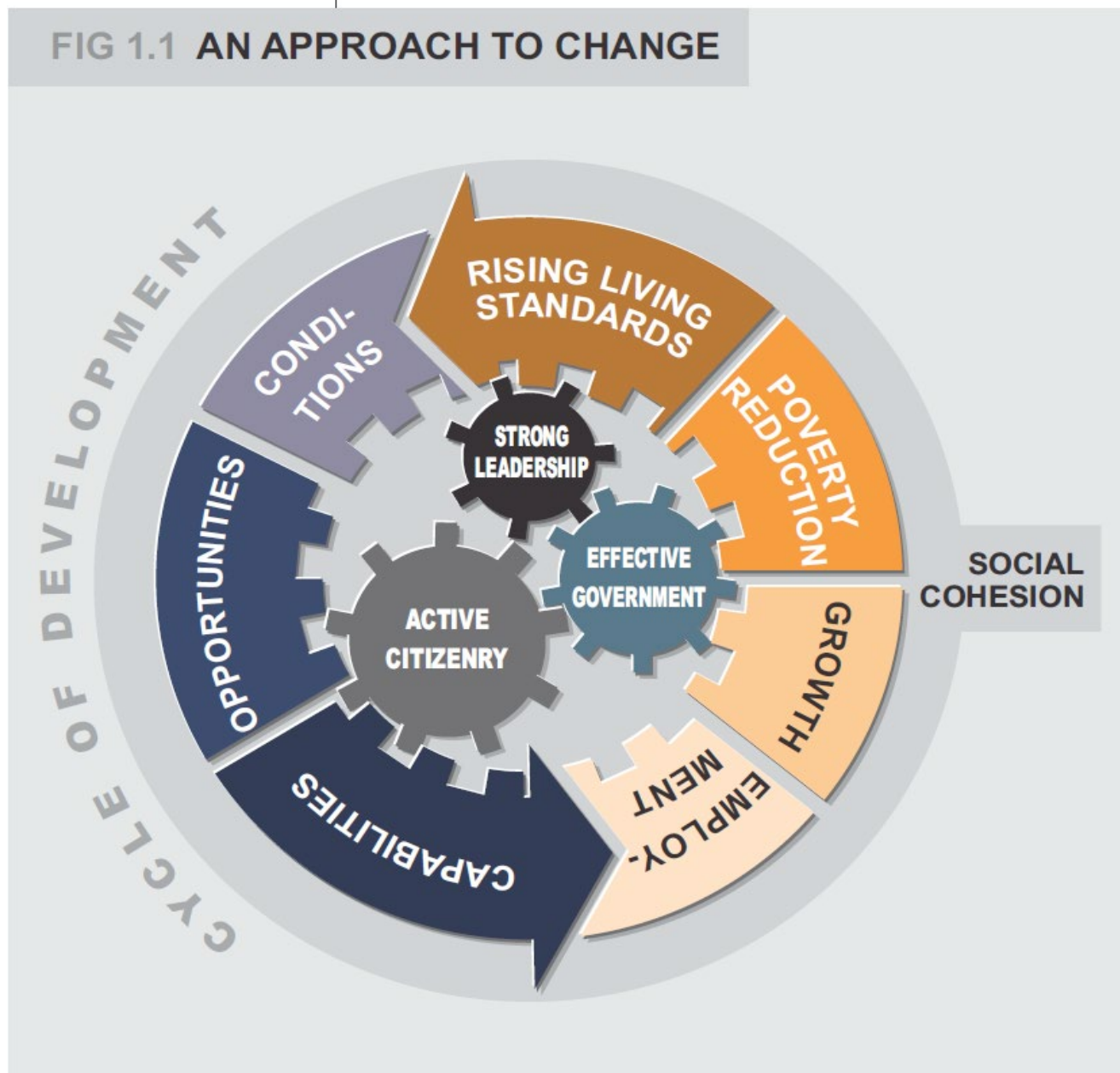


Figure 1.2: Role of active citizenship in nation-building Source: National Planning Commission 2012: 26

Active citizens take charge of their future and act as catalysts for change in their local communities (DAC, n.d.). They understand the challenges facing the communities they live in and hold elected officials accountable or mobilise the local community to solve those challenges (National Planning Commission 2012: 37). Active citizenry requires inspirational leadership that demonstrates the following qualities (National Planning Commission 2012: 474):

- Leading by example and subjecting yourself to societal rules.
- Honesty, integrity, and trustworthiness.
- Being a transformation catalyst.

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- Ability to innovate, voice unpopular opinions and communicate effectively.
- Tolerance, patience and the ability to listen to diverse views and opinions and change your own assumptions if presented with evidence.
- Promote inclusion across barriers of class, ethnicity, gender, disability and other factors.

CAs are seen as role models who are expected to behave ethically and protect the public interest (SAICA 2021:14), therefore they are well-positioned to be active citizens who play a leadership role in their local communities by displaying some of the qualities indicated above. This requires CAs to establish a personal value system that is based on ethics which they apply in their decision-making and interaction with others.



Activity 1.3 What are your values?

It's important to be aware of your personal value system and to evaluate if it incorporates some of the values that are important for a CA. Knowing your values provides clarity in decision-making and allows you to act in ways that are consistent with your deepest beliefs and principles. If you are not sure what your values are you can take this test at <https://personalvalu.es/>

Please share the list of your personal values with your fellow students on discussion forum 1.3

1.3.2. National community

According to the, a person can become a South African citizen by birth, descent, or naturalisation. Once you are a citizen of South Africa, the [Constitution of the Republic of South Africa, 1996](#) (the Constitution) grants you equal rights, privileges, and benefits of citizenship as well as subjects you to the duties and responsibilities associated with citizenship (section 3).

The Constitution (section 1) indicates that South Africa is founded on the values of:

- Human dignity, the achievement of equality and the advancement of human rights and freedoms.
- Non-racialism and non-sexism.
- Supremacy of the constitution and the rule of law.
- Universal adult suffrage, a national common voters roll, regular elections and a multi-party system of democratic government, to ensure accountability, responsiveness and openness.

The Constitution also contains a Bill of Rights in Chapter 2 which outlines the rights that all South African citizens enjoy which support the values of human dignity, equality and freedom. It is the responsibility of the state to respect, protect, promote and fulfil these rights. The Bill of Rights is comprehensive in covering equality, human dignity, life, privacy, freedom of religion, belief and opinion, freedom of expression, political rights, freedom of movement and residence, freedom of trade, occupation and profession, labour relations, environment, property, housing, healthcare, food, water and social security, specific rights for children's access to education, healthcare and protection, education, language and culture, access to information, just administrative action, access to courts, and specific rights for arrested, detained and accused persons.

The Bill of Rights is considered the most important part of the Constitution and forms the cornerstone of our democracy in South Africa. It reflects our expectations from the state as well as how we are expected to interact and relate with each other as citizens. The Bill of Rights focuses on the rights of citizens; however,

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we should be aware that implicit in our rights are also our responsibilities as human beings and citizens of South Africa (Department of Basic Education 2011:2)

Whilst the Constitution doesn't have a list of responsibilities to accompany these rights, the Department of Basic Education (2011) compiled a [Bill of Responsibilities](#) which outlines the respective obligations that correspond with the Bill of Rights.

This bill of responsibilities indicates that associated with the right to South African citizenship are the responsibilities to:

- Obey the laws of the country,
- Ensure that others also obey the laws of the country and
- Contribute our part to make South Africa a great country.

Therefore, it constitutes a social contract between the state and its citizens. The state is obligated to respect, protect, promote, and fulfil the rights outlined in the Bill of Rights. In reciprocation, citizens are expected to adhere to the law and actively contribute to nation-building. Consequently, citizens agree to relinquish certain individual freedoms by complying with the country's laws in exchange for the social benefits enshrined in the Bill of Rights. Figure 1.3 illustrates the various components contributing to a robust social contract. The efficacy of this contract hinges on trust between elected officials and citizens, with both parties having confidence in the other's commitment to upholding their respective responsibilities. Additionally, through active citizenship, citizens play a crucial role in holding elected officials accountable for fulfilling the promises outlined in the Constitution.

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Activity 1.4 Is the South African social contract broken?

Use [this article](#) and at least two other resources to critically assess the impact of recent global developments, including the American withdrawal of funding (USAID), possible sanctions and increased import tariffs, on the South African social contract, and suggest potential strategies for the South African government to mitigate these impacts and strengthen the social contract. Write your argument in MS Word in the form of a news article which can be submitted to an online news publication. Submit your article online under Assessment 3.

The role of CAs in building a great country is encapsulated in the quote below from the Auditor-General of South Africa (AGSA):

“A country’s chartered accountants are responsible for its economic health and fighting corruption by promoting transparency and efficiency. This responsibility demands that we be above reproach in our conduct, be it in our roles as leaders, or simple conscientious citizens of this young democracy.” Tsakani Maluleke (AGSA) (Source: <https://www.sage.com/en-za/blog/the-role-of-accountants-in-building-a-better-country/>)

CAs are part of organisations, which are key private partners in ensuring economic growth and sustainable development in South Africa. CAs are also external auditors, holding those charged with governance in organisations accountable and ensuring the financial sustainability of organisations. In these roles, CAs can act as change-makers to build better organisations that ultimately benefit the whole of society and restore trust in the social contract in South Africa.

“External auditing plays a crucial role in maintaining transparency, accountability, and trust within the social compact. By assessing the accuracy and reliability of financial information, external auditing has far-reaching effects on the social compact, influencing both individual and institutional behaviour. In simple terms, one could say that auditors are enablers of the social compact.” Imre Nagy (IRBA CEO) (Source: <https://irba.co.za/news-headlines/general-news/university-of-johannesburg-public-lecture---imre-nagy>)

1.3.3. African community

Africa is a diverse continent but can be said to share a common cultural identity that can be captured through the values of Ubuntu. Ubuntu is a unifying concept which provides a useful guide for how Africans should aspire to behave wherever they might be in the world. It calls us to express compassion, reciprocity, dignity, and humanity in our interactions with others. Ubuntu can be defined as a moral quality of a person or a worldview which supposes that all persons are interconnected (Gade 2012:487). One of the passages in Gade’s study (2012:492) described Ubuntu as a worldview that “stresses the important of community, solidarity, caring and sharing...advocates a profound sense of interdependence and emphasizes that our true human potential can only be realised in partnership with others.” The Zulu maxim “umuntu ngumuntu ngabantu” meaning “a person is a person through other persons” encapsulates the essential meaning of Ubuntu.

Africa is divided into 54 recognised countries, but the need for collaboration in addressing some of the continental challenges has given rise to regional economic communities as well as organisations such as the African Union (AU). The African Union (AU) is an important continental body launched in 2002 to

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increase cooperation and integration of African states to promote growth and economic development in Africa. The AU's vision is: "An Integrated, Prosperous and Peaceful Africa, driven by its citizens and representing a dynamic force in the global arena." (African Union, n.d.) The AU's Agenda 2063 has the following aspirations:

- Aspiration 1: A prosperous Africa based on inclusive growth and sustainable development.
- Aspiration 2: An integrated continent, politically united and based on the ideals of Pan-Africanism and the vision of Africa's Renaissance
- Aspiration 3: An Africa of good governance, democracy, respect for human rights, justice and the rule of law
- Aspiration 4: A peaceful and secure Africa
- Aspiration 5: An Africa with a strong cultural identity, common heritage, shared values and ethics
- Aspiration 6: An Africa, whose development is people-driven, relying on the potential of African people, especially its women and youth, and caring for children.
- Aspiration 7: Africa as a strong, united, resilient, and influential global player and partner.

CAs are global leaders in their personal capacity and through the organisations they work for and can play a role in the achievement of the above aspirations, especially the goals associated with aspirations 1, 3, 6 and 7:

| Aspiration | UN Agenda 2063 Goals to achieve the <i>specific</i> Aspiration |
|---|---|
| A prosperous Africa based on inclusive growth and sustainable development (1) | <ol style="list-style-type: none"> 1. A high standard of living, quality of life and well-being for all 2. Well educated citizens and skills revolutions underpinned by science, technology and innovation. 3. Healthy and well-nourished citizens 4. Transformed economies and jobs. 5. Modern agriculture for increased proactivity and production 6. Blue/Ocean Economy for accelerated economic growth. 7. Environmentally sustainable climate and resilient economies and communities |
| An Africa of good governance, democracy, respect for human rights, justice and the rule of law (3) | <ol style="list-style-type: none"> 1. Democratic values, practices, universal principles for human rights, justice and rule of law entrenched. 2. Capable institutions and transformed leadership in place at all levels |
| An Africa, whose development is people-driven, relying on the potential of African people, especially its women and youth, and caring for children (6). | <ol style="list-style-type: none"> 1. Full gender equality in all spheres of life 2. Engaged and empowered youth and children |
| Africa as a strong, united, resilient and influential global player and partner (7). | <ol style="list-style-type: none"> 1. Africa as a major partner in global affairs and peaceful co-existence 2. Africa takes full responsibility for financing her development. |

1.3.4. Global community

As an individual, you are part of a global community. This community is made up of all the countries of the world. Technology and globalisation have resulted in an interconnected and interlinked world where events in one country can affect the whole planet; the COVID-19 crisis is one such example. Some of the

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challenges facing humanity today such as climate change and poverty are at a global scale and require combined global efforts to overcome. This means individuals, societies and nations that share common interests and concerns should work together to look for solutions to some of the global challenges.

“The point is that human rights are universal, but so are the duties and responsibilities to meet those rights. This is what the framers of the International Bill of Rights, and all of the other international human rights treaties, sought to achieve. This is the only way that the notion of human rights makes any sense.” (Department of Basic Education, 2011:11)

The future CA needs to be a person who understands and is aware of the world and their place in it i.e. a global citizen. Global citizens explore the world, respect people of all races, cultures and religious beliefs and display values such as care, compassion, empathy, honesty, trustworthiness, curiosity and independence (Haievska, 2023).

Global citizens are active in their local community and work with others to make the world more peaceful, sustainable and fair. They explore the world and respect people of different races, cultures, and religions who live in it. Values such as caring, compassion, empathy, honesty, trustworthiness, helpfulness, curiousness, independence, and valuing diversity are essential for a global citizen. (<https://www.wcia.org.uk/blogs/volunteers/what-makes-a-good-global-citizen/>). Being a global citizen promotes political, social and economic awareness and leads to individuals who can have effect more meaningful and large-scale change in society.

To focus the world on global challenges and set targets for addressing these, the United Nations Sustainable Development Goals (UN SDGs) were adopted in 2015, to achieve the set targets by 2030. You can watch this video for a quick summary of the UN SDGs:



<https://youtu.be/xubK4T9Nc8A?si=MYfKmDbc6-dGyP9>

You can contribute to the achievement of the UN SDGs in your personal capacity by taking small steps.



Activity 1.5 What can you do to contribute to the achievement of the UN SDGs?

Review [the Lazy Persons guide to saving the world](#) which contains actions that you can take to contribute to the achievement of the UN SDGs. choose three actions from the lazy person guide in each category and track your efforts for a month, keeping a log of your actions and submit a Reflection Journal (PDF) that answers the following questions:

- i. What challenges did you face in adopting these habits?
- ii. Did you notice any changes (personal, financial, or environmental)?
- iii. How did people around you react to your choices?
- iv. Will you continue these actions? Why or why not?

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1.4. Professional citizenship

Chartered Accountants form a professional community bound together by a shared dedication to advancing the field of accountancy. Upon achieving the Chartered Accountant qualification, you'll become a member of the South African Institute of Chartered Accountants (SAICA) and proudly bear the designation of "CA(SA)." SAICA membership entails specific rights and obligations, such as the privilege to use the CA(SA) designation and adherence to the SAICA Code of Professional Conduct (SAICA CPC).

At its core, professional citizenship means you are willing to accept the responsibility for the present and future state of the accountancy profession. You are an active participant in growing and promoting the profession and you support the vision of the accountancy profession with your time, energy and money.

Read the LinkedIn article linked below which explains what professional citizenship is and how we can show up as accountants who have a broader impact on society:

<https://www.linkedin.com/pulse/professional-citizenship-unveiling-superhero-within-jacques-van-wyk/>

1.5. Corporate citizenship

"Corporate citizenship is how a company exercises its rights, obligations, privileges, and overall corporate responsibility within our local and global environments." Boston College for Corporate Citizenship (online)

King IV defines corporate citizenship as "...the recognition that the organisation is an integral part of the broader society in which it operates, affording the organisation standing as a juristic person in that society with rights but also responsibilities and obligations. It is also the recognition that the broader society is the licensor of the organisation" (IODSA, 2016:11).

Companies exist in an ecosystem and through corporate citizenship they are being held accountable not only for financial performance but their environmental and social impact. Corporate citizenship is more than corporate social responsibility (CSR), it's a fundamental rethink of how an organisation generates value not just for shareholders but all other stakeholders.

Organisations have multiple stakeholders and use various resources to fulfil their vision and mission. As good corporate citizens, organisations are expected to meet social, legal, ethical and economic responsibilities whilst using resources strategically to generate value in the short, medium and long term (Source: SAICA CF and <https://www.investopedia.com/terms/c/corporatecitizenship.asp>.) Chartered accountants are expected to help organisations firstly act as good corporate citizens and secondly report on how they use resources to generate value over time.

Organisations can also participate and contribute to the achievement of the UN SDGs through the United Nations Global Compact (UNGC) which was created to support global companies that are committed to human rights, labour, and the environment and are against corruption. The focus for organisations is on these four pillars which are supported by the Ten Principles as illustrated in Figure 1.4. Companies can register and become part of the UNGC and commit to adopting business practices and strategies that align with the UNGC's Ten Principles. CAs can play a role in organisations by bringing an awareness of UN SDGs and the UNGC Ten Principles.

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Figure 1.4 Ten Principles of the UNGC Source: United Nations (n.d.)

1.6. Social Impact Assessment

Social Impact Assessment (SIA) is a process for managing social issues related to development projects within organisations, whether for-profit, non-profit, or government-funded, or social enterprises. SIA assesses and manages the social consequences of planned interventions, such as infrastructure projects, policies, and corporate activities (Esteves et al., 2012). Social impact refers to the positive outcomes that arise from actions that positively impact society, benefiting both the intended recipients and the wider community, including individuals, organisations, and the environment (Rawhouser et al., 2019). It refers to various actions' influence on individuals, communities, and society. We can understand it as an initiative that aims to generate public value, ideally through systemic, sustainable, and innovative approaches. Another perspective on social impact is that it involves efforts to address local or global community needs (Taylor, 2021).

Assessing social impact is essential for several reasons; demonstrating the effectiveness of programs is often critical for securing ongoing funding. Additionally, showcasing successful initiatives can help expand their reach, enabling positive change to benefit a broader range of communities. Finding programs that aren't working well is just as important because it lets you make the changes and improvements that are needed to make sure that the money you spend has the environmental, social, or other positive effects that you want it to have (Taylor, 2021).

There are some problems with SIA, like community fatigue from having to meet with communities too many times when there aren't any clear, measurable goals for reaching the goals (Esteves et al., 2012). Unlike financial accounting, which uses International Financial Reporting Standards (IFRS), SIA does not have similar standards to guide preparers and users in reporting; as a result, the reporting becomes incomparable (Rawhouser et al., 2019). Further, there is limited access to SIA reports as there are no regulatory requirements to make these reports publicly available (Esteves et al., 2012). Therefore, there is no predefined method of measuring social outcomes. In the academic world, there hasn't been an

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agreement on which measures to use to measure social impact (Rawhouser et al., 2019). However, researchers have suggested several approaches and processes.

1.6.1. Approaches to Developing Social Impact Measures

Rawhouser et al. (2019) suggest an outcomes-based or activity-based approach to developing measures for social impact. The outcomes-based approach focusses on the outputs the organisation needs to achieve. In this instance, there is a direct correlation between the objectives and the output. One method within the outcomes-based approach is to measure the direct social impact; for example, in a food bank, the measure would be the number of meals provided. The activity-based approach concentrates on the input necessary to achieve the desired output, we measure the input with the expectation that it will lead to the desired outcome. output. For example, in a food bank, the number of volunteers for food preparation. In this instance the measure is not directly correlated to the objective, yet the activity is selected as a measure for the expected result. The outcome-based approach is the preferred one.

1.6.2. Process to Reporting on Social Impact Measures

Taylor (2021) describes a process that offers an alternative to the outcomes- or activity-based approach. The first step of the process involves the selection of a framework. There are multiple frameworks that an organisation can select; examples of relevant frameworks include the Sustainable Development Goals (SDGs), the Global Reporting Initiative (Global Reporting Initiative, n.d.), and the Social Return on Investment (Nicholls et al.). The organisation can also develop its own framework of importance, ensuring that it aligns with its strategic objectives in relation to society.

The second step of the process is to identify the metrics that will be utilised to measure social impact based on the framework selected, the scope of the project, and the resources available for the project. An organisation that focusses on healing and health can have a metric for the number of procedures performed on patients as a quantitative measure or key performance indicator. On the other hand, an organisation that prioritises reducing teenage pregnancy rates can concentrate on achieving this goal. The focus is on the impact metric. Therefore, before an organisation can associate a metric with an impact, it must clearly document the impact it needs to achieve. The impact needs to align with the strategic objective of the organisation or the funder's (donor's) objectives.

The third step of the process is to assess attribution. Attribution is the impact that the project has had beyond the organisation's expectations; simply, it's a ripple effect of the impact on the project. It acknowledges that multiple factors—such as government policies, other organisations, external economic conditions, or personal circumstances—may also contribute to the change. To avoid exaggerating its impact on the community, the organisation should report on the impact of its resources. project. Where there is further impact as a result of government policies, that should be stated as attribution and not part of the measured social impact. It is considered unethical to incorporate attribution into the organisation impact measure. An example for reporting attribution is: A youth employment program reports that 70% of its participants found jobs within six months. However, government policies and economic improvements might have also contributed. Through attribution analysis, the organisation determines that 40% of those job placements were due to their training program, while 30% could be attributed to external factors.

1.6.3. The Importance of Ethical Considerations

The crucial aspect of ethical consideration is safeguarding society. Protection of the society's human rights is the first thing to be considered; consent needs to be provided by the individual before photos or any important personal information is shared in media or with the public.

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The ethical standards maintain vital importance during social impact measurement as they protect the fairness and integrity of data collection and analysis and reporting procedures. Stakeholders need full understanding of data use to participate in processes (Nicholls et al., 2009), which constitutes an essential ethical concern. Organisations must preserve confidentiality together with privacy standards to protect all forms of sensitive information. Research organisations, together with their staff, are required to follow data protection legislation and ethical protocols that prevent unauthorised disclosure of information (Global Reporting Initiative, n.d.). Resource misallocation results from data misrepresentation practices that include exaggerating social impact data for project grant qualifications (Taylor, 2021).

1.6.4. The importance of qualitative data

However, it is crucial to employ storytelling to elucidate the numbers, enabling stakeholders to comprehend the social impact the organisation has made on the community. Storytelling is a better way to understand how different parts work together than using complicated metric analyses (Taylor, 2021). This makes it easier to see the complicated links between outputs, outcomes, attribution, and larger changes in society.

Qualitative data plays a crucial role in reporting on key performance indicators (KPIs) for measuring social impact, as it adds depth and context to numerical findings. While quantitative data provides measurable outcomes, qualitative insights offer a deeper understanding of the experiences, perspectives, and unintended effects of social initiatives. This data type helps explain the reasons behind trends, highlighting challenges, successes, and areas needing improvement that numbers alone may not reveal. Through interviews, case studies, and open-ended survey responses, qualitative data ensures that social impact reporting captures real human experiences rather than just statistics. Combining qualitative and quantitative data creates a more comprehensive and meaningful evaluation of social impact efforts.

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|  <p>Ava Dlamini First-year trainee</p> | <p>I volunteer at the Nelson Mandela Children's Fund as an advisor on the audit committee.</p> <p>I am aware that their Annual Report incorporate the UN_SDGs and Social Impact Assessments (SIA) with the relevant KPIs.</p> <p>The United Nations Global Compact_ 2023 Annual Report indicated the requirement for companies to start reporting progress on meeting the 2030 goals.</p> <p>I have provided you with the link to the UN Global compact 2023 Annual Report and the NMCF Annual Report.</p> |
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Activity 1.6 UNGC Principles Application

Using the Nelson Mandela Children's Fund 2023 Annual Report, discuss how the fund reports on the progress of meeting the 2030 UN_SDG goals. You only need to focus on the strategies incorporated in the report. You may refer to the prior year reports to monitor the progress. Furthermore, critique the Social Impact Assessment and KPIs reported in the Nelson Mandela Children's Fund 2023 Annual Report.

Write your answer in MS Word as an email in response to the Funds Chairperson and upload it under Activity 1.6

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In their various roles in the organisations that they work for, CAs can advocate for change and encourage organisations to make better choices that can ultimately be good for the 3Ps of profit, people and the planet. This article (<https://www.sage.com/en-za/blog/the-role-of-accountants-in-building-a-better-country/>) suggests the following six ways that accountants can be change-makers in their organisations:

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| <p>Set an example. Volunteer to lead an ethics or anti-corruption programme or compliance at your workplace. Speak out against unethical behaviour or noncompliance. Influence and encourage everyone to adopt the organisation's Code of Conduct.</p> | <p>Advocate for data integrity and access to information. Support / initiate digital transformation in your organisation to enable access to accurate data that can inform decision-making.</p> | <p>Help businesses make sense of ESG and sustainability. Encourage organisations to factor in Environmental Social and Governance (ESG) in their decision-making processes.</p> |
| <p>Step into the role of Chief Value Officer. Put on your strategic and advisory roles when evaluating financing, investment, and business process transformation decisions. Bring maximum value for the organisation as well as society through the best use of the six capitals (human, natural, financial, manufactured, intellectual and social).</p> | <p>Exercise moral courage. Always use your professional judgment and carry out your work with due care and diligence. Report any irregularities, challenge questionable practices and hold people accountable.</p> | <p>Embrace technology. Advocate for strong IT controls and good IT governance to protect the confidentiality, integrity and availability of information.</p> |

1.7. Conclusion

In the preceding content, we explored the various communities influencing personal citizenship. At the grassroots, we examined the local-cultural community—a collective of individuals and organizations sharing a common geographical location and cultural or historical heritage. Emphasizing active citizenry, inspirational leadership, and a solid personal value system, we underscored the pivotal elements of good citizenship within this local-cultural context.

Moving to the national level, we acknowledged the constitutional rights enjoyed by all, accompanied by the corresponding duty to adhere to the nation's laws and contribute to the betterment of South Africa. The concept of a social contract between the state and its citizens was introduced, prompting reflection on its status in South Africa. Chartered Accountants (CAs), in their professional capacities, were identified as contributors to national progress by advocating transparency, efficiency, and the fight against corruption. Particularly within auditing, CAs play a crucial role in fostering societal trust and safeguarding the public interest, thereby strengthening the social contract.

Considering South Africa's place within the African continent, we recognized the collective identity shared with other African nations. The value of Ubuntu was presented as a guiding principle for aspirational behaviour. The African Union's (AU) role in achieving sustainable development, as outlined in Agenda 2063, was explored, emphasizing the potential impact of ethical and responsible CAs as leaders.

Shifting focus globally, we highlighted personal participation in the global community as a global citizen, emphasizing contributions toward attaining the UN Sustainable Development Goals (SDGs) by 2030 to

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address global challenges. Subsequently, we delved into the concept of professional citizenship, outlining the expected values and attitudes that CAs are required to embody. Finally, a brief overview of corporate citizenship and the role of organisations in society concluded our exploration.



1.8. Additional (non-compulsory) resources

- Article discussing how you can be an active citizen: <https://www.goodthingsguy.com/opinion/10-tips-to-be-an-active-citizen-and-creating-positive-change-in-south-africa/>
- Former President Thabo Mbeki's "I am an African" speech: http://afrikatanulmanyok.hu/userfiles/File/beszedeK/Thabo%20Mbeki_lam%20an%20African.pdf
- Article on ethics within the accountancy profession: <https://www.accountancysa.org.za/ethics-answering-the-call-to-ethical-behaviour/>

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