ACCA

PCEF guidance notes

Area E – Leadership and management

Think Ahead

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Unit PC9 – Recruit and develop people

This unit relates to the role of recruiting and developing people. You are expected to play a part both in analysing personnel needs and recruiting people to fill staff shortages. As well as recruiting staff, you are also expected to ensure that both you and your staff are competent to provide high quality services to the organisation. This is an ongoing responsibility and you should constantly monitor your own and other peoples' performance.

Element reference	Demonstrated behaviour and examples
Element LM1 **Identify personnel requirements and role specifications** Click here to view examples	• Identify recruitment needs in terms of skills gaps and staff shortages • Evaluate the resource constraints against the benefits of bringing new staff in • Produce clear and concise job descriptions for identified gaps • Prepare person specifications identifying specific skills and competences required • Provide information about staff shortages and job descriptions to relevant personnel
Element LM2 **Select teams and individuals** Click here to view examples	• Reviewing applications received for a post • Being part of an interview process • Use appropriate selection methods to select individuals based upon agreed selection criteria • Ensure consistency with legal and organisational requirements • Ensure equality of opportunity and record the selection process • Judge information obtained from candidates and make recommendations on the recruitment and selection of personnel • Make recommendations for improvements in the selection process to the appropriate person
Element LM3 **Develop teams and individuals** Click here to view examples	• Make assessments of the work performed by teams and individuals • Identify the competences, qualifications and attributes of teams and individuals • Identify staff training and development needs • Identify and organise activities to meet development needs • Monitoring performance after training • Provide feedback to individuals and the team on the way learning has impacted on their performance

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Unit PC10 – Lead others to achieve objectives

This unit involves leading a team to achieve work objectives. Each of the three elements in the module requires you to work closely with a team and individuals. In order to achieve the unit you will need a high level of motivational skills and be able to delegate effectively and provide coaching and feedback both to teams and individuals.

Element reference	Demonstrated behaviour and examples
Element LM4 **Identify and agree objectives and methods to deliver required outcomes** Click here to view examples	• Agree methods and objectives with the team in order to achieve the required outcomes • Enable team members to have an input into the planning of the work and the objectives and gain their commitment to its achievement • Ensure that the agreed methods and objectives are consistent with organisational values and expectations • Ensure that methods and objectives are compliant with legal requirements • Ensure that chosen methods and objectives optimise the use of resources
Element LM5 **Delegate activities to teams and individuals** Click here to view examples	• Define the responsibilities and limits of authority for teams and individuals • Allocate work to meet objectives in accordance with the abilities and development needs of the individual • Provide learning opportunities to team members where appropriate • Provide sufficient information to enable them to complete the activities and agree access to and levels of support • Agree deadlines, resources and any reporting requirements with team members
Element LM6 **Monitor and appraise the work of others** Click here to view examples	• Monitor the team's and the individual's performance against objectives • Provide feedback in an appropriate and timely manner • Offer suggestions and encouragement to the team and individuals for improving performance • Reschedule or reallocate work to achieve objectives • Discuss the need for further learning where monitoring reveals performance gaps

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Element LM1 – Identify personnel requirements and role specifications

EXAMPLE 1

As a manager I am responsible for identifying any staff shortages and I am involved in the recruitment process. During the last six months two of our trainee accountants left and we needed to recruit at least one trainee as the workload was starting to put pressure on other staff members. I agreed with the partner to prepare a job description and advertise the role on a number of recruitment websites and on our own website. In the job descriptions I included specific areas that the trainees will be working on, what qualifications and skills we are looking for and also what we offer in terms of study support and remuneration.

EXAMPLE 2

As a manager in the firm, it is one of my roles to get involved in the annual recruitment of new staff, mainly new trainees from university. Every year I take part in discussions with other offices in my region about the needs of the firm and the number of new trainees we should be seeking to start in the firm in September. I contribute to budget setting for training and as a team we discuss how things went in the past 12 months and agree what level of recruitment we should be looking at. This ends up with an agreed new head count for the region and I get confirmation of the number of new recruits for the following September for my office. This is then agreed with the principal partner in the office.

EXAMPLE 3

One of the finance team recently retired. This allowed me to consider the roles of the remaining team to ensure that all activities were allocated appropriately, allowing individuals to further grow and develop within the team where required. Following this reallocation, it became apparent that we had a staff shortage and that the retiring team member did need replacing, albeit in a slightly different role. I therefore produced a job description setting out the skills and competences required of the role. Having discussed this with the finance director we agreed that the new individual would be recruited to train towards ACCA and that the company would support their training. I undertook the interview process with the finance director and HR representative. The outcome of which was that we identified the most suitable candidate which was critical to the firm's future growth and success.

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Element LM2 – Select teams and individuals

EXAMPLE 1

We received over 50 applications for an advertised post and upon reviewing these I shortlisted six individuals. I scheduled the initial round of interviews, which I conducted in our office. In order to prepare for the interviews I attended an online training course focusing on selection methods and appropriate questions that help to make the best choice. I think this was very beneficial as the last interviews that I conducted were a few years ago. I also checked whether the template that I was intending to use was in line with our internal HR policy. Following the interviews, I selected two trainees, who were invited for a second interview with one of the partners. Prior to the second interviews I briefed the partner on the information I had. The partner was impressed by the candidates' performance and decided to offer the trainee accountant role to both of them.

EXAMPLE 2

I got involved in the interviewing of undergraduates who wished to join the firm following graduation. I led the first interviews myself and shortlisted the candidates to go onto second interview with me and a partner. Before the interview, I had a conversation with HR, and discussed how each candidate performed in the firm's selection days and identified any strengths or potential weaknesses. I also prepared questions in advance based on each candidate's CV. Following each interview, I invited the successful applicants onto second interview. This was with a partner and myself in the office, to ensure the person is a good fit for our working environment. I also encouraged the applicant to ask any questions they had, to ensure that the firm meets their own expectations. One candidate in particular showed great promise going on the strength of their CV. When I asked some questions which were directly linked to their CV, it transpired that they had slightly exaggerated their experience. This is why I find it so important to utilise tailored open ended questions to potential candidates. I find that this approach is extremely beneficial in acquiring the best candidate for the position.

EXAMPLE 3

With the assistance of the HR department, I was responsible for screening all applicants for a new role and undertaking the interviews. We had a large number of applicants but after screening this resulted in only four being interviewed. There was one candidate which stood out and she accepted the role offered to her. The four candidates that I had filtered down to all exhibited signs of being suitable for the post. Utilising the HR department also greatly assisted in guiding me towards the correct candidate using a checklist of criteria the candidates were required to demonstrate.

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Element LM3 – Develop teams and individuals

EXAMPLE 1

One of the partners delegated to me the task of assessing the training needs of the accounts team and organising any relevant activities to address these needs. I prepared a short online questionnaire that I sent to each member of the team, which asked for any specific training or development activities they would like to do. I collated all of the answers and summarised them based on the job roles the staff had. I found that the majority of the junior staff members were struggling with some soft skills like dealing with difficult clients or staying organised whereas the main focus of the more experienced staff members was on technical training and changes in legislation. Based on the responses I looked into some technical training that we can do with our external CPD provider and booked these courses. I also organised two internal team meetings where the more senior staff members provided soft skills training to the juniors. At the end of the sessions I distributed a questionnaire to all attendees and the results showed a great improvement in their knowledge and the way they felt about managing their jobs.

EXAMPLE 2

During each audit, I review and assess the performance of each team member. Following every audit, there is a review form to complete which identifies how each person performed on the audit and if there is any training or development required based on performance. If there are any urgent performance issues, I discuss these immediately with the individual and their line manager and if required, an action plan is developed. On one of my audits in the manufacturing industry, I had a team member who was also one of my direct reports, who was underperforming and colleagues were having to pick up work they had not done. I discussed this with the person during and after the audit and set some short term goals for them to work towards. In their quarterly review, I discussed their progress with them and ways in which the firm could give more help.

EXAMPLE 3

The reallocation of work following recent staff changes, highlighted some additional training needs for the team as they were being exposed to new areas. One of the team had been given responsibility for VAT returns. As she had not previously been involved in this, I arranged for her to shadow the retiring staff member in the first instance as well as booking her on a specific VAT course. It was agreed that all team members would be reviewed after three months to ensure that, following the reallocation of work, they were all performing as expected and to identify any further training needs. The three month review identified the need for one of the credit controllers to undertake a course to build her confidence in dealing with difficult customers.

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Element LM4 – Identify and agree objectives and methods to deliver required outcomes

EXAMPLE 1

Before each audit engagement I sit down with the audit team members and we talk through the team objectives. Last month I also incorporated an activity where all team members were required to plan a certain section of the audit and we discussed this as part of our team meeting. When we were discussing the audit of the expenses area I found that the projected time to complete this was a lot longer than the budget for the job allowed. We therefore had to rethink the way of auditing this area in order to provide sufficient and appropriate evidence but also to reduce the overall time. One of the assistants suggested performing higher level tests on certain low risk expenses, which could save a number of hours. She had recently done this on another engagement and the results were very positive. We agreed to apply the same approach but not to compromise on the quality of our work if the method did not work for our specific client.

EXAMPLE 2

As a line manager in my department, I am responsible for making sure that all staff that I line manage are appraised on a regular basis. In my firm we have quarterly catch-ups, with a larger more formal annual appraisal. Once I have shared the team objectives for the year ahead, I ask each team member to draft up their objectives for the coming year and send them to me in advance of the meeting. During the appraisal, I discuss the objectives with each team member and agree them, ensuring that they are challenging but not so difficult that they become demotivating. During the year, I arrange quarterly catch ups with each individual to discuss the progress towards their objectives, making changes if needed. I also set and agree my own objectives with my own line manager. Objectives must be SMART and clearly demonstrate how they contribute to the firm's overall goals or mission statement. As part of my development onto senior manager level, I shall be encouraging all my qualified team members to consider working towards a practising certificate and completing their post-membership experience records.

EXAMPLE 3

The FD and I regularly meet to discuss the objectives of the team, particularly taking into account any projects which the company might be taking on. I then discuss the objectives with the team as a whole and listen to any input they may have on these. This then results in specific objectives being set for each individual which is monitored as part of the appraisal process. An example of this was when I identified a member of my team who was struggling with their current workload. As such, I specially tailored their objectives so as to be suitably aligned with their ability and skillset. I decided to allocate additional work to another member of the team who had been requesting development opportunities. This allowed the member to gain a wider knowledge of the work undertaken within the firm and helped greatly with their confidence going forward.

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Element LM5 – Delegate activities to teams and individuals

EXAMPLE 1

At the start of each job I allocate specific tasks to some of the junior team members. I have a separate spreadsheet for each job that outlines who is responsible for each area, the deadline for completing the tasks and also who to contact if they have any questions (both internally and from the client's perspective). These are normally allocated depending on the individuals' experience and technical knowledge. I was recently asked by one of the junior members whether she can have more exposure to auditing inventory at a client as she had struggled with this in the past. I agreed to allocate more of this work to her under the supervision of another assistant who had been involved with this client for the last two years.

EXAMPLE 2

For every audit, as part of the planning, each member of the team is allocated parts of the audit. I review the risk areas of the audit and ensure that the most appropriate person undertakes the work. I also discuss development and experience requirements for each person to ensure they can work towards their objectives. One of the audits that I manage is a challenging job as the client staff can be awkward and difficult to deal with. There was one member of staff who had identified that she wanted to be challenged and gain experience of difficult situations and thinking on her feet. For example, every time one of the audit team went to see the FD with a proposed adjustment, their reasons had to be supported by the relevant piece of legislation from the Financial Reporting Standard. I decided to put this member of staff on the audit. I provided her with a lot of on-site support to enable her to deal with some very challenging questions from the audit client.

EXAMPLE 3

I am responsible for allocating the work within the team. I hold weekly team meetings to discuss workload to ensure that all team members are fully supported, particularly through their busy times. All the team have had exposure to other activities within the team, to ensure that they can provide cover as and when needed. One of the team responsible for payroll was recently on longterm sick and another team member, who had thankfully been suitably trained, was able to step in. Due to the importance of payroll, it was then decided that more of the team should be trained to run the payroll in case of emergencies. We therefore ran an in-house training session on it, which will be done every six months or so to ensure that everyone remains up to speed. This process in training others in payroll helped ensure that all members of the team were in a position to provide support should there be any further staff absences.

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Element LM6 – Monitor and appraise the work of others

EXAMPLE 1

At the end of each job, I review the work of the assistants and provide feedback in a face to face meeting. Following a recent engagement, I reviewed the inventory section that the assistant had completed and discussed my review points with her. Overall she had done a much better job than previous years; however, there were still a couple of issues with the documentation of the WIP provision testing. I suggested a few online resources for her to read through which could help with this and also suggested another client where she can help with the inventory audit work. The outcome of this was that she went on to have a greater understanding of the WIP documentation from utilising this.

EXAMPLE 2

I worked on a complex piece of due diligence work for a client in the industrial catering business and there were tight deadlines to meet. I had a team of four staff working with me and, as usual, I was aware of their longer-term objectives as well as setting them goals for their individual pieces of work on the project. One member of staff had been keen to work on stock valuation to improve their knowledge of net realisable value, but this had also been identified as a high risk area of work. I agreed the individual could take on this area but with close supervision. I reviewed their work on an almost daily basis and after a short while it became clear that there was too much work for this person to tackle without support. I asked one of the more senior members of staff to help out with this area, whilst still ensuring the member of staff in question was given the chance to meet their objectives for the piece of work. By delegating out the lower risk parts of stock, I was able to provide dedicated support to the staff member and had the time to discuss their understanding of the value of the stock on-site. In this way, the staff member was able to meet their objective and gain valuable insights into high risk areas of work.

EXAMPLE 3

I undertake six monthly appraisals for all team members. These follow a standard proforma which allows objectives and training needs to be discussed and identified. As I work closely with the team I also try to provide on-going feedback to them on a regular basis, to motivate them wherever possible or to support them further where need be. One of my longstanding team members sees no value in the appraisal process as he has been with the company for so long and isn't career driven. However we managed to identify an opportunity for him to be involved in a large project working closely with the sales team. He was originally concerned that it would impact on his core role, but once we discussed his work load he agreed that he could take on this extra responsibility which he enjoyed as well as helping develop his communication skills.

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