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SOME ASPECTS OF THE ADVERTISING
OF PROFESSIONAL ACCOUNTING SERVICES

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SOME ASPECTS OF THE ADVERTISING OF PROFESSIONAL ACCOUNTING SERVICESR.D.C. JACKSONA B S T R A C T

This thesis examines the opinions of a sample of partners in accounting firms within the Republic of South Africa on the advertising of professional accounting services.

The advertising of professional accounting services has become a highly contentious and complex topic. This thesis identifies eight issues related to the topic and examines the partners' opinions on these issues. In addition, the partners' opinions are examined in relation to the possible placing, means and methods of advertising of professional accounting services as well as the possible content of advertisements for professional accounting services.

A methodology was designed to obtain the opinions of partners from all provinces of the Republic, from varying sizes of accounting firm, of varying ages and experience, and from both official language groups. The opinions were then analysed.

The research findings show that a number of major differences of opinion exist within the profession, and that generally the present rules and regulations pertaining to advertising are in need of revision. This thesis makes a number of recommendations for revision as part of what should be an ongoing process.

This thesis is only part of what needs to be done in this field. A great deal more research is imperative if a satisfactory set of rules and regulations for the advertising of professional accounting services is to be maintained.



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CHAPTER 1

INTRODUCTION

The advertising of professional accounting services is a highly contentious issue. The opinions of members of the profession vary from those strongly in favour of lifting restrictions on advertising, to those who are strongly opposed to any lessening of restrictions. There are even those who would like to see more restrictive legislation. Unfortunately these opinions cannot be split conveniently into categories, for example, by stating that all partners from large firms support unrestricted advertising, or that all partners over the age of fifty years are opposed to advertising. The reason for this is that the issue of advertising a professional service is a very personal one. It is impossible to consider all the factors which go into the formulation of a partner's opinion of any particular issue, but through a survey of the literature available on the advertising of professional services, certain issues which have some bearing on the individual's opinion, emerge. A brief outline of these issues is presented below.

Brief outline of issues affecting the advertising of professional accounting services

It must be borne in mind that the issues listed below are not presented in any particular sequence. They are broadly divided into issues which suggest support for less restricted advertising and vice versa, and are simply presented to highlight the controversial nature of the topic. The issues are as follows :

I Issues which suggest support for the advertising of professional accounting services

- Accountants are in business and logically should be able to use the tools of business, one of which is advertising, to promote themselves and their profession.
- Advertising is an acknowledged medium of communication, so why should accountants ignore it.
- If the accounting profession is to grow, advertising is essential.
- There are many areas of work undertaken by both members and non-members of the profession, but because the non-members are allowed to advertise, the profession is losing ground in those areas.
- The public needs to be aware of the services the profession can offer, and can only be made aware if advertising is allowed.
- Advertising is already taking place in South Africa, for example, firms issue brochures under their names, have business cards and hold golfing afternoons, so why not allow unrestricted advertising?
- Advertising will enhance the image of the profession.
- Advertising will cause a decline in the cost to the user of accounting services.

- The quality of work performed by the professional accountant will improve if advertising is allowed.

II Issues which suggest opposition to the advertising of professional accounting services

- The professional man or woman placed service to his/her clients above profit making and therefore, is not operating a normal commercial business. Advertising is a tool of commercial business.
- The independence of the auditor, which is the keystone of the profession, will be impaired if advertising is allowed.
- Large firms because they are wealthier, would be able to advertise to a far greater extent than the small firms and would therefore place the small firms at a disadvantage.
- Professionalism and advertising are not compatible and therefore, as the profession should aim at being as professional as possible, advertising should not be permitted.
- The South African Institute of Chartered Accountants should be responsible for promoting the profession amongst the public. This will ensure that the advertising of professional accounting services is done tastefully.
- Advertising will tarnish the image of the profession.
- Advertising will increase the costs to users of professional accounting services.

- The quality of work performed by the auditor will decline if advertising is allowed.

This thesis sets out to establish the opinions of partners in professional accounting firms on the advertising of professional accounting services. The object is to gain information which might assist in an evolutionary process of standards setting which is necessary in any worthwhile profession. It is the opinion of the researcher that the cracks of revolution are beginning to show, and that careful attention should be given to the cause, namely the present state of the rules and regulations applicable to the advertising of professional accounting services.

CHAPTER 2

A SURVEY OF THE LITERATURE ON THE ADVERTISING OF PROFESSIONAL ACCOUNTING SERVICES

2.1 Introduction

A survey of the relevant literature reveals that very little of significance has been written on the advertising of professional accounting services. A great deal more has been written on the much broader concept of the marketing of these services, an aspect which is not covered by this thesis (1).

As with any complex and controversial topic, there are a number of issues involved. This survey of the literature is divided, for clarity, into sections covering the more important issues. They are as follows :

- 2.2 The assault on professional codes of ethics.
- 2.3 The influence of the profession in the United States of America on the profession in other countries, particularly South Africa.
- 2.4 The advertising of professional accounting services and independence.
- 2.5 The professional person's disdain for what he perceives to be marketing.
- 2.6 The distinction between the various categories of accounting service and the need for rules and regulations which recognize this distinction.
- 2.7 The advertising of professional accounting services and competition.
- 2.8 Public awareness of the services provided by the accounting profession and the effect of advertising thereon.
- 2.9 The effect of the advertising of professional accounting services on the relationship between the professional accountant and his client.
- 2.10 The effect of the advertising of professional accounting services on the relationship between the professional accountant and his fellow practitioner.

- 2.11 The effect of the advertising of professional accounting services on the quality and cost of such services.
- 2.12 The suitability of different media for advertising professional accounting services and the appropriateness of the use of various advertising appeals.

Each of these will be considered in turn in the following sections.

2.2 The assault on professional codes of ethics

Philip Kotler and Richard A. Connor identify the above issue as one of three forces with which professional accountants will have to cope (2). They maintain that pressure will be brought to bear from within the profession and from external sources for the professional code to loosen up on the regulations pertaining to advertising and soliciting.

Hearne J.J. and Beckingsale C. express the assault on the code of ethics slightly differently, but in essence recognize the same problem.

"Professionals as a whole have traditionally been accorded a privileged position in society and have worked with a privileged minority. However they now serve and depend upon companies, institutions and the public at large. Codes of ethics in all professions are being assaulted which is typical of the attacks on elitism of any form, and reflects the strong undercurrent of egalitarianism which exists in most advanced western economies today" (3).

In the opinion of the researcher the profession can, to a limited extent, be described as elitist, due to the fact that the requirement of their services is guaranteed by law, namely the Companies Act 1973 which stipulates that all companies be audited. This could be seen as resulting in a monopolistic and over-protected service industry.

Hearne J.J. and Beckingsale C. claim that :

"The assailants of the professional body believe that the attitude and approach of the profession is depriving the business man and the public of information, freedom of choice and competitive services" (4).

In the United States of America the formal assault by the Federal Trade Commission on the professional codes has caused the professions to make alterations to their codes. For example, The Federal Trade Commission (FTC) has moved against the American Dental Association claiming that its ban on advertising of fixed prices for services has prevented dentists from seeking new patients (5). The Federal Trade Commission has also moved against the American Medical Association alleging that the doctors ban on advertising prevented competition (6) and the Justice Department filed an anti-trust suit against the American Bar Association contending that its advertising ban restrained price competition among lawyers (7).

As a result of Federal Trade Commission investigations and Justice Department deliberations over the question of advertising rules in the accounting profession, the American Institute of Certified Public Accountants moved to amend their regulations on advertising.

At this stage the social climate in South Africa may not be particularly fertile for this type of "social activist" action to be brought against the professions, but for the accounting profession in South Africa, it may be wise to take heed of the words of Carl A. Craig :

"There is little to be gained by standing in opposition to the tide of history as perceived by social activists with court backing. In other words either the accounting

profession modifies its advertising ethics or it will be modified for its membership by the courts" (8).

2.3 The influence of the profession in the United States of America on the profession in other countries, particularly South Africa

The rules and regulations applicable to the advertising of professional accounting services in the United States are far less stringent than in South Africa. This could affect the profession in South Africa because a number of firms operating in South Africa have direct links with the U.S.A. These links can be :

- (i) An association through the professional firm,
- (ii) An association through the client where the client is a subsidiary of a United States company.

Influence may be brought to bear on the local firms to adopt marketing methods as practised in the United States which, as indicated, has far more lenient legislation with regard to advertising and solicitation.

Martin Shandling writing in the South African Chartered Accountant had this to say :

"The Accounting Professions in South Africa and in the United States of America have the same origins - Great Britain.

Today, however, the profession in America operates in many ways which would send a shudder through the spines of any self-respecting C.A. (SA) steeped in the traditions of professional behaviour spelled out in those immutable green pages known as the Rules and Etiquette.

Public accounting in America today is a fast-moving, dog-eat-dog world, where 'hustle's the name of the game'. Junior clerks barely capable of forming proper tick-marks talk glibly over lunch about their firm's 'growth potential'. Aspiring supervisors discuss 'new business' they've brought in. Dare-devil managers tell hair-raising stories of last-

minute flight changes made at airports when they spotted a 'potential client' about to board a plane headed in the same general direction as their own.

Staff partners sternly hand out forms requiring all employees to enter details of all clubs, societies and social programmes that they are involved with in the spare waking moments their jobs allow. Weekly in-office news digests record with wild enthusiasm details of 'new acquisitions' and the luckless competitors from whom the prey was snatched" (9).

Wilfred Levitt has no doubt that the American influence will spill over into South Africa,

"It seems that inevitably advertising in the accountancy profession will come to South Africa. It is only a matter of when" (10).

Hans Burggraaff, at the time a member of the International Accounting Standards Committee, does not agree that the lead set by the United States of America in lifting restrictions on advertising will necessarily be followed. He questions whether the profession worldwide is moving in the right direction,

"We perceive notions that the profession is becoming more and more commercial and less and less professional. You can see it in the advertising issue, you can see it in competitive bidding and in a number of other phenomena. We are very concerned about it because we feel that as soon as we allow our profession to be some sort of commerce set-up we will seriously damage it, because the public, in general is not in the position to assess the quality of our services" (11).

It is interesting to note that the Netherlands, from where Hans Burggraaff comes, decided in Council not to relax but to strengthen the prohibition on advertising and other commercial activities.

Whether or not the U.S.A. will have any direct influence on the South African profession remains to be seen. As yet no steps to follow the United States have been taken.

2.4 The Advertising of Professional Accounting Services and Independence

Statement 3102 on Auditor's Independence, issued by the South African Institute of Chartered Accountants states that :

"Independence, in relation to an auditor in the performance of his duties, involves a combination of the highest standards of professional ethics and integrity and it is of the utmost importance to the profession that the general public retain confidence in that independence.....an auditor must not only be independent but must be seen to be independent" (12).

Independence is generally recognized as the most important characteristic of the auditing profession and is unique to the accounting profession when compared to other professions. When a member of another profession, for example the legal profession, is engaged by a client, the intention is that the client and the professional will work together for the betterment of the client. For this service the client will pay a fee. The lawyer seeks to defend his client in terms of the law, he has the full co-operation of his client and they share a common intention, that is to gain a satisfactory outcome for the client. The doctor seeks to treat his patient, once again with the co-operation of his patient and once again professional and client will have a common intention, to gain a satisfactory outcome for the client.

The audit situation is not the same. Firstly the association between professional and client arises out of a statutory obligation (Section 269 of the Companies Act, 1973). The choice of who the auditor shall

be is left to the client, the choice of whether he wants an audit is not. Although the co-operation of the client is sought and usually given, client and auditor do not share a common intention, in that the audit examination, and the performance of the attest function, is solely the task of the auditor. The intention of the audit is that the auditor be in a position to form an opinion on the fair presentation and not to gain a satisfactory outcome for the client. Carey J.L. and Doherty W. state that :

"The concern for independence is a unique aspect of the public accounting profession and is directly related to performance of the accreditation function in attesting to the fairness of financial statements. Since the only product of attestation is the credibility added to financial information by the audit report, it is essential that the auditor be independent and be so perceived by users of audited financial statements. No credibility can be added without the auditor's independence" (13).

It is not possible to list every situation where the independence of the auditor will be impaired. It is a decision the auditor himself must make. This decision is determined in the light of all relationships or circumstances relevant to the situation.

Carey and Doherty go on to say that :

"The auditor must assess his relationships with his client to determine whether his opinion would be considered objective and unbiased by one who has knowledge of all the facts. In other words he must not only be independent but must not appear to be otherwise (13).

Carl S. Chiltern Jnr considered that one circumstance which must be considered by the auditor in determining his independence is advertising. He suggests that advertising of professional services could affect the auditor's independence. He considers that each practitioner

should ask himself, when considering a course of action regarding advertising, "*Will my independence be impaired*"? (14).

A Clayton Ostlund, who was an ex officio member of the American Institute of Certified Public Accountant's task force on advertising, and who at the time of writing the article to which reference is made below, was chairman of the professional ethics executive committee of the AICPA, disagrees. In answer to the traditional argument that advertising impairs independence he states :

"No one has yet stated how obtaining a client by advertising impairs a Certified Public Accountant's independence, since truthful advertising is just a means of informing potential clients that services are available" (15).

The researcher bears some sympathy with this view. The independence of the auditor relates to his attitude in the performance of his duties and should have nothing to do with his appointment. However, where factors which will affect the performance of his duties are introduced into the securing of an appointment, his independence may be impaired. For example, if an auditor advertises that he guarantees a reduction in audit fees, and in doing so obtains an audit engagement, the performance of his duties may be affected and so too his independence. In effect the auditor who advertises in this manner is placing restrictions on himself and once he does so he cannot act entirely independently, and certainly would not appear to be independent.

A. Clayton Ostlund does not make direct reference to the type of situation described in the paragraph above. However, it is interesting to note that he uses the words 'truthful advertising'. The situation

where the auditor makes promises or guarantees in an advertisement would be in effect untruthful advertising as he is not in a position to make any such promises or guarantees.

As can be seen by the views presented in this section, the effect that advertising will have on the auditor's independence is, in itself, a controversial issue.

2.5 The professional person's disdain for what he perceives marketing to be

Kotler and Conner state that professionalism is a blind spot which keeps professional accountants from acting to achieve their goals, and they show a disdain for commercialism. Few of them like to think of themselves as businessmen. Many show hostility to any suggestion that they are motivated by money rather than service to their clients (16).

Hearne and Beckingsdale concur with Kotler and Conner but in doing so suggest that the real problem is that professionals see marketing as selling, and selling is not consistent with the behaviour, standards or ethics of the professional accountant. They point out that although marketing is an acceptable concept to large corporations (for whom no doubt the auditors have great respect), it is totally unacceptable to the professional.

"A well planned marketing program is an acceptable concept to the Coca Cola Corporation or Colgate Palmolive, indeed it is an essential management discipline, but to many professional people the phrase is anathema. It has overtures of selling" (17).

Hearne and Beckingsdale attempt to explain the reason why professional accountants have disdain for what they perceive marketing to be,

"Marketing would lead to unrestricted competition resulting in price competition and thereby a lowering of standards of integrity and service" (18).

The researcher submits that this issue is essentially as follows :

The professional accountant sees marketing, advertising and selling as being one and the same. Disdain for marketing, or rather what he understands as marketing, precludes him from giving due consideration to the question of advertising. As Kotler and Conner point out :

"Advertising is not synonymous with marketing, it is a part of marketing. Marketing does not simply mean selling. By serving and satisfying clients' needs through delivery of appropriate services on a paid basis in a manner consistent with creditable professional goals and norms a firm will be engaging in professional service marketing" (19).

Perhaps it is more succinctly put by Donald L. Atwell who states that restrictive rules against advertising are :

"rooted in the fear that without a restriction of advertising, members of the profession will resort to neon signs and men wearing sandwich boards in order to attract new clients" (20).

He may have a point!

2.6 The distinction between the various categories of accounting service and the need for rules and regulations which recognize this distinction

The distinction between the various categories of service becomes necessary because of two factors :

(a) the degree of independence associated with each category,

(b) the fact that in two of the three categories of service offered, members of the accounting profession compete with non-members for assignments.

Before the significance of the above two factors can be fully understood it is necessary that the three categories of accounting service offered, be discussed.

2.6.1 Categories of Accounting Services

Category 1 - The Audit Function

Traditionally the audit function has been the auditor's primary source of income. The reason for this is that in terms of the Companies Act 1973 all companies, both private and public, must have an annual audit performed. The right to perform an audit is granted, in terms of The Public Accountants' and Auditors' Act of 1951, to those persons who are registered with the Public Accountants' and Auditors' Board as being in public practice.

The contract to perform an audit is entered into by the shareholders of the company and the auditor, not the company itself as a legal person and the auditor. It should be noted that the shareholders have the right to appoint whom they wish to act as auditor, but they have no choice as to whether they want an annual audit performed. This is obligatory in terms of the Companies Act, 1973.

The intention of the audit is for the auditor to be in a position to report to the shareholders that, in the opinion of the auditor, the financial statements fairly present the financial position of the company at a specified time and the results of its operations for a specified period. In effect the auditor is giving the shareholders of the company an independent opinion on whether the financial statements fairly reflect the performance of the custodians of the shareholders' assets, namely management.

It is obvious that without the highest degree of independence being present, the audit loses much of its intention.

Two important points emerge from the above discussion. Firstly, that an extremely high degree of independence is required by the auditor when performing the audit function, and secondly, that as a result of legislation, members only compete with members for audit assignments.

Category 2 - Management Advisory Services

The second category of professional services offered by the profession has been labelled Management Advisory Services and may cover anything from recommending a new internal control system, to investigating an alleged fraud, to recruiting staff for a client company. This category of professional service differs significantly from the first (audit function) in that it does not arise out of any legislation. A management advisory service contract is usually entered into by the management of the client company out of their own free will. Both parties work in co-operation to ensure the successful fulfillment of the contract.

As a result an important distinction between management advisory services and audit services arises, namely the degree of independence which is required by the auditor/accountant.

As there is no legislation which makes management advisory services the privilege of any single group, the accounting profession finds itself competing in a market serviced by numerous other institutions. As the other competitors in this market are not bound by any stringent professional codes of conduct as regards advertising, it is logical to assume that members of the profession who are bound by a professional code of ethics are being placed at a distinct disadvantage by their own professional body.

Category 3 - Taxation, and Estate Planning Services

In many instances the type of work carried out in the areas of taxation may relate directly to the basic audit assignment or to a management advisory service. However it can be separately identified and grouped with estate planning because both types of work share a common potential market.

As in the case of management advisory services, this category of service arises out of the free will of the person who, or the institution which requires the service. Once again there is no legislation to say who may or may not offer these services. As a result the professional accountant finds himself competing in a market against individuals and institutions who are not members of his profession. Because he cannot advertise, he

is at a disadvantage. As the editor of the Australian Accountant stated :

"The hard sell shop front 'tax professional' is seen as a threat, making inroads into the business of accountants....." (21).

Logically this category of work could be vastly increased to the benefit of both the profession and the user, and yet the profession chooses not to project itself, in any way, towards the general public. It is quite natural for the average family to be exposed to a number of different professions in the normal course of their lives. The doctor, the dentist, the teacher, and very often the lawyer are part of their living pattern, but it is indeed rare to hear persons, not in business, refer to their accountant. A comparison between the accounting profession and the above professions is not altogether fair because the use of the professions mentioned above comes about due to the users' needs or obligations. If you are ill you require the medical profession, the law of the land requires that you attend school, and various normal occurrences require contact with the law. There is, however, no apparent need to be filled by the professional accountant. A great deal could be done to develop a market to the benefit of the profession and the public, particularly in the areas of taxation and estate planning, be it simply for the submission of yearly tax returns, or for personal financial and estate planning.

As has been pointed out, this category differs from category one in that the services given would be requested by the client and not forced upon them by law. The accountant, in his role as taxation advisor or estate

planner, would be working for his client and would not require the same degree of independence as he would when performing his attest function.

The available literature on the advertising of professional accounting services does not identify the varying degree of independence required by the auditor/accountant when offering the three categories of service, other than by implication. There can be no doubt that a lesser degree of independence is required in non-audit engagements. Therefore, if, as submitted previously in this chapter, advertising is a factor which will affect independence, the effect will be less on non-audit engagements. The very fact that reference is made to auditor's independence and not to accountant's or advisor's independence, underlines this argument. It is further submitted by the researcher that if advertising has an effect on independence, it can only be in the audit function.

The other distinction between the three categories of accounting services, namely, that in the latter two categories members of the profession compete with non-members, is identified in the literature.

In a study conducted by James H. Sellers and Paul J. Solomon in the United States of America, the following hypothesis was put to respondents :

"Practitioners would tend to be more favourably inclined toward advertising in those areas in which non-Certified Public Accountants practice and where, in fact, those non-Certified Public Accountant practitioners already advertise" (22).

It was expected that the three categories would rank as follows :

- (a) management advisory services would rank the highest on desirability for advertising,
- (b) taxation practice advertising would be less desirable, and
- (c) in the audit function little or no advertising would be desirable (23).

No indication was given as to why a distinction was made between the expected results for taxation practice advertising and management advisory services advertising.

As Table 2.1 below illustrates, the hypothesis was not supported

TABLE 2.1 : The desirability of advertising for each of the three categories of accounting service offered by the profession

Service	Allow all Advertising	Allow restricted advertising	Allow no advertising
Audit	12,3%	38,4%	49,3%
Tax	20,5	44,3	35,2
MAS	23,5	42,1	34,4

From : Sellers, J.H. and Solomon, P. CPA advertising : opinions of the profession. The Journal of Accountancy, February 1978, pg 70, Table 3.

As can be seen from the table, expectations of the researchers, Sellers and Solomon, were not fulfilled. Instead of finding that 'little or no advertising would be desirable for the audit function' they found that 50,7% of respondents felt some advertising should be allowed for the audit function. Thus rather than being uniformly against the advertising of the audit function, the profession was sharply divided on the issue.

Although the responses for management advisory services compared to taxation services differed only slightly, Sellers' and Solomon's expectation that 'management advisory services would rank highest on desirability of advertising', was met.

It is submitted by the researcher that there is a clear distinction between the audit function and the other two categories of accounting service. Furthermore, it is submitted that where members of the accounting profession compete with non-members for engagements, a strong case can be made for allowing the advertising of these accounting categories.

2.7 The Advertising of Professional Accounting Services and Competition.

It is often contended that if advertising is allowed it will lead to an increase in competition. Hearne and Beckingsale claim that :

"The thrust of the case against advertising of professional services is that it would lead to unrestrained competition....."

and that this would lead to a "lowering of standards and integrity" (24).

Max Block in addressing the topic of competition and its impact on the profession, posed the following questions (25) :

- (a) *Is our profession getting to look and act increasingly like the commercial world with its principal emphasis on power and profit?*
- (b) *Will we necessarily get unmeshed, like competitive commercial companies, seeking to thwart competition and have the end justify the means?*

He proceeded to answer these questions in the following manner :

"Competition is the guiding spirit of the free enterprise system and is institutionalized in laws prohibiting restraint of trade. Classical economics holds that free competition will assure lowest prices, highest quality and the best service. History, unfortunately, does not support this view unqualifiedly.

In reality we find that some of the most ardent advocates of free enterprise, and less ardent ones, do all in their power, legally and often illegally, to avoid free competition. The business news contains frequent mention of charges against leading companies of actions in restraint of trade, misleading advertising, price fixing, dividing territories, interlocking boards, monopoly, and other improper or illegal practices. No wonder that the terms 'jungle' and 'dog eat dog' are applied to the competitive strivings of business.

Accountants, too, have competed, some very aggressively. Competition prevails among the large firms, among the smaller firms, and between large and small firms. However, though many complaints are heard, the competitive efforts of accounting firms have not been as aggressive and ruthless on the whole as those of their business counterparts. This is due to various reasons, including : accounting is a much younger activity than business; it is a profession serving the public interest; accountants have been proscribed, until recently, from open advertising and solicitation. But accountants are increasingly emulating business, becoming big business, and succumbing to the lure of size and profit" (26).

Although not condemning competition amongst accountants, one can sense from the above quote that Block fears that the profession will "get to look and act increasingly like the commercial world with its principal emphasis on power and profit" (27). The suggestion is that one of the reasons for this is the lifting of restrictions on open advertising and solicitation.

This fear that advertising could lead to a more 'commercial' accounting profession is shared by Carl S. Chiltern who urges that the profession should not permit competitive conditions which could be brought on by

the lifting of advertising restrictions, to turn the profession into a commercial industry (28). But he goes on to say that :

"There is plenty of competition in the profession, and there will be even more. We can compete and still maintain our professionalism. Professionalism is a state of mind, a way of doing business, a commitment of service to others. It encompasses some old fashioned virtues such as dealing fairly with clients and fellow practitioners, independence of mind in all professional work as well as the highest quality of work at all times. If we succeed, our profession will continue to grow in stature and will be serving the public interest affectively" (29).

2.8 Public Awareness of the Services provided by the Accounting Profession and the effect of advertising thereon

The relationship between the profession and the public is not an obvious one, but it is a vital one. The auditor may be regarded as the umpire of the business world; he should be, and should be seen to be an independent party who by his reporting function, assists with the maintenance of business practice acceptable to the public in general. The accounting profession should be seen to act with dignity and wisdom. Whether this is in fact the case is doubtful. Howard F. Stettler writes :

"The uninformed are still likely to picture the auditor as a wizened individual wearing the traditional green eyeshade and sleeve garters. They would expect to find him perched atop a high stool, counting money or meticulously adding long columns of figures, and gaining his sole pleasure in life from the apprehension of luckless persons whose books failed to balance or whose cash account proved to be short" (30).

Although people well acquainted with the business and financial world recognize the professional auditor as highly skilled, reliable and competent, there are many others who have failed to recognize that he

is a far cry from his turn of the century counterpart. The professional accountant operates and exists in a fast-moving, vibrant business environment, an environment that is continually experimenting with new ideas, new products, new marketing methods and a host of other matters, all of which have direct bearing on the professional accountant. He should project an image which indicates that he is equal to the situation, and by his actions he should prove that he is equal. It is submitted by the researcher that advertising of the profession and the services it offers would assist in the projection of a suitable image.

As Max Block states :

"Advertising and promotion have a legitimate social and economic purpose in the profession as well as in business. This legitimate purpose is to inform the public of valuable services that are available and of which the public may be unaware. This legitimate use of advertising and promotion develops the entire 'market' to the benefit of the public and the professions" (31).

Michael K. Lowry, whilst recognizing that the public is not sufficiently aware of the accounting profession, does not see advertising as the solution to the problem,

"The accountants' traditional ban against advertising was established in the public interest. Competitive advertising would encourage widespread deception by professionals seeking business, predictably misleading the layman. Furthermore, certain clients would inevitably anticipate unrealistic expectations from their accountants, creating distrust toward the profession. We should not tolerate any impairment of the public's confidence in our ability to provide professional services. Our client relationship is unique and should not be established as a result of pressures or deceptions exerted by advertising. It has been frequently demonstrated in the past that confidence is best preserved by strict self-imposed controls over advertising.

It is acknowledged that effectiveness of the traditional selection process has been somewhat impaired by a rapidly changing business environment. Often the reputations of

accountants are not sufficiently known to enable laymen to make intelligent choices. Also, the accounting world is becoming increasingly complex and specialised. This makes selection of accountants particularly awesome for the layman since it is so difficult to determine an accountant's competence to render adequately the various types of accounting service available. In view of these circumstances selection of an accountant by the layman should be a result of the advice and recommendations of third parties, relatives, friends, acquaintances, business associates and other accountants. A layman is best served by recommendations which are disinterested and informed.

Competitive advertising should not be permitted. Our profession's integrity and credibility are at stake and the price is too high" (32).

The important points emerging from the above quote are as follows :

1. Competitive advertising would encourage widespread deception by professionals seeking business.
2. Clients would inevitably anticipate unrealistic expectations from their accountants creating distrust toward the profession.
3. No impairment of the public's confidence in our ability to provide professional services should be tolerated.
4. It must be acknowledged that the traditional selection process has been impaired by a rapidly changing business environment and that the reputation of accountants is not sufficiently known for those seeking an accountant to make an intelligent choice.

In the opinion of the researcher this point amounts to what the assailants of the present restrictive advertising legislation are saying, that is, give people the information they require about the profession in an advertisement so that they are able to make an informed choice. However, Michael K. Lowry counters

this by saying that the information needed to arrive at a decision to employ a particular accountant, should come not from advertisements but from the advice and recommendations of third parties, relatives, friends, acquaintances, business associates and other accountants, assuming that these parties are disinterested, in the sense that they are independent of the outcome of the advice given. This argument is hard to fault if one can assume that the parties will be independent and informed. However, in the opinion of the researcher what is more likely to be given, is a personal opinion of one particular firm and not an informed opinion born out of a knowledge of the strengths and weaknesses of the various firms in the market.

5. Lowry, whilst conceding by implication, that advertising will make the public more aware, feels that competitive advertising should not be permitted as the integrity and credibility of the profession are at stake.

In a 1976 landmark decision involving prohibition of advertising the prices of prescription drugs, the United States Supreme Court came out strongly in favour of the consumer's need for truthful, accurate and informative advertising. A key passage of the Court decision :

"Advertising, however tasteless and excessive it sometimes may seem, is nonetheless dissemination of information as to who is producing and selling what product, for what reason and for what price. So long as we preserve a predominantly free enterprise economy the allocation of our resources in large measure will be made through numerous private economic decisions. It is a matter of public interest that those decisions in the aggregate be intelligent and well informed. To this end the free flow of commercial information is indispensable" (33).

This ruling, in the opinion of the researcher, is significant in that the contention that the public should have the necessary information to make intelligent decisions, has been recognized by the courts, albeit the courts in the United States of America. In effect this strengthens the hand of those people who advocate increasing public awareness of the accounting profession and the services it offers, by advertising.

In a survey conducted in the United States of America by James H. Sellers and Paul J. Solomon, two questions arose which have some bearing on the issue of public awareness and the image of the profession. In the first question posed, respondents (who were all Certified Public Accountants), were asked whether they felt that advertising professional accounting services would improve the image or would in fact tarnish the image of the profession. In the second question respondents were asked if consumers of accounting services would become more aware of the availability of services offered by the accounting profession. The results indicated that 66,4% of all respondents felt that advertising would not improve the image of the profession, but only 45,1% feared that the profession's image would be tarnished (34). Although the majority of respondents felt that the image of the profession would not be improved, 69,8% agreed that advertising would make consumers of accounting services more aware of the availability of those services (35). The researcher submits that the findings on these two questions are somewhat contradictory. If the public becomes more aware of what the profession is able to offer there will be far less "*uninformed (people) likely to picture the auditor as a wizened individual wearing the traditional green eye shade and sleeve garters*" (36). Advertising in this case would surely lead to an improved image!

A survey conducted in Australia by Ogilvy and Mather (Australia) (Pty) Ltd. involving a national sample of 1,134 members of the public, indicated that accountants are seen by the public to spend most of their time with "*columns of figures, taxation returns and company audits*" (37). This illustrates that in the areas of management advice and taxation and estate planning, the professional accountant is not considered. It is submitted that this is simply because the traditional users of accounting services and the public are unaware that accountants offer these services.

However, it is interesting to note a contradictory finding in a study conducted in the United States of America amongst accountants, attorneys, dentists, and physicians. It was found that in general, all four groups opposed advertising without restriction and did not feel that advertising would make the public any more aware of the professional's qualifications or assist the consumer in making more intelligent choices of professional services (38).

As can be seen from the preceding discussion, the profession is sharply divided on the effect that advertising may have on public awareness of the profession. When considering this issue, interested parties should consider the words of Lord Henry Benson, a personality well known to the accounting profession. In an address to the Royal Institution of Chartered Surveyors in London on October 15, 1980, he had this to say :

"Advertising, or worse still touting, is usually abhorrent to professional people. But I think we have been too restrained in the past and can properly introduce relaxations. The professions have for too long laboured under a cloak of anonymity and mystery. The public, especially those who have not been used to dealing with professional

persons in the past, must be able to find out what services are available and on what terms. In short, the public is entitled to obtain information about the experience of professional men and to have an indication of their charges before deciding to employ them. It has a right to shop around, and the existence of this right is stimulating to the members of a practising profession. Suspicion and discontent will be aroused if the public is allowed to believe that competition is curtailed by a restriction on advertising.

Advertising in the sense I am speaking about should be done in a dignified manner and only for the purpose of giving fair and proper information. Touting or advertising which involves vulgar display or claims that a professional man is better than his colleagues, is distasteful and should be ruthlessly stamped on by the governing body. It is particularly important, in my view, to avoid or prevent competitive advertising in the press or, worse still, on the radio or on television. I suggest that, in order to get this subject into the right perspective and remove the emotion which attaches to it, we should refer to it as 'information for the public' rather than as 'advertising'" (39).

One method for increasing public awareness which has been suggested is that the controlling body of the accounting profession should advertise the services of the profession on behalf of its members.

In the course of its enquiries into the advertising of professional accounting services, the Australian Institute's Advertising Committee found that the institutional advertising previously undertaken by the professional body, had not received the support initially expected. The cause of this was apparently that members who were required to pay for the advertisements placed by the controlling body on behalf of members, were not permitted to have their names included in the advertisement (40).

However, in a subsequent survey conducted by the Advertising Committee, 77% of respondents (all of whom were members of the Australian Institute

of Chartered Accountants) 'strongly agreed' or 'agreed' that "*Institutional advertising by the Institute, explaining the services and skills of members is desirable*" (41).

Even though no institutional advertising campaign could satisfy the requirements of all members it is submitted that this form of advertising would firstly assist in overcoming the lack of awareness that the public has of the accounting profession, and secondly would enhance the image of the profession.

2.9 The effect of the Advertising of Professional Accounting Services on the Relationship between the Professional Accountant and his client

In accepting or continuing a professional assignment or occupation, a professional accountant should always have regard to any factors which might reflect adversely upon his integrity and objectivity in relation to that assignment or occupation.

The relationship between client and professional can arise in two ways :

- (a) Firstly, in the case of an audit assignment the appointment of an auditor is obligatory in terms of the Companies Act, 1973 Sec. 269. The choice of auditor is left to the shareholders. The auditor in effect acts on behalf of the shareholders by reporting to them, an independent opinion on the state of the company's affairs. The independent nature of this relationship is vital and has already been discussed in this chapter under Section 2.4

- (b) Secondly, a non-statutory relationship develops out of the free will of the professional accountant and the client. This type of assignment will not normally require the level of independence which the audit assignment would, but would still require the professional accountant to exercise a high degree of professional competence and in doing so, he would adhere strictly to the code of ethics and the rules of professional conduct.

It is necessary to make the distinction between the two types of assignment because the effect of advertising on the relationship arising from the different types of assignment may be different.

If the professional accountant is to give an independent audit opinion he should be able to carry out his work uninhibited and free of restriction. He may be unable to do so if open solicitation and advertising is allowed because the atmosphere in which he operates may be altered. If advertising were allowed the audit client could be faced with a barrage of information including, no doubt, reasons why he should change his auditor. The client may be led to believe that his audit fees can be reduced, or that a particular firm of auditors is better able to handle his audit or simply that it is desirable to change his auditor!

Wilfred Levitt writing in the South African Chartered Accountant, makes reference to an advertisement placed in Los Angeles, U.S.A. which ran as follows :

"You change your lawyer, your banker, your doctor and even your butcher. So if you are dissatisfied why not change your auditor? Come and see us first. We guarantee more than a fraction of satisfaction" (42).

This advertisement was remarkably successful, no less than 115 clients joined the firm as a result of this advertisement in one year (43).

It is submitted that a situation could develop where no significant importance is attached to the relationship, and the development of the relationship, between professional and client. This would be a situation in which it becomes unimportant which firm of professional accountants performs the audit; the audit would simply go to the firm which manages to advertise the most aggressively and effectively and which offers the best deal at the time the client is seeking an auditor.

As Burggraaff states :

"If the price at which our services are performed is the only thing that matters to the client there is a strong temptation for every practitioner to do as little work as he can. The client is the last one to make objections. The client would prefer the auditor not to do any examination at all and just to sign the accounts as presented to him.

I feel that is the major issue before us and I think that we should view the advertising issue and the competitive bidding issue.....in that context" (44).

If the situation envisaged above was allowed to develop, it would be contrary to the present situation where the relationship between client and professional is developed over time, a time during which the professional is able to display to his client his adherence to the principles of ethics developed by his profession, namely, integrity, objectivity, independence, confidentiality, technical and professional competence and in return the client shows that he regards the professional as a person who is reliable, competent and qualified to perform a meaningful audit from which he is able to form a sound opinion.

It is further submitted that the security of his position felt by the auditor may be in jeopardy if open solicitation and advertising are allowed. It must not be inferred from this that once the auditor has been appointed he should simply sit back and do the minimum, secure in the knowledge that to change auditors is an unusual step in the normal course of events. The quality of his work and his ability to display to his clients the standards expected of a professional accountant should be the criteria by which the auditor is judged. He should not be judged on the aggressiveness, effectiveness and promises of another firm's advertising. It would be distasteful for the encumbered auditor to have his client bombarded by other firms.

As Robert Turnbull, who was the Canadian delegate on an International panel discussion at the Sixth National Congress of South African Chartered Accountants in 1979, said :

".....in the final analysis it is the quality of the service and the reputation of a firm that will really enhance its growth and practice.....and not the fancy advertisements that may be put forward" (45).

As was mentioned earlier (see Section 2.6), advertising of professional services may have a different effect on non-statutory assignments. Work carried out by a professional firm in the consulting field will be judged by the effectiveness of the advice given to the client. There is usually a tangible outcome from such an assignment whereas the outcome of an audit is an 'opinion', the necessity of which is beyond doubt, but the usefulness of which is difficult to measure in finite terms. Advertising by firms is less likely to have an effect on the relationship between the professional and the client for whom a consulting assignment

is being carried out because the client has results to help him make the decision as to whether to re-employ the same firm in the future should a need arise. The client is free to choose and in this sense the professional accountant may prejudice himself by not advertising. In the audit situation the result of the audit is the audit report, the benefits of which are hard to measure and consequently different criteria might be used in deciding which firm of professionals to appoint for the following year's audit. Those criteria may be the aggressiveness and effectiveness of another firm's advertising.

The relationship between the professional and his client is an important one and the effect which advertising will have on this relationship should be carefully considered.

2.10 The Effect of the Advertising of Professional Accounting Services on the Relationship between the Professional Accountant and his fellow practitioner

Howard F. Stettler considers that one of the attributes which is common to groups that are generally recognized as having achieved professional status is "*freedom from uninhibited competition so that practice may be carried on in an atmosphere of dignity and self-respect, with adequate opportunity for concentration on the improvement of services*" (46).

Essentially what Stettler is saying is that if competition is allowed, the self-respect and dignity amongst members of the profession will suffer. Advertising of professional accounting services would certainly create greater competition within the profession, but whether or not it will be to the detriment of the dignity and self-respect of the profession is debatable.

In the survey conducted by Sellers and Solomon in the United States of America, 61,6% of respondents indicated that they agreed that advertising could be used tastefully by the accounting profession (47), but at the same time 89,3% felt that there will always be a few firms who will advertise in a distasteful manner (48). Perhaps the distasteful advertising by these 'few firms' is what Stettler fears will affect the dignity and respect of the profession. If so it is not advertising per se which will affect the profession adversely but rather the distasteful advertising of a few firms.

Nelson Luscombe supports the above contention. He questions whether allowing advertising is necessarily incompatible with maintaining professional dignity. Whilst concurring with the findings of Sellers and Solomon (49) as regards the presence in the profession of a 'few firms' who will advertise distastefully, he states :

"Surely it is possible to compete openly with dignity, to present one's credentials to another's client without impairing one's integrity, or the integrity of the profession, or without risking the public interest" (50).

Carl S. Chiltern puts the problem very succinctly. He suggests that every practitioner, when considering a course of action regarding advertising, should ask himself "*Will my relations with other professional accountants be disrupted*"? (51). In answering this question members of the profession in South Africa should bear in mind the following extract from the Rules of Professional Conduct :

"A registered Accountant and Auditor in the practice of his profession.....shall give his services with absolute fidelity, shall be actuated by a spirit of fairness to his.....fellow Registered Accountants and Auditors and, by his actions, shall endeavour to enhance the reputation and dignity of the profession" (52).

Another issue which can be conveniently considered under this section is the affect that advertising would have on the relationship between the various sizes of professional accounting firm. Advertising could be a highly contentious issue between the large and small firms within the professional body. It is obvious that the larger and wealthier firms would be able to spend more on extensive advertising programmes than would the small firm. This could place tremendous pressure on the small firm and would inevitably lead to tension and friction within the profession. The result would be detrimental to the profession itself as the ethical code demands that the profession act as a united body, and retain its professionalism.

In a study conducted on behalf of Arthur Andersen and Company in the United States of America, accounting firms in various size groups were asked a number of questions about the effect that advertising would have on their practices. The responses indicated that a "vast majority" of firms felt that advertising would cause pressure in the market place which would come mainly from the larger firms, because the larger firms had greater economic resources to devote to advertising if they chose to do so (53).

Keith R. Mitchell has a slightly different view of the small firm/large firm advertising issue. He considers that the restrictive rules hit the small firm and those starting up in practice the hardest. However, he does not blame the restrictive rules themselves, but rather the fact that the large firms are able to gain significant exposure by somewhat devious means whilst operating within the existing rules (54). He cites

as two examples the taking of substantial advertising space by the major firms ostensibly for staff recruitment advertising, and the featuring of the major firms in headlines with favourable or critical comment (55). The thrust of Mitchell's argument is that the large firms are already advertising by means and methods which smaller firms are unable to match. He implies that to rectify the situation advertising restrictions should be lifted so that members could compete fairly (56). In the opinion of the researcher this is not logical. The fact remains that larger firms will still get substantial exposure from the means and methods cited above, and will also have a free hand to use their resources for advertising their services if they wish to do so. The fact that the rules and regulations allow advertising, will not make the situation any fairer as Keith R. Mitchell implies.

On the question of what the effect would be of lifting the restrictions on advertising professional accounting services vis-a-vis large and small firms, the report issued by the Advertising Committee of the Australian Institute into professional advertising stated that one of the reasons that it supported the decision was that because of the high cost of advertising, the larger and wealthier accounting firms would be able to undertake more extensive advertising programmes than smaller practitioners. It is likely that this would make it more difficult for younger practitioners to enter into practice on their own account, creating a monopoly for the larger firms (57).

Finally in the opinion of the researcher, there is an important point that should not be forgotten when considering this particular issue and that is the segment of the market at which the large and small firms

would project themselves. The small firms would be able to promote themselves from a different angle, one that places emphasis on the personal attention that the small practice can give. With this approach the small firm may well corner a section of the market in which the large firm has no interest. The small firm should not, in any event be aiming at large clients as they are unlikely to have the resources to perform the audit to the standard required by the profession.

What about the medium size firm? Very often they have a foot in each camp with a wide spread of clients ranging from very large to very small. It is unlikely that they have the resources to withstand the advertising and solicitation of the large firms who may have designs on their large clients. Already in South Africa we have seen many firms, both small and medium in size, swallowed up by members of the so called 'Big 9'. Perhaps those medium size firms who have managed to survive the takeover attempt on themselves will be unable to survive the takeover attempts on their clients should the rules and regulations on advertising become less stringent.

The future of the profession as a whole must be looked at, but equally the position of the parts of the whole must be considered. The threat of polarization in the profession if advertising of services is to be allowed, cannot be overlooked. It remains another controversial issue in a very complex problem.

2.11 The effect of the Advertising of Professional Accounting Services on the Quality and Cost of such Services

In a survey carried out by Arthur Andersen and Company in the United States of America it was found that the public generally feels that the

quality of accounting services is high (58). This was followed up by a further study conducted amongst Certified Public Accountants by Sellers and Solomon (59). Part of this survey dealt with the effect that respondents felt advertising of professional accounting services would have on the quality of such services. 73,1% of all respondents felt that advertising would not improve the quality of service but at the same time 52,7% of all respondents felt that the quality of service would not decline (60).

Addressing the question of whether advertising will lower the quality of service rendered, A. Clayton Ostlund had this to say :

"The true professional will render the services necessary in the circumstances no matter how he obtains the client. Regrettably, there will always be a few who will lessen the quality of service just to obtain the engagement. These groups will probably follow their characteristic behaviour patterns without regard to whether the advertising rule is modified or not" (61).

Obviously, quality of service should be the basis on which a professional accounting firm is judged. Furthermore, quality is a sound basis for competition amongst professional accountants. Competition which is wholly or largely based upon promotional advertising, becomes dependent upon the inherent quality of the service rendered and the competency and efficiency of the practitioner concerned. As the Australian Institute of Chartered Accountants has stated :

"Professional reputation for skill and competence is established by the manner in which an accountant conducts his professional practice and the quality of the services he offers. The establishment of reputation by self advertisement should not be permitted to supplant the establishment of a professional reputation by the traditional methods, as no amount of self promotion can

ensure a high degree of competence or quality of professional services" (62).

The other aspect of this section (2.11) is the effect of advertising on the cost of accounting services. Hearne and Beckingsdale claim that the main thrust of the accounting profession's argument against advertising is that marketing of accounting services would lead to unrestrained competition resulting in price competition and thereby a lowering of standards of service. In effect they are saying that advertising would lead to lower costs and therefore lower quality of service.

Although the above argument establishes a link between cost and quality of service, the more controversial aspect of the cost issue is whether advertising will cause the price of accounting services to rise or fall.

In the survey conducted by Sellers and Solomon the following two statements were put to respondents :

- (a) *Legalized advertising for accountants will result in lower prices for consumers of accounting services,*
- (b) *Advertising should result in higher average prices for consumers of accounting services (63).*

All respondents were Certified Public Accountants. Some however, were in industry and commerce, and would therefore be classified as consumers of accounting service, whilst the balance were members of the profession still practicing within the profession. Of the respondents practicing in the profession, 26% agreed that advertising by accountants will

result in lower prices for consumers of accounting services, whilst 56,5% of respondents in industry and commerce, disagreed.

In response to the second statement (see above), 28,5% of respondents practicing in the profession agreed that if advertising were allowed it would result in higher average prices for the consumers of accounting service. On the other hand, 69,1% of respondents in commerce and industry disagreed (64).

Sellers' and Solomon's interpretation of the above figures was that, in general, accountants feel that advertising will have no effect on the prices of accounting services, but that professional accountants in practice feel that advertising is an additional element of cost which must be passed on to the consumer of accounting services, whilst the accountant in industry and commerce, being a consumer of accounting services, sees advertising as a competitive element in the pricing structure which may act to drive prices down (65).

The findings of Sellers' and Solomon's survey as regards the attitude of professional accountants in practice to advertising cost, were consistent with those of John R. Darling who conducted a survey amongst professional accountants, attorneys, dentists and physicians (66). He found that all four professional groups believe that advertising increases the prices of products and services offered.

The argument that advertising will increase the cost of accounting services was endorsed by the Australian Institute of Chartered Accountants. In their report arising from an investigation into the advertising

of professional accounting services they state that one of the reasons why they did not support the removal of any major restrictions on advertising, was that advertising is expensive, and the cost of advertising must ultimately be passed on to the users of the services being advertised. This would probably lead to increased costs without any corresponding increase in the quality of service rendered (67).

No doubt the difference of opinion amongst members of the profession and the users of accounting services will continue. As A. Clayton Ostlund says when commenting on the contention that fees charged to clients will increase because the costs of advertising will be passed on to them :

"This is the argument used against permitting any type of business. Consumerists counter it with statements that advertising may possibly reduce the cost of accounting services to the public, since it may prod firms to become more efficient in their operations in order to compete effectively" (68).

2.12 The Suitability of Different Media for Advertising Professional Accounting Services and the Appropriateness of the use of various advertising appeals

Very little information appeared in the literature concerning the placing, means and methods which might be employed by professional accountants wishing to advertise. Similarly, very little has been written about the content of the advertisement, or in other words, the advertising appeals which may be appropriate for the advertising of professional accounting services.

However, in their study conducted in the United States of America, Sellers and Solomon addressed these issues. In one section of the survey

respondents were asked to rank the appropriateness of a number of different advertising media for advertising professional accounting services.

Table 2.2 below indicates the results of their enquiry.

TABLE 2.2 : The suitability of various media for the purposes of advertising professional accounting services

Media	Very appropriate	Appropriate	Inappropriate	Very inappropriate
Newspaper	11,9%	58,3%	19,4%	10,3%
Professional Mag.	34,4	58,6	3,3	3,6
Popular Magazine	2,5	24,3	47,2	26,0
Television	2,5	13,4	46,6	34,4
Radio	2,2	17,9	43,3	36,6
Billboard	1,1	5,6	36,2	57,1
Direct Mail	8,5	38,9	25,1	27,6

ADAPTED FROM : SELLERS J.H. and SOLOMON P.J., C.P.A. Advertising : Opinions of the Profession. *The Journal of Accountancy*, Feb 1978, page 74, table 5.

In another part of the survey respondents were asked to rate the appropriateness of five types of advertising appeal. Table 2.3 below indicates the responses they received.

TABLE 2.3 : The appropriateness of various types of content in advertisements for professional accounting services

Content	Very appropriate	Appropriate	Inappropriate	Very inappropriate
Availability of Services	39,0%	53,3%	4,1%	3,6%
Professional Credentials	25,9	51,2	15,2	7,7
Pricing of Serv.	6,6	26,8	36,5	30,1
Specialization	26,2	55,8	9,9	8,8
Quality of Service	11,6	22,4	32,1	33,8

ADAPTED FROM : SELLERS J.H. and SOLOMON P.J., C.P.A. Advertising : Opinions of the profession. *The Journal of Accountancy*, Feb 1978, page 74, Table 4.

No other surveys of this nature were forthcoming in the literature, but it is submitted by the researcher that the survey discussed above, is a satisfactory basis on which to build an in depth survey into the suitability of different types of media for advertising professional accounting services, and for determining the appropriateness of various advertising appeals.

CONCLUSION

This chapter set out to identify, through the available literature, the issues surrounding the question of advertising professional accounting services. In an attempt to add clarity to the survey, and to be in a position to set up meaningful hypotheses, the researcher has streamlined the chapter into the eight issues around which the hypotheses were developed.

The issues are as follows :

1. The acceptability of the present state of the rules and regulations pertaining to the advertising of professional accounting services.
2. Independence.
3. Institute Control.
4. Distinction between types of service offered.
- 4a Competition.
5. Image of the profession.
6. Large firm versus small firm.

7. Cost of Service.
8. Quality of Service.

In addition certain hypotheses were formulated concerning the opinions of partners in respect of the placing, means and methods of advertising professional accounting services, and the appropriateness of various types of advertising appeal.

The hypotheses relating to the issues surrounding the question of advertising are identified as Group 1 hypotheses in Chapter 3, whilst the hypotheses relating to the placing, means and methods of advertising, and the appropriateness of various types of advertising appeal, are identified in Chapter 3 as Group 2 and Group 3 hypotheses respectively.

CHAPTER 3

DEVELOPMENT OF THE HYPOTHESES

3.1 INTRODUCTION

The hypotheses relating to the topic were broken into three distinct groups :

Group 1 : hypotheses relating to partners' opinions on the advertising of professional accounting services (Part B of questionnaire).

Group 2 : hypotheses relating to partners' opinions on the placing, means and methods of advertising (Part C of questionnaire).

Group 3 : hypotheses relating to partners' opinions on the overall content of advertisements (Part D of questionnaire).

The hypotheses developed out of the issues surrounding the question of advertising professional accounting services. These issues are fully discussed in Chapter 2 of this thesis. Figure 1 gives a diagrammatical break down of the topic into the issues.

As can be seen from Figure 1, eight major issues arose around which these hypotheses were developed.

The Group 1 hypotheses will be tested with the intention of determining the opinions of partners, by :

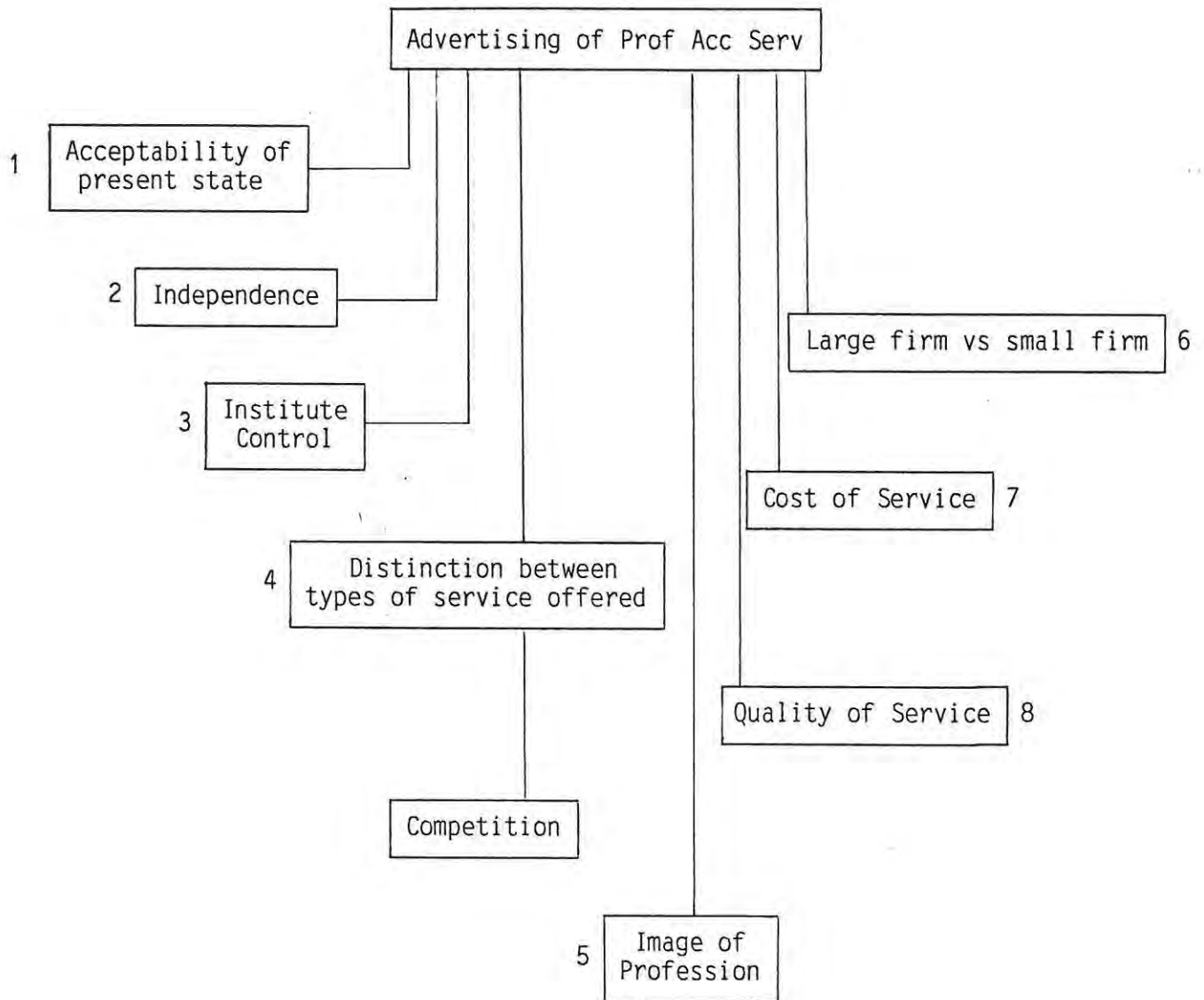
1. age
2. size of firm to which partner belongs
3. number of years experience as a partner
4. language group.

The categories used in each of the tests are stipulated in Part A of the questionnaire.

GROUP 1.

HYPOTHESES RELATED TO PART B OF THE QUESTIONNAIRE : PARTNERS' OPINIONS ON THE ADVERTISING OF PROFESSIONAL ACCOUNTING SERVICES

FIGURE 1 : A breakdown of the question of advertising of professional accounting services into the issues identified in Chapter 2



3.2 THE ADVERTISING OF PROFESSIONAL ACCOUNTING SERVICES

3.2.1 Acceptability of present state

In a report to the Australian National Council made in July 1979 by the ad hoc Advertising Committee appointed by the Council, to

investigate the question of professional advertising, it was concluded that a growing number of members believed that there was a need to increase the public's awareness of the range of services provided by professional accountants (69).

Two of the questions (Table 3.1) put to members which are directly related to this issue indicated that 70% of respondents disagreed or strongly disagreed that no change should be made to the restrictions then in force, 74% strongly agreed or agreed that there should be some easing, but 91% disagreed or strongly disagreed that advertising should be allowed without restriction.

TABLE 3.1 : An analysis of responses received to questions related to restrictions on the advertising of professional accounting services in Australia

	Strongly Agree %	Agree %	Neither Agree nor Disagree %	Disagree %	Disagree Strongly %
No change should be made to current restrictions	14	13	3	52	18
Some easing of current restrictions should occur	19	55	1	14	11
Individual advertising by members should be allowed without restriction	3	4	2	33	58

ADAPTED FROM: SHARPE M.J. The Advertising Policy Investigation
The Chartered Accountant in Australia, Sept. 1979 Pg. 31 table 2.

Wilfred Levitt writing in the South African Chartered Accountant, says:

"It seems that inevitably advertising in the accounting profession will come to South Africa. It is only a question of when" (70).

The intention of the hypotheses posed under issue 1 was to establish whether in the opinion of partners the existing rules and regulations were satisfactory and if not, whether they should be more restrictive or less restrictive. In addition, the researcher wished to test opinions on whether the South African profession should protect the present state or whether the pattern which evolved in the United States, which has the least restrictive rules pertaining to the advertising of professional accounting services, will be followed.

Hypothesis No. 1. It is hypothesised that, in the opinion of partners taking part in this survey, the existing rules and regulations pertaining to the advertising of professional accounting services are unsatisfactory.

Hypothesis No. 2. It is hypothesised that, in the opinion of partners taking part in this survey, the rules referred to in hypothesis No. 1 should be less restrictive.

3.2.2 Independence

Independence is regarded by Howard F. Stettler (71) to be the keystone of the profession. Furthermore Carey and Doherty state :

"The auditor must assess his relationship with his client to determine whether his opinion would be considered objective and unbiased by one who has knowledge of all the facts. In other words he must not only be independent but must not appear to be otherwise" (72).

Carl S. Chiltern Jnr considers that each practitioner should ask himself, when considering a course of action regarding advertising, *"will my independence be impaired?" (73).* On the other hand

A. Clayton Ostlund states that

"No-one has yet stated how obtaining a client by advertising impairs a Certified Public Accountant's independence, since truthful advertising is just a means of informing potential clients that services are available"(74).

The researcher submits that independence will only be impaired where an advertisement makes promises or guarantees, for example, a promise of lower fees, and in doing so place restrictions on the auditor, making him act less independently than he would have done had there been no promises/guarantees made in the advertisement. In effect promises or guarantees made in advertisements constitute untruthful advertising.

Given that the issues discussed in the preceding section are important, the following hypotheses were developed.

Hypothesis No. 3. It is hypothesised that, in the opinion of partners taking part in this survey, independence is the keystone of the audit profession.

Hypothesis No. 4. It is hypothesised that, in the opinion of partners taking part in this survey, advertising would impair the auditor's independence.

3.2.3 Institute Control

One method of advertising the services of a professional may be for the controlling body of that profession to advertise on behalf of its members. A natural extension of this concept may be that members be allowed to advertise themselves, subject to obtaining approval for each advertisement from the controlling

body, implying that the advertisement would then conform to the controlling body's standards of professional dignity.

In response to two questions put to members during the Australian Advertising Policy Investigation (see Table 3.2) , 77% of respondents "strongly agreed" or "agreed" that institutional advertising was desirable. An interpretation of the response to the second question pertaining to the payment of a subscription, indicated that 37% of respondents felt that no additional subscription should be levied whilst 32% were agreeable to a small additional subscription (\$10,00).

TABLE 3.2 : An analysis of responses received to questions related to Institutional Advertising in Australia

	Strongly Agree %	Agree %	Neither Agree nor Disagree %	Disagree %	Disagree Strongly %
Institutional advertising by the Institute explaining the services and skills of members is desirable	41	36	7	11	5
The following additional subscriptions would be considered reasonable to finance Institutional advertising	\$nil 37	\$10 32	\$25 20	\$50 7	\$100 4

ADAPTED FROM: SHARPE M.J. The Advertising Policy Investigation *The Chartered Accountant in Australia*, Sept. 1979 Pg. 31 table 2.

With regard to the question posed concerning institute control (see Table 3.2) 61% of respondents felt that individual members should be able to advertise subject only to the Institute's

standards of professional dignity. The investigation does not elaborate on how the advertisements placed by members will be checked to ensure that the Institute's standards of professional dignity are maintained, but in the opinion of the researcher, it is logical to assume that approval would have to be obtained for each advertisement or advertising campaign before the issue of the advertisements.

TABLE 3.3 : An analysis of responses received to a question related to the advertising of professional accounting services by individual members of the accounting profession in Australia

	Strongly Agree %	Agree %	Neither Agree nor Disagree %	Disagree %	Disagree Strongly %
Individual advertising by members should be allowed, subject only to the Institute's standards of professional dignity	21	40	6	19	14

ADAPTED FROM: SHARPE M.J. The advertising Policy Investigation *The Chartered Accountant in Australia*, Sept. 1979 Pg. 31 table 2.

Hypothesis No. 5. It is hypothesised that, in the opinion of partners taking part in this survey, advertising of professional accounting services should be carried out by the Institute only, on behalf of the profession.

Hypothesis No. 6. It is hypothesised that, in the opinion of partners taking part in this survey, firms should be able to advertise subject only to obtaining approval for each advertisement from the Institute.

3.2.4 Distinction between types of services offered by the profession

As was explained in Chapter 2 of this thesis, the services offered by the profession can be broken down into three broad categories namely, audit, management advisory, and taxation and estate planning services. Two major distinctions between the three categories are, firstly, the degree of independence associated with each category and secondly, the fact that in the latter two categories members compete with non-members for assignments.

Competition with non-members, and therefore the distinction between the different categories of service, is an issue recognized by the profession. As the editor of the *Australian Accountant* stated,

"The hard sell shop front 'tax professional' is seen as a threat, making inroads into the business of accountants and eroding the good standards of the accounting profession" (75).

In a survey developed by James H. Sellers and Paul J. Soloman (76) it was concluded that in the United States of America,

"Practitioners would tend to be more favourably inclined toward advertising in those areas in which non-certified Public Accountants practice and where in fact those non-certified Public Accountants already advertise".

This survey indicated that 51% of the respondents felt that some advertising should be allowed for the audit function, 64,8% felt that some advertising of taxation services should be allowed, while 65,6% felt that some advertising of Management Advisory Services should be allowed.

In order to test these issues the following hypotheses were developed :

Hypothesis No. 7. It is hypothesised that, in the opinion of partners taking part in this survey, independence is not important in assignments in the Management Advisory Service, Taxation and Estate Planning categories.

Hypothesis No. 8. It is hypothesised that, in the opinion of partners taking part in this survey, the rules pertaining to the advertising of professional accounting services offered by the accounting profession, should distinguish between audit, management advisory, and taxation and estate planning services.

Competition

In view of the fact that audit services are offered by many professional firms, and that management advisory services and taxation and estate planning services are offered by both the profession and other institutions, competition must be an issue.

Competition can be broken down into two major sections :

- 1) competition within the profession and
- 2) competition between members of the profession and non-members of the profession.

Hypothesis No. 9. It is hypothesised that, in the opinion of partners taking part in this survey, the accounting profession in South Africa is highly competitive within the existing rules and regulations.

Hypothesis No. 10. It is hypothesised that, in the opinion of partners taking part in this survey, competition should be fostered between members of the profession by relaxing the existing rules and regulations.

Hypothesis No. 11. It is hypothesised that, in the opinion of partners taking part in this survey, competition based upon the effectiveness of advertising will lessen the importance of the quality of service rendered by the profession.

Bearing in mind the discussion under Part 4 "Distinction between types of services offered by the profession", it is logical to determine the level, if any, of advertising which may or may not be acceptable for each of the specified accounting service categories.

Hypothesis No. 12. It is hypothesised that, in the opinion of partners taking part in this survey, the advertising of audit services should be allowed without restriction.

Table 4 below shows the responses to the two questions put to respondents in the Australian National Council Advertising Policy Investigation related to the advertising of services where members of the profession compete with non-members.

TABLE 3.4 : An analysis of responses received to the question of the advertising of accounting service categories in which members of the accounting profession compete with non-members

	Strongly Agree %	Agree %	Neither Agree nor Disagree %	Disagree %	Disagree Strongly %
The supply of unsolicited information to non-members describing services offered should be permitted in the field of management consulting services, where members compete extensively with non-members	15	40	11	21	13
Members providing taxation services should be permitted to place advertisements in the press limited to their name, address and telephone number/s and a statement that they are registered tax agents	19	44	5	19	13

ADAPTED FROM: SHARPE M.J. *The Advertising Policy Investigation The Chartered Accountant in Australia*, Sept. 1979 Pg. 31 table 2.

As the distinction between audit services and the other two categories of service offered have been drawn by the Australian survey, it is logical that the same should be done with the present survey.

Hypothesis No. 13. It is hypothesised that, in the opinion of partners taking part in this survey, advertising of management advisory services where members of the profession compete with non-members of the profession, should be allowed without restriction.

Hypothesis No. 14. It is hypothesised that, in the opinion of partners taking part in this survey, advertising of taxation and estate planning services where members of the profession compete with non-members, should be allowed without restriction.

3.2.5 Image of the Accounting Profession

The image of the profession, and the effect that advertising may have on that image was considered from a number of viewpoints, namely :

- . General image
- . Professionalism
- . Public awareness
- . Traditional users
- . Abuse of advertising.

3.2.5.1 General Image

A. Clayton Ostlund, addressing the contention that the credibility and dignity of the accounting profession will be lowered by advertising, argued that:

"This may have been valid in the past but not in today's consumer orientated society with the public demand for a free flow of information from all sources. Banks, management consulting firms and insurance companies currently advertise without being undignified. In fact, it seems inevitable that, whether members of a profession like it or not, in time all professionals will be permitted to advertise as long as the advertising is not false, misleading or deceptive" (77).

A survey in the United States of America, carried out by James H. Sellers and Paul J. Solomon tested the impact the profession felt advertising would have on the image of the profession.

In the survey two questions were posed:

- (a) Advertising will improve the image of the accounting profession.
- (b) The accounting profession's image will be tarnished if advertising is allowed.

The results showed that only 11,2% of respondents in public practice felt that the image of the accounting profession would be improved by advertising, whilst 52,7% agreed that the accounting profession's image would be tarnished if advertising were allowed (78).

Using the above results the following hypothesis was formulated.

Hypothesis No. 15. It is hypothesised that, in the opinion of partners taking part in this survey, advertising of professional accounting services will improve the image of the profession.

3.2.5.2 Professional image

Donald L. Atwell feels that the restrictive rules against advertising are :

"rooted in the fear that without a restriction of advertising, members of the profession will resort to neon lights and men wearing sandwich boards in order to attract new clients" (79).

Obviously this was not a serious comment but it did illustrate the fear that if advertising is allowed it may be carried out in an unprofessional manner. This thesis does not seek to define "professional" or "unprofessional" but uses the terms as they are generally understood by the profession (see Chapter 2). Furthermore, the term "commercial" cannot be clearly defined but it is something which conjures up visions of promoting a company by aggressive advertising, and the attendant razzmatazz of business.

The entire question of professionalism/commercialism is best illustrated by an excerpt from an address given by Wallace E. Olson, who at the time was President of the American Institute of Certified Public Accountants. The address was entitled "*Is Professionalism Dead*"?

"It had long been accepted that one of the main characteristics of a true profession is a dedication to putting unselfish service to clients and the public ahead of income considerations. The size, structure and operating methods of the largest firms seemed to run counter to this ideal. Partly because of this perception, local firm practitioners have become increasingly critical of the larger firms, whose activities they regard as turning their profession into a commercial business.

The large national firms adopted all the commercial traits that their size required. Their practices became more commercial in tone. Their chief executive officers became subject to pressures from the owner partners to achieve annual increases in gross fees and net earnings. Aggressive tactics to sell more services and attract new clients became commonplace. If such activities did not violate the letter of the profession's behavioural rules of conduct, they certainly did damage to their spirit.

The smaller firms were also becoming more aggressive, but it is probably fair to say that they were more restrained and more inclined to abide by the intent of the rules of conduct. Perhaps this reflected the fact that their practices were still being conducted on a more personal basis and in the form of traditional professional partnership" (80).

In order to investigate the issue of professionalism the following hypotheses were constructed:

Hypotheses No. 16. It is hypothesised that, in the opinion of partners taking part in this survey, the traditional view that a professional person places service to the client above profit making, still holds.

Nelson Luscombe questioned whether allowing advertising is incompatible with maintaining professional integrity. Whilst recognizing that there are the "*door knocking types*" who will "*pull out all the stops*" to get business, he claimed that every profession has them, they are in the minority and rules won't stop them. Furthermore he considered that "*it is possible to compete openly with dignity, to present one's credentials to another's client without impairing one's integrity, or the integrity of the profession, or without risking the public interest*" (81).

Carl S. Chiltern urged that members should be careful not to permit competitive conditions to turn the accounting profession into a "*commercial industry*". This he claimed need not happen "*if we remember that professionalism is a state of mind, a way of doing business, a commitment of service to others. It encompasses some old fashioned virtues such as dealing fairly with clients and fellow practitioners, independence of mind in all professional work as well as the highest quality of work at all times*" (82).

The following hypothesis was formulated on the basis of the discussion in the preceding section.

Hypothesis No. 17. It is hypothesised that, in the opinion of partners taking part in this survey, advertising and professionalism are not compatible.

3.2.5.3 Public Awareness

As can be seen from Chapter 2 and the ensuing discussion, a major contention of those in favour of less restrictive advertising

rules is that the public is not sufficiently aware of the services offered by the profession.

In a survey conducted by Ogilvy and Mather (Australia) (Pty) Ltd on behalf of the Australian Institute, three major findings emerged, two of which are relevant here:

- (a) The public is largely ignorant of the range of services provided by accountants.
- (b) There is a particular lack of awareness of the accountant's role in those areas which many accountants regard as growth areas, e.g. management advisory services.

In the survey carried out by James H. Sellers and Paul J. Solomon in the United States of America, 62,5% of respondents in public practice felt that consumers of accounting services would become more aware of the availability of services if advertising were allowed.

The use of the word "consumer," raises the important issue of whether the general public, as opposed to traditional users, are consumers of accounting services. In the opinion of the researcher there seems little point in the profession concerning itself with public awareness if the public do not need to understand the role of the profession and the services it offers. James H. Sellers and Paul J. Solomon state

"There can be little doubt that an increased public awareness of the accounting profession should be beneficial. Likewise it seems obvious that advertising will increase the public awareness of the accounting profession, and hopefully will also increase the public's understanding of the function of accounting" (83).

The above discussion gave rise to the following hypotheses.

- Hypotheses No. 18. It is hypothesised that, in the opinion of partners taking part in this survey, the public's view of the profession is vitally important.
- Hypotheses No. 19. It is hypothesised that, in the opinion of partners taking part in this survey, the public will become more aware of what accounting services are available to them, if advertising is allowed.
- Hypotheses No. 20. It is hypothesised that, in the opinion of partners taking part in this survey, the general public represents an untapped market, and is a market which should be serviced by the profession.

3.2.5.4 Traditional users

The traditional users of the accounting profession have for many years been primarily companies, both public and private. This is by virtue of the fact that every company must in terms of the Companies Act, 1973, have an annual audit. It is logical therefore to assume that traditional users would be familiar with the accounting profession. An auditor is appointed by the shareholders of a company and, as traditional users, they should be aware of the services offered by the profession. In addition management, delegated the task of running a company, should logically be aware of what the profession has to offer. However in a survey conducted by Arthur Andersen and Company in the United States of America it was reported that only 62% of shareholders were familiar with the types of services offered by the accounting profession (84).

Hypothesis No. 21. It is hypothesised that, in the opinion of partners taking part in this survey, traditional users need to become more aware of the availability of accounting services.

In the opinion of the researcher the relationship between the professional and his client is a most important one and one which is built up over time by mutually developing trust. It is necessary therefore to consider whether this relationship would be altered if advertising were allowed. If the client has more knowledge of what services are available to him, and is possibly faced with attractive offers from other professional accountants, then his relationship with his existing auditor may be altered, ultimately, to his detriment.

Hypothesis No. 22. It is hypothesised that, in the opinion of partners taking part in this survey, the relationship between the professional accountant and his client would be altered if unrestricted advertising were allowed because clients would simply go for the best "deal" available from year to year.

3.2.5.5. Abuse of advertising

It is quite obvious that both the public and traditional users should be protected against fraudulent and unscrupulous advertising.

Michael K. Lowrey states :

"The accountant's traditional ban against advertising was established in the public interest. Competitive advertising would encourage widespread deception by professionals seeking business, predictably misleading the layman. Furthermore certain clients would inevitably anticipate unrealistic expectations from their accountants, creating distrust towards the profession" (85).

The following hypotheses were formulated, based on the above quotation :

Hypothesis No. 23. It is hypothesised that, in the opinion of partners taking part in this survey, advertising will create unrealistic user expectations which will lead to a tarnishing of the profession's image.

Hypothesis No. 24. It is hypothesised that, in the opinion of partners taking part in this survey, advertising would encourage widespread deception by professionals seeking business.

3.2.6 Large firm vs Small firm

Another contentious issue relating to the advertising of professional accounting services is whether large firms or small firms will benefit more from advertising. Closely linked to this is the question of whether small firms would in fact suffer in the face of a possible onslaught on the market by the larger and wealthier firms. Furthermore small firms may have to concentrate on a 'personal service to the client' approach.

In their report to the Australian Institute of Chartered Accountants, the Advertising Committee appointed by the institute to investigate professional advertising, set out in detail its reasons for its decision not to remove any major restrictions on advertising. The following reason related to the effect on the size of firms if advertising were allowed :

"Because of the high cost of advertising the larger and wealthier accounting firms would be able to undertake more extensive advertising programmes than smaller practitioners. This is more likely to make it more difficult for younger practitioners to enter into practice on their own account, creating a monopoly for the larger firms" (86).

In the survey conducted by James H. Sellers and Paul J. Solomon, 29,4% of accountants in public practice agree that small firms would benefit more than big firms if advertising were allowed,

whilst 55,6% of accountants in public practice disagreed (87).

The following hypothesis was formulated accordingly :

Hypothesis No. 25. It is hypothesised that, in the opinion of partners taking part in this survey, large firms' advertising would place small firms at a disadvantage.

3.2.7 Cost of Services

John R. Darling claims that professional accountants believe that advertising increases the prices of products and services offered (88).

A. Clayton Ostlund in addressing the contention that if advertising of professional accounting services is allowed, fees charged to clients will increase because the costs of advertising will be passed on to them, states that this argument is used against permitting any type of advertising by any type of business. It can be countered with statements that advertising may possibly reduce the cost of accounting services to the public, since it may *"prod firms to become more efficient in their operations in order to compete effectively"* (89).

In the survey conducted by James H. Sellers and Paul J. Solomon, 26% of accountants in public practice who were respondents agreed that advertising would result in lower prices for consumers of accounting services, whilst 56,5% disagreed (90). Furthermore, 28,5% of the same respondents agreed that advertising would result in higher average prices for consumers of accounting services.

The following hypothesis was formulated from the discussion above.

Hypothesis No. 26. It is hypothesised that, in the opinion of partners taking part in this survey, advertising will ultimately add to the cost of accounting services.

3.2.8 Quality of Service

Another traditional argument put forward by those who are against the advertising of professional accounting services is that the quality of service will be adversely affected, because competition based on the effectiveness of advertising will lessen the importance of the quality of service offered by the profession. To state it more simply, some members are afraid that advertising campaigns which may be entered into by the profession will become the criteria on which a user or potential user engages an accountant, with less attention being paid to the quality of service offered by that accountant.

W. Douglas Sprague described the problem discussed above as the "*advertising dilemma*". He identifies this dilemma as being "*how to permit the free flow of information to the public, including the benefits of price and service competition, without risking serious deterioration in the quality of performance*" (91).

A. Clayton Ostlund in addressing the traditional argument presented in the first paragraph considered :

"that the true professional will render the services necessary in the circumstances no matter how he obtains the client. Regrettably, there will always be a few who will lessen the quality of service just to obtain the engagement. These groups will probably follow their characteristic behaviour patterns without regard to whether the advertising rule is modified" (92).

In the survey conducted in 1974 by Arthur Andersen and Company 82,7% of accountants in public practice felt that advertising would not improve the quality of accounting services, whilst 37,9% felt that if advertising were allowed the quality of service would decline (93).

The following hypothesis was formulated :

Hypothesis No. 27. It is hypothesised that, in the opinion of partners taking part in this survey, the quality of accounting services will decline if advertising is allowed.

GROUP 2

HYPOTHESES RELATED TO PART C OF THE QUESTIONNAIRE : PARTNERS' OPINIONS IN RESPECT OF THE PLACING, MEANS AND METHODS OF ADVERTISING

3.3 THE PLACING, MEANS AND METHODS OF ADVERTISING

Respondents taking part in the survey conducted by James H. Sellers and Paul J. Solomon were asked to rank the appropriateness of a number of different advertising media for advertising professional accounting services. Table 5 illustrates the media selected and the results obtained.

TABLE 3.5 : The suitability of various media for the purposes of advertising professional accounting services

Media	Very appropriate	Appropriate	Inappropriate	Very inappropriate
Newspaper	11,9%	58,3%	19,4%	10,3%
Professional Mag.	34,4	58,6	3,3	3,6
Popular Magazine	2,5	24,3	47,2	26,0
Television	2,5	13,4	46,6	37,4
Radio	2,2	17,9	43,3	36,6
Billboard	1,1	5,6	36,2	57,1
Direct Mail	8,5	38,9	25,1	27,6

ADAPTED FROM: SELLERS J.H. and SOLOMON P.J., C.P.A. Advertising : Opinions of the profession. *The Journal of Accountancy*, Feb. 1978, Page 74, table 5.

As can be seen from the Table above, a Likert-type selection format was used although a "neither appropriate nor inappropriate" column was omitted. The hypotheses described below were based on the survey mentioned above, but were expanded to give greater depth to the research. A Likert-type response format was used but the range of emotion was changed from an "appropriate/inappropriate" to an "in favour/opposed" range as it was considered more suitable.

Hypothesis No. 1. It is hypothesised that partners taking part in this survey would be opposed to the advertising on radio of all three categories of accounting services offered by the profession, namely audit, management advisory, and taxation and estate planning services.

Hypothesis No. 2. It is hypothesised that partners taking part in this survey would be opposed to the advertising on television of all three categories of accounting services offered by the profession, namely audit, management advisory, and taxation and estate planning services.

Hypothesis No. 3. It is hypothesised that partners taking part in this survey would be opposed to the advertising in non-financial sections of the newspaper of all three categories of accounting services offered by the profession, namely audit, management advisory, and taxation and estate planning services.

Hypothesis No. 4. It is hypothesised that partners taking part in this survey would be in favour of the advertising in any financial publications of all three categories of accounting services offered by the profession, namely audit, management advisory, and taxation and estate planning services.

Hypothesis No. 5. It is hypothesised that partners taking part in this survey would be in favour of the advertising in any professional journal of all three categories of accounting services offered by the profession, namely audit, management advisory, and taxation and estate planning services.

Hypothesis No. 6. It is hypothesised that partners taking part in this survey would be opposed to the advertising in popular magazines of all three categories of accounting services offered by the profession, namely audit, management advisory, and taxation and estate planning services.

Hypothesis No. 7. It is hypothesised that partners taking part in this survey would be in favour of being allowed to display at their offices and on their stationery and on publications/bulletins sent to clients, the services they offer in respect of all three categories of accounting services.

- Hypothesis No. 8. It is hypothesised that partners taking part in this survey would be in favour of a firm being able to release to the public, under the firm's name, articles/bulletins/booklets on topics related to the three categories of service they offer.
- Hypothesis No. 9. It is hypothesised that partners taking part in this survey would be in favour of a firm being able to display their full name on items of attire.
- Hypothesis No. 10. It is hypothesised that partners taking part in this survey would be opposed to advertising on billboards, bus stops and similar types of space.
- Hypothesis No. 11. It is hypothesised that partners taking part in this survey would be in favour of partners distributing business cards on which some form of advertising their firm's services appears.
- Hypothesis No. 12. It is hypothesised that partners taking part in this survey would be opposed to allowing the advertising of the services their firms offer, when recruiting staff for their own purpose, or on behalf of a client.
- Hypothesis No. 13. It is hypothesised that partners taking part in this survey would be in favour of their firm being allowed to advertise bursaries offered for study at a recognised educational institution, and/or to publicly sponsor a post at a recognised educational institution.
- Hypothesis No. 14. It is hypothesised that partners taking part in this survey would be opposed to a firm using direct mail advertising.
- Hypothesis No. 15. It is hypothesised that partners taking part in this survey would be opposed to allowing a firm to approach the client of another auditor in an attempt to solicit business.
- Hypothesis No. 16. It is hypothesised that partners taking part in this survey would be opposed to sponsoring activities presented for the interest and enjoyment of the general public.

GROUP 3

HYPOTHESES RELATED TO PART D OF THE QUESTIONNAIRE : PARTNERS' OPINIONS IN RESPECT OF THE OVERALL CONTENT OF ADVERTISEMENTS

3.4 THE OVERALL CONTENT OF ADVERTISEMENTS

In the survey conducted by James H. Sellers and Paul J. Solomon respondents were asked to rate five types of advertising appeal as either very appropriate, appropriate, inappropriate or very inappropriate (see Table 3.6).

TABLE 3.6 : The appropriateness of various types of content in advertisements for professional accounting services

Content	Very appropriate	Appropriate	Inappropriate	Very inappropriate
Availability of Services	39,0%	53,3%	4,1%	3,6%
Professional Credentials	25,9	51,2	15,2	7,7
Pricing of Services	6,6	26,8	36,5	30,1
Specialization	26,2	55,8	9,9	8,0
Quality of Service	11,6	22,4	32,1	33,8

ADAPTED FROM: SELLERS J.H. and SOLOMON P.J., C.P.A. Advertising : Opinions of the profession. *The Journal of Accountancy*, Feb. 1978, Page 74, table 4.

Once again the Likert-type format was used without a "neither appropriate nor inappropriate" column. For the purposes of this survey the basic advertising appeals as described in Table 3.6 were adapted to give deeper research. In addition the full Likert format was used, whilst the range of emotion was retained.

Hypothesis No. 1. It is hypothesised that, in the opinion of partners taking part in this survey, if advertising were allowed, a service appeal would be appropriate.

Hypothesis No. 2. It is hypothesised that, in the opinion of partners taking part in this survey, if advertising were allowed, a professional credentials appeal would be appropriate.

Hypothesis No. 3. It is hypothesised that, in the opinion of partners taking part in this survey, if advertising were allowed, a partners' personal appeal would be appropriate.

Hypothesis No. 4. It is hypothesised that, in the opinion of partners taking part in this survey, if advertising were allowed, a pricing of services appeal would be inappropriate.

Hypothesis No. 5. It is hypothesised that, in the opinion of partners taking part in this survey, if advertising were allowed, a quality appeal would be appropriate.

CHAPTER 4

RESEARCH METHODOLOGY : DESIGN OF THE SURVEY

4.1 DEFINITION AND NATURE OF THE POPULATION TO BE SAMPLED

4.1.1 The Population

For the purposes of this study the population was defined as 'all those persons registered with the Public Accountants' and Auditors' Board as Accountants and Auditors in public practice'.

These persons are commonly referred to as "Registered Accountants and Auditors".

The origin of the Public Accountants' and Auditors' Board is described below.

4.1.2 The Public Accountants' and Auditors' Board

The Public Accountants' and Auditors' Board was brought into being in terms of the Public Accountants' and Auditors' Act No. 51 of 1951, the date of commencement of the Act being 1 November 1951 in terms of the Governor-General's Proclamation No. 207 of 1951.

Section 2 of the said Act states :

"There is hereby established a board to be known as the Public Accountants' and Auditors' Board, which shall be a body corporate, capable of suing and being sued in its corporate name, and of performing all such acts as are necessary for or incidental to the carrying out of its objects and the performance of its functions and duties under this Act".

Not only persons registered with the Public Accountants' and Auditors' Board were however considered for inclusion in the population. The various categories of person considered are discussed below.

4.1.3 Categories of Accountant considered in determining the population to be sampled.

4.1.3.1 Registered with the Public Accountants' and Auditors' Board

Four categories of persons registered with the Public Accountants' and Auditors' Board were considered. It was important that these were defined as the survey was carried out amongst a specific category of registered accountants and auditors.

(a) Registered Accountants' and Auditors' in public practice

Section 1(ix) of the Public Accountants' and Auditors' Act states that :

"Public practice means the practice of a person who performs the functions of an Accountant and Auditor, and for that purpose holds himself out as an accountant or auditor and places his services at the disposal of the public for reward"

Section 22 of the Public Accountants' and Auditors'

Act states that :

"no person shall -

engage in public practice as an accountant or auditor or hold himself out as an accountant or auditor in public practice or use any designation or description likely to create the impression that he is an accountant or auditor in public practice. or

accept an appointment or act as an auditor where the appointment of an auditor or the performance of an audit is required by law,

unless he is registered as an accountant and auditor engaged in public practice in terms of this Act".

(b) Registered Accountants' and Auditors' not in public practice

Although the Public Accountants' and Auditors' Act does not specifically recognize this category, the P.A.A.B. will register persons with the necessary qualifications although they may not be in public practice. The registration fee is nominal and no direct benefit other than being on the Board's mailing list is obtained. Many chartered accountants feel however that it was a form of support for their profession and an additional means of contact with their profession. This category was not included in the population to be sampled as they are not directly concerned with advertising of professional accounting services. The registered accountant and auditor in public practice is concerned with the promotion of his practice and hence has a direct interest in advertising his services. The non-practising registered accountant and auditor has no practice to promote.

(c) Registered Accountants' and Auditors' - non-resident

Section 23 (4) bis empowers the Board to register, under the Public Accountants' and Auditors' Act, a non-resident accountant and auditor. Certain provisos apply. Once registered however, the non-resident accountant and auditor could be treated for the purposes of this survey as a registered accountant and auditor.

(d) Articled Clerks

Section 24 of the Public Accountants' and Auditors' Act states that :

"no service under articles of clerkship shall be recognised ... unless such articles have been registered with the Board ...".

During the period of articles the clerk is obviously not regarded as a registered accountant and auditor but is, for the duration of his articles at least, registered with the Board. Therefore he/she is included under the heading of 'registered with the Board'.

This category is not included in the population to be sampled because articled clerks :

- (i) have no firm commitment to the profession beyond their period of articles,
- (ii) are unlikely to be directly concerned with an issue such as the advertising of professional accounting services,
- (iii) are employees, as opposed to employers, and as such are not involved in the securing of additional business,
- (iv) are not in a position of influence as regards the setting of professional standards.

4.1.3.2 Persons not registered with the Public Accountants' and Auditors' Board

The following categories of person were also considered for inclusion in the population to be sampled :

(a) Qualified accountants not in public practice

Two categories were considered here :

- (i) persons in commerce or industry,
- (ii) persons working in educational institutions.

A large number of those who pass the qualifying examination set by the Public Accountants' and Auditors' Board move out of the profession into the business world. Whilst a number of these persons retain contact with the profession in various ways it was decided that the issues covered by this survey were not directly relevant to them.

Those persons in educational institutions retain links with the profession but it is considered that the practical problems of advertising professional accounting services are not their direct concern.

It is not to be forgotten however, that both the categories mentioned above (qualified accountants not in public practice), can be of assistance in formulating, adapting and monitoring the rules and regulations applicable to the advertising of professional accounting services. In many instances the accountant in commerce and industry becomes a user of accounting services and is therefore interested in being informed of the services available to him.

Advertising is a communication service, consisting of three elements, a source, a message and a destination. In this case the accountant in commerce or industry will be the destination and, therefore, forms an important part of advertising of professional accounting services. The object of this survey however, was to assess the opinions of those registered accountants who are committed to the profession. The opinions of chartered accountants as users of professional accounting services could form the basis of further research.

The accountant employed in an educational institution has his contribution to make in a different form. He is neither the source nor the destination of the advertising communication but he can, however, contribute to the message element by research into the rules and regulations around which the message is created and presented. One of the major problems concerning the advertising of professional accounting services is how the message is presented within the framework of a profession which must uphold standards and dignity and here the academic has a vital role to play. However, as academics in general have no direct interest in the advertising of professional accounting services in that they are neither part of the source nor part of the destination of the advertising communication, they were not included in the population from which the sample was drawn.

(b) Qualified accountants working within the profession

This category covers the person who is employed by a professional firm of accountants but is not a partner of the firm. Whilst these persons are closely linked to the profession, the advertising issue does not affect them to the extent that it does a partner. The same level of commitment to the profession on a long-term basis is not present, and it was therefore decided that this category would not be included in the population to be sampled.

(c) Unqualified accountants working within the profession

These persons differ from articled clerks in that they have completed or never entered articles and are therefore not registered with the Board. Whilst their commitment to their particular firm and to the profession may be substantial, it was considered that their lack of qualification and commitment to the profession on a long-term basis did not justify their inclusion in the population to be sampled.

Table 4.1 presents a summary of the categories of accountant considered in determining the population to be sampled.

TABLE 4.1 : The categories of accountant which were considered in determining the population to be sampled

4.1.3.1 Registered with the Public Accountants' and Auditors' Board.

- (a) Registered Accountants and Auditors in public practice
- (b) Registered Accountants and Auditors not in public practice
- (c) Registered Accountants and Auditors, non-resident
- (d) Articled clerks

4.1.3.2 Persons not registered with the Public Accountants' and Auditors' Board

- (a) Qualified Accountants not in public practice
 - (i) in commerce and industry
 - (ii) in educational institutions
- (b) Qualified Accountants working within the accounting profession
- (c) Unqualified Accountants working within the accounting profession.

The questionnaires developed for the survey carried out by the researcher were aimed at partners of professional firms. To avoid confusion the link between the term "partner" and the term "registered accountant and auditor" should be examined.

4.1.4 The link between the terms "partner" and "registered accountant and auditor"

Section 30 (1)b of the Public Accountants' and Auditors' Act states:

"No person who is registered as an accountant and auditor under this Act shall make over to or share with any person (other than a person registered as an accountant and auditor under this Act) any portion of professional fees earned by him in respect of work performed by him as an accountant and auditor."

A partner within the accounting profession is a person, who in partnership with others, carries on the work of an accountant registered with the Public Accountants' and Auditors' Board as being in public practice. It is however, possible to be

registered with the Board in public practice but not to be a partner. Strictly speaking this covers two possibilities.

(i) A sole practitioner

(ii) A qualified accountant working for a professional firm but without partnership status. The population for the purpose of this survey was defined as persons registered with the Public Accountants' and Auditors' Board as accountants and auditors in public practice, but more specifically partners of professional audit firms. The questionnaire on which the survey was based however, allowed for the sole practitioner as well as partners. The reasons for selecting only partners and sole practitioners and avoiding qualified accountants working for professional firms but without partnership status, are presented in the following section.

4.1.5 Reasons for choosing partners in professional accounting and auditing firms as the population

4.1.5.1 Direct concern with the issue of advertising

It was considered vitally important that the population to be sampled would be one to which the issue of advertising was of direct concern. This would ensure that the respondents would place some importance on the completion of the questionnaire and would not simply complete it without the necessary deliberation.

4.1.5.2 Commitment to the Accounting Profession

Of all the categories that may have formed part of the population, it was considered that partners, by the mere fact that they are partners, would be the most committed to the accounting profession and its development. An issue like the advertising of professional accounting services is important to the profession, and its development depends upon the attitudes and actions of the members of the profession. Partners, as part of their commitment to the profession, should be concerned with issues which affect the standards set, and hence the dignity of the profession. The advertising of professional accounting services affects both the standards and the dignity of the profession as Chapter 2 has clearly shown.

4.1.5.3 Quality of the response to the questionnaire

To enable the survey to offer meaningful results it was necessary that some thought be given to the issues involved in the advertising of professional accounting services. A considered opinion was required from each respondent to ensure

that a quality response was obtained. Little benefit was to be derived from a questionnaire which had been completed by a respondent who was not familiar with the issues, and who did not have the necessary level of interest and understanding in those issues. Partners it was considered, were familiar with the issues, had an understanding of them and were sufficiently interested in the issues to ensure that a response of high quality was given to the questionnaires.

4.1.5.4 Accessibility of partners as a population

As all partners were registered with the Public Accountants' and Auditors' Board, the population was clearly defined. It was therefore a straight forward procedure to communicate with those who made up the sample.

The above four reasons formed the basis of the decision regarding the population to be sampled. The characteristics of the population which it was considered should be present in the sample are discussed in section 4.1.6.

4.1.6 Characteristics of the population

It was considered essential in order to obtain valid research results that certain characteristics of the population be present in the sample extracted from that population. These characteristics are identified below.

4.1.6.1 The size of the firm

The size of the firm is important in that it is likely that responses to various issues will vary by firm size. The size

of the firm was judged on the total number of partners country-wide.

The classification decided upon was as follows :

SMALL FIRM	1 - 10 partners
MEDIUM FIRM	11 - 50 partners
LARGE FIRM	51 — partners

This classification of size was not based upon any officially recognized basis but was deemed to be an acceptable classification by the twenty partners who took part in the pilot test of the questionnaire.

4.1.6.2 The official language of the firm

The test applied here was the language used internally by the firm, for example, on bulletins and minutes of partners' meetings. The language is important because it is possible that the responses to various issues will vary by language. Two alternatives only were offered here, namely ENGLISH and AFRIKAANS. This absolute classification caused some problems as certain firms considered themselves to use both official languages equally and did not identify themselves as either English or Afrikaans firms.

Where the respondent indicated both official languages the questionnaire was classified, for the purposes of this survey, in terms of the respondent's home language.

4.1.6.3 The Provincial Society under which the office at which the respondent worked, fell

It was considered necessary to have represented in the sample, offices from all Provincial societies, as it was possible that respondents coming from the various societies could have different opinions on the issues involved. The Public Accountants' and Auditors' Act, Section 1(x) recognizes four societies :

- (a) The Transvaal Society of Chartered Accountants
- (b) The Cape Society of Chartered Accountants
- (c) The Natal Society of Chartered Accountants
- (d) The Orange Free State Society of Chartered Accountants.

This broad distinction was used as the basis for determining the areas from which the respondents should be selected.

It is important to note that the questionnaire required respondents to indicate the Provincial Society under which the office at which they worked, and not the firm for which they worked, fell. The reason for this was that many firms operate under more than one Provincial Society.

4.1.6.4 Associations with firms in the United States of America

Many of the large accounting firms operating in the Republic of South Africa have American associations; it was considered necessary to ensure that the sample contained a representation of these firms. This step was taken in order to investigate whether such an association would have any direct influence on the policies adopted by the relevant South African firms.

4.1.6.5 Age of partners acting as respondents

A wide range of ages of respondents was considered necessary because it was likely that opinions related to the issues discussed in this thesis would vary with age. The classification of ages into three categories was not based on any official scale, but was approved by the twenty partners who took part in the pilot study.

Up to 35 years of age
36 to 50 years of age
51 and over

4.1.6.6 The number of years experience of the respondent as a partner

A wide range of experience of respondents was considered necessary, as it was likely that the responses to the various issues would vary according to the number of years experience the respondents had had.

The classification into "years experience as a partner" was not based on any official scale but was approved by the twenty partners who took part in the pilot study.

4.2 THE SAMPLE

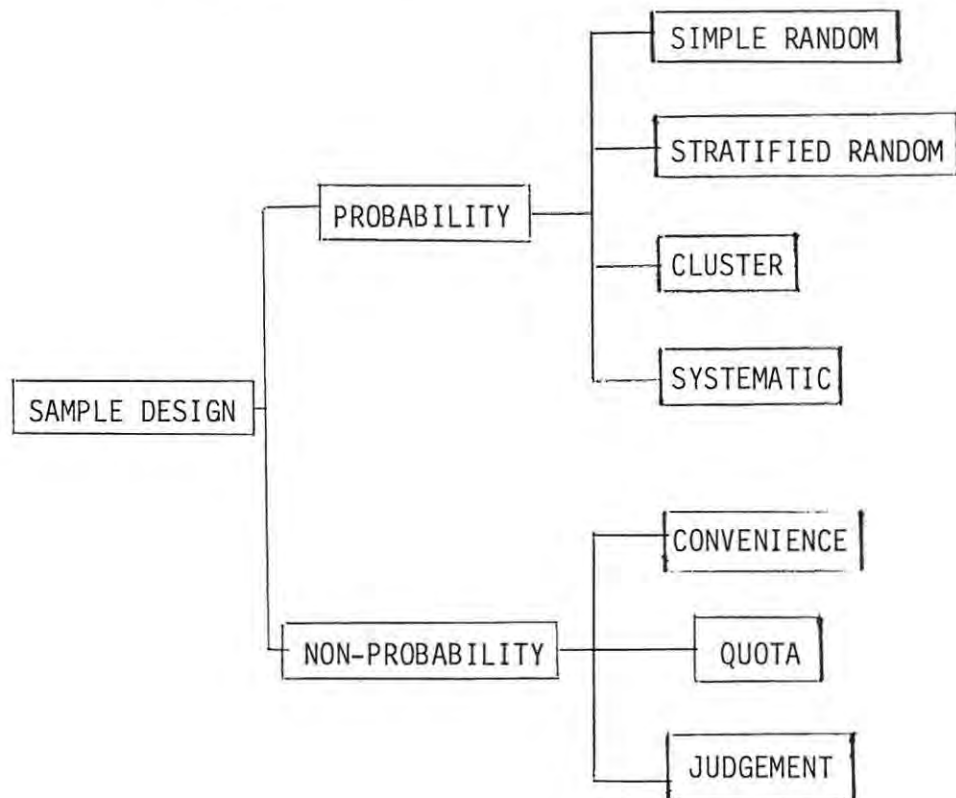
Having defined the population and the characteristics of the population which were necessary in the sample, the following sample details are relevant to this study.

4.2.1 Probability and non-probability sampling techniques

Samples can be divided, according to the method used to select them, into two broad categories: PROBABILITY samples and NON-PROBABILITY samples. In the case of probability sampling, all items in the population have known or equal chances, or probabilities of being selected. With non-probability sampling, sometimes referred to as "researcher-controlled sampling", all items in the universe do not have known and equal chances of being selected.

Probability sampling and Non-Probability sampling can be broken down further as illustrated by figure 2 :

FIGURE 2 : A breakdown of the sample design into the various categories of probability and non-probability samples



The decision on the sample design, between probability and non-probability, had to be made at the outset. It was possible that either design could have been used as a clearly defined population was available in the form of the Public Accountants' and Auditors' Board list of registered Accountants and Auditors in public practice. Each member of this population was identifiable by number, name and address, and the population was sufficiently large.

In making the decision the advantages and disadvantages of the two designs were considered in relation to this survey. These are discussed in the following section 4.2.2.

4.2.2. The advantages and disadvantages of a probability sample in relation to this survey

A. The advantages of probability sampling were as follows :

- (i) each member registered with the Board in public practice had a known and equal chance of being selected to act as a respondent,
- (ii) by following the correct procedure a set of results could have been obtained which were statistically sound.

Conclusions could then have been drawn relating to the entire population on a scientific basis. Furthermore it must be noted that, had the probability sample been developed beyond a simple random to a stratified random sample by dividing the population into distinctive strata which differed significantly from other strata, but had considerable internal homogeneity, even more precise results could have been obtained. The characteristics of

the population meant that the population lent itself to stratification, for example into the following strata :
age of respondent, size of firm of which respondent is a partner, years of experience as a partner.

Charles T. Clark and Lawrence L. Schkade (94) have noted that there are two conditions under which stratified sampling is not possible :

1. There may not be available any frame, or list, of items in the universe (population) from which the sample might be drawn. For example, if we wish to interview a sample of farmers in a particular area it might be impossible to find a list of them.

2. Even with a frame available, if the units in the universe are widely scattered it may be cheaper to use a large sample of units that lie close to one another than to use a small sample of widely scattered units. For example it might be cheaper to interview fifty farmers in one area than thirty farmers in thirty different areas.

Neither of the above two situations apply in the context of this survey, firstly there is a detailed framework from which the sample can be drawn and secondly, although there is a strong concentration of "units" in the Transvaal the "units" in the population cannot be considered as being too widely scattered to use a stratified random sampling design.

It is agreed that as a stratified random sample may give more precise results, and the population lends itself to stratification, there was a strong case for this method of probability sampling to be adopted for this survey.

B. The Disadvantages

- (i) Despite the availability of a clearly detailed population and the presence of conditions which made stratified random sampling a distinct possibility, it was felt that the quality of response which was needed for this survey would not be forthcoming if the sample was drawn on a random basis. The reasons for this contention are discussed below.
 - (a) People in accounting firms are busy people, and whilst they are responsible and concerned about their profession, to receive, without some personal contact, a questionnaire through the post would, in the researcher's opinion lead to many questionnaires going unanswered and many being haphazardly completed.
 - (b) It may be argued that the sample could still have been drawn up on a random basis and then contact made with the respondent by the researcher. The basis of this relationship would still have been largely impersonal and not as successful as contact made by a person known and respected by the respondent. By adopting the latter approach a responsibility was placed on the respondent and that responsibility was monitored by a fellow practitioner.

4.2.3 The nature of sampling non-probability

Non-probability samples involve personal judgement somewhere in the selection process, and as a result the selection of items, in this case respondents, is not determined by chance. Each item in the population will not have a known or equal chance of selection.

Two possibilities are recognized as far as selection of items from the population is concerned (95).

- (i) The researchers judgement is imposed upon the selection.
- (ii) The fieldworkers judgement is imposed upon the selection.

The fact that the elements are not selected probablistically precludes an assessment of "sampling error". Without some knowledge of the error that can be attributed to sampling procedures, we cannot place bounds on the precision of our estimates (96).

It is often stated that where non-probability samples are used no probability statements are possible, because the sample elements are not chosen according to a probabilistic design. Since this is taken to imply that no degree of certainty can be attached to the results of the sample, the conclusion is almost always that non-probability samples are useful only in pilot studies or in studies of little importance.

Schoner B. and Uhl K.P. do not agree with this opinion citing as their reason a paper by Mayer and Brown presented to the 1965 fall conference of the American Marketing Association.

As Shoner and Uhl state :

"Meyer and Brown classify the sources of the errors possible in drawing a sample into five categories : (1) measurement, (2) non response, (3) process, (4) frame, and (5) randomness. It is only the last of these sources that is measured by sampling error through the standard error of the mean or the standard error of proportion. The other sources of error come under the general classification of non-sampling error" (97).

Three types of non-probability sampling are recognized by

K.L. McGown(98) and Gilbert A. Churchill, Jnr. (99).

A. Convenience Sampling

Convenience sampling is a method of sampling whereby the researcher selects items to be in the sample because it is convenient to do so. Where approximations will suffice or where time and money are seriously limited, convenience sampling is widely used.

"Although convenience sampling is not very scientific, it is not likely to disappear as a sampling technique. Its speed and ease ensure its long term existence" (100).

As McGown explains the most common type of convenience sampling is "man-in-the-street" type interviews where the researcher may, for his convenience, set out to a shopping complex during a lunch hour to draw a sample. Another common usage of convenience sampling is pre-testing (pilot test) of a questionnaire. It is not the intention of the researcher to include the results of the pre-test in his analysis, he is simply applying a test run to determine whether he has a functional or answerable questionnaire.

Convenience sampling has its place as a sampling technique but at the same time has a severe limitation in that a convenience sample cannot be scientifically described as being representative of the entire population. Gilbert A. Churchill clarifies this point :

"When participation is voluntary or sample elements are selected because they are convenient the sampling plan provides no assurance that the sample is representative. Empirical evidence as a matter of fact, is much to the contrary" (101).

Whilst K.L. McGown states :

"The important thing to recognize is that projections for the entire population should not be based on a convenience sample, yet it may be a perfectly valid technique in exploratory research, questionnaire pre-testing, and any other case where a representative sample is not considered necessary" (102).

The sample plan used for the survey of the topic researched in this thesis contained elements of convenience sampling.

See Table 4.3.

B. Judgemental Sampling

Judgemental sampling is a slightly more scientific plan than convenience sampling. It differs from convenience sampling in that the items selected for sampling are picked by the researcher because he/she believes that they are representative of the sample. Churchill explains :

"Judgement samples are often called purposive samples; the sample elements are handpicked because it is expected that they can serve the research purpose. Most typically, the sample elements are selected because it is felt that they are representative of the population of interest" (103).

The sample plan used for the survey of the topic researched in this thesis also contained elements of judgemental sampling. See Table 4.3.

C. Quota Sampling

The most sophisticated form of non-probability sampling is quota sampling. This technique is broken down into three stages :

- (i) deciding how many cells into which the population will be divided.
- (ii) deciding what percentage of sample items should be in any one cell.
- (iii) actually selecting the sample items.

As Churchill states :

"Quota samples attempt to ensure that the sample is representative by selecting sample elements in such a way that the proportion of the sample elements possessing a certain characteristic is approximately the same as the proportion of elements with the characteristic in the population" (104).

The distinction between a quota sample and a stratified random sample should be carefully drawn, as superficially, they appear similar. Fundamentally a quota sample remains a non-probability sample whilst the stratified random sample is a probability sample. The similarity between the two is that the population in both types of sampling plan is broken down into cells or stratifications. There the similarity ends; in stratified random sampling the items to be tested are chosen on a totally random basis within the stratification whilst when using a quota sample

the researcher or fieldworker arbitrarily selects items from each cell.

Gilbert A. Churchill (105) raised the question whether quota samples can indeed be considered representative even though they reflect the population with respect to the proportion of the sample possessing the control characteristics. Three points are raised :

1. The sample may be far from representative because some important characteristic which may influence the result has been ignored.

The method of solving this particular problem is to specify quotas for all characteristics. Admittedly, the introduction of further control characteristics may make the sample more complex, more expensive and more difficult to compile, but the reward will be a more representative sample.

2. It is difficult to verify whether a quota sample is representative.

As Churchill states :

"One can check the distribution of characteristics in the sample not used as controls, to ascertain whether the distribution parallels that of the population. This type of comparison only provides negative evidence. It can indicate that the sample does not reflect the population if the distributions on some characteristics are different. If the sample and population distributions are similar for each of these characteristics, it is still possible for the sample to be vastly different from the population on some characteristic not explicitly compared" (106).

3. Interviewers left to their own devices are proven to follow certain practices(107). For example they may tend to interview their friends in excessive proportion and, as their friends are often similar to themselves, bias may be introduced. It is difficult to measure the presence of bias and even more difficult to correct the data when analysis takes place. The lack of bias in an objectively selected sample, is one of the strong points in favour of probability sampling, but non-probability sampling can best be dealt with by making fieldworkers/interviewers aware that bias should be avoided.

With probability sampling one relies on the sampling procedure to solve the problem of representation, whilst in non-probability sampling the composition of the specific sample must be relied upon to solve this problem.

To lessen the effect of bias and to obtain a sample reasonably representative of the population, careful selection of the sample used in this survey, was necessary. However bias can never be totally eliminated as Churchill explains,

"Note finally that quota samples rely on personal, subjective judgement rather than objective procedures for the selection of sample elements" (108).

4.2.4 The Advantages and Disadvantages of non-probability sampling

A. The Advantages

(i) Convenience of Selection

The most obvious advantage of the non-probability sample is the convenience to the researcher. It is a great deal more convenient to work with respondents whom you know to be reliable and who will apply their minds to the survey medium, in this case a questionnaire. The selection of respondents becomes subjective, but is based on criteria which are also very important to the survey.

(ii) Quality vs. Representation

By adopting a non-probability sample objectivity in the selection of "items" making up the sample is sharply reduced. The resulting sample :

- (a) May not be representative of the total population.
- (b) Will not be scientifically based which in turn will mean the results cannot be regarded as being representative of the total population.

On the other hand, by having a measure of control over who makes up the sample, the researcher is able to ensure that a quality response is achieved. When the responsibility of completing a questionnaire has been placed before the respondent by a person to whom the respondent is personally connected, the tendency is to meet the responsibility reliably.

Representation will suffer in any non-probability sample but this can be compensated for by obtaining a sample containing respondents who have applied their minds to the topic under survey.

(iii) Interest in Survey

With the dominant intention being to obtain a high quality response to the questionnaire, another advantage in using non-probability sampling emerged. It was possible to select respondents who were interested in their profession and, more specifically, the issue under review. It was felt that if interested respondents were approached the attention paid to intelligent completion of the questionnaire would be far greater than if randomly selected respondents had been approached.

B. The Disadvantages

The most significant disadvantages of using a non-probability sample lies in the fact that each member of the Public Accountants' and Auditors' Board registered as being in public practice did not have a known or equal chance of being selected as a respondent. Because of this it was not possible to relate the findings of this research to the entire population - namely those registered with the Public Accountants' and Auditors' Board as being in public practice.

Overall it was considered that a controlled non-probability sample would, with the convenience it offered, the interest of respondents, and the quality of response, be more meaningful than a probability sample.

4.2.5 The Sampling Method

A. The Objective of the Sampling Method

The objective of the sampling method was to obtain a sample which would consist of registered accountants in public practice and which would fulfil the following requirements :

1. Contain respondents from the four regional societies, preferably spread widely within each region.
2. Contain respondents of various ages.
3. Contain respondents with varying years of experience as partners.
4. Contain respondents from both the official language groups, i.e. English and Afrikaans.
5. Contain respondents from firms of varying sizes, classified small, medium and large.
6. Contain respondents from firms which had international associations especially those with strong U.S.A. connections.
7. Contain respondents who could be relied upon to meet the responsibility placed upon them to give meaningful thought to answering the questionnaire.

B. The Method of Sample Selection

FIGURE 3 : An outline of the sampling method used in the survey

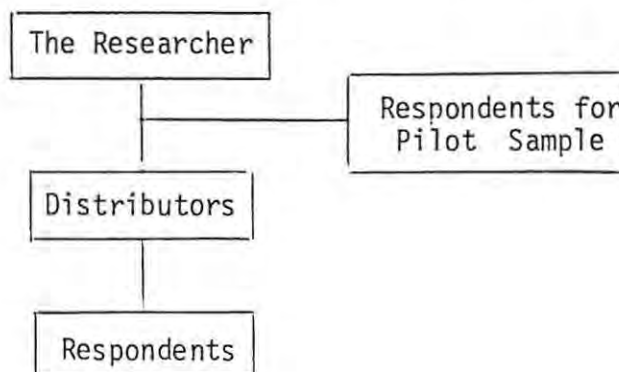


TABLE 4.2 : Details of the 16 distributors used in the survey

No.	Language	Regional Society	Location	Area Covered
1	E	Cape	Port Elizabeth	Port Elizabeth, Uitenhage
2	E	Cape	Cape Town	Cape Town
3	A	Cape	Stellenbosch	Stellenbosch, Somerset West, Worcester, Paarl, Ceres
4	E	Free State	Bloemfontein	Bloemfontein, Welkom, Kimberley
5	A	Transvaal	Pretoria	Pretoria
6	E	Transvaal	Johannesburg	East Rand
7	E	Transvaal	Johannesburg	Johannesburg
8	E	Transvaal	Johannesburg	Johannesburg
9	E	Transvaal	Johannesburg	Johannesburg
10	E	Transvaal	Johannesburg	Johannesburg
11	A	Transvaal	Krugersdorp	West Rand
12	E	Transvaal	Vanderbijlpark	Vaal Triangle
13	E	Natal	Pietermaritzburg	Pietermaritzburg and District
14	E	Natal	Durban	Durban
15	E	Natal	Durban	Durban
16	E	Natal	Margate	Natal South Coast

Using the system shown in Figure 3, a network was set up by the researcher to cover the entire country. To do this 16 distributors were approached to assist the researcher (see Table 4.2). The distributors each selected a number of respondents (approximately 10 per distributor) to complete the questionnaire. Once the questionnaires had been completed by the respondents they were returned to the distributor who returned them with his own questionnaire to the researcher.

C. The Selection of the Distributors

(i) Distributors were either personally known to the researcher or were recommended to him by a senior member of the profession.

15 of the 16 were partners in professional accounting firms and one was a university professor.

(ii) Distributors came from each of the age categories identified in the questionnaire, namely

Up to 35 years
36 to 50 years
51 years and older

Distributors from different age categories were chosen for two reasons :

1. Because they themselves made up part of the sample which in turn required a range of age groups.

2. Had all the distributors come from one age category, the respondents selected may have been from similar age categories, which would have introduced an age bias, and, as a result the required spread of ages would not have been achieved.
- (iii) Distributors were selected from both official language groups as well as from firms identified as being English or Afrikaans

The questionnaire was translated into Afrikaans. This was considered important as a number of Afrikaans speaking distributors and respondents were required to make the sample representative of the total population. It was also felt that having the questionnaire available in the language of the respondent, would give more meaningful results, as the distributors and respondents would understand fully the intention of each question.

Once each distributor had agreed to act on behalf of the researcher he was issued with a preliminary set of instructions on which the selection of his respondents was based. The characteristics required of the sample were defined as follows :

Respondents were to be selected where possible

1. from firms of varying sizes defined as,

Small	1 - 10 partners
Medium	11 - 50 partners
Large	51 and more partners

2. from different age categories and with a varying number of years experience as partners,
3. from both English and Afrikaans language groups,
4. from accountants registered with the Public Accountants' and Auditors' Board as being in public practice (partners).

It was realized that not all distributors would be able to obtain a sample of respondents which contained all these characteristics. The main problems were as follows :

1. Size. A number of the areas from which distributors came did not have any large or medium sized firms.
2. Language. Some of the areas were predominantly English, whilst others were predominantly Afrikaans.

Because the sample plan was non-probability based, these were not seen as being major problems, as it was felt that the deficiency of a characteristic in one area would be compensated for by an over-supply of that characteristic in another area.

The second step in the contact between the researcher and the distributor took the form of an interview between the two at the office of the distributor. At this meeting each question was discussed in context with the overall objectives of the survey as outlined in the hypotheses. This meant that the distributor was sufficiently knowledgeable to field any queries which might have arisen from the respondents.

The selection of respondents was left entirely to the distributors but within the limits imposed by the required sample characteristics. Each distributor undertook to gather from his selected respondents, the completed questionnaires. This responsibility was placed upon the distributors as it was felt that the personal relationship between respondent and distributor would result in a higher response, than if questionnaires were to be returned direct to the researcher.

4.2.6 The Sample Plan(s) used for the selection of distributors

Elements of all three of the non-probability sampling plans were present in the selection of the distributors.

- (i) The locality of distributors : Quota sampling was used here. The population was broken down into geographic cells, based upon the four regional societies. Once a cell had been identified, one or more distributors were approached.
- (ii) The number of distributors : Judgement sampling was used for determining the number of distributors per region. To assist in this decision the number of registered accountants in public practice was determined from the Public Accountants' and Auditors' Board and from the Regional Societies themselves.

Where a region was broken down into more geographic cells than another region, even though the second region had, in total, more members, more distributors were approached in the first region. This was the case with the Natal and Cape regions where it was expected that only a small number of respondents

could be approached in some cells, meaning that more cells were necessary to achieve a reasonably representative sample overall.

(iii) Selection of individual persons to act as distributors :

Elements of both convenience and judgement sampling were used here. Certain distributors were conveniently selected because they were personally known to the researcher and were located in the required places. Others were recommended to the researcher and all were adjudged to have the characteristics required to perform the responsibilities placed upon them and to be included in the survey as part of the sample.

The sample plans used for the selection of respondents is discussed below.

4.2.7 Sample Plan(s) used for the selection of respondents

The sample plan used by distributors was primarily judgemental.

The locality of respondents was considerably narrowed down for each distributor. Where a distributor was required to cover a number of localities within his cell, for example the distributor in the Free State had Bloemfontein, Kimberley and Welkom to cover, it was entirely the decision of the distributor and not the researcher, as to how many to select from each locality.

(i) The number of respondents :

A maximum number of ten respondents per distributor were sent a questionnaire selected on a judgemental basis by the researcher. This was considered to be the highest number of questionnaires that a distributor could handle without

sacrificing the personal touch between himself and his respondents and thereby running the risk of obtaining less meaningful responses to the questionnaires. In some cases where the distributor himself completed a questionnaire, eleven were received from a single distributor. Although the recommended number of respondents per distributor was ten, it was realized that some locations would not be able to obtain ten meaningful respondents; in this case it was left entirely to the distributor to decide upon the number. The major concern was to obtain an overall sample of at least 120 reasonably spread throughout the four designated regions.

(ii) The selection of individual persons to act as respondents

This was an entirely subjective process within the limits set by the required characteristics. The result was 16 judgemental samples. Whilst it is not suggested that this can be regarded as 16 random samples, it does offer the advantage that the judgement used was not only that of one person (the researcher) and it can logically be said that there was a greater chance, although not a known chance, of a single member being selected.

(iii) Anonymity of selected respondents

One of the primary objectives of this survey was to obtain the personal opinions of respondents. It is quite possible that in some cases the personal opinions of individual partners with regard to the advertising of professional accounting services, may differ from the attitude or approach of the firm to which the partner belongs. The respondent may not wish his opinion known for this or any other reason. It was therefore decided to give the respondents as much anonymity as possible to :

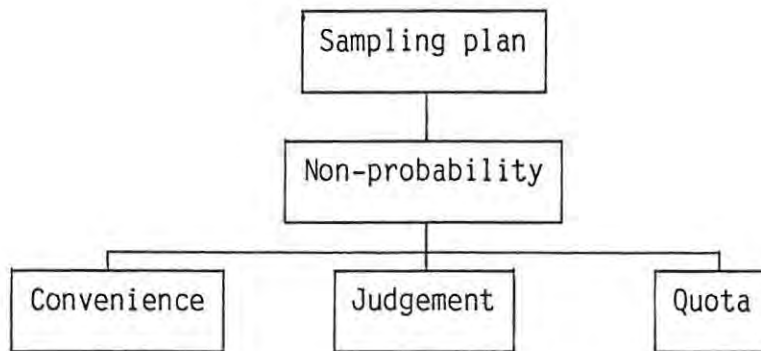
1. ensure that the quality of the responses did not suffer as a result of a respondent not wishing to disclose his true feelings,
2. respect the suspected wishes of the respondent regarding anonymity. Whilst it is not suggested that respondents would necessarily compromise their independent and individual opinion in the face of differing firm views, the advantages of allowing respondents to remain anonymous far outweighed the disadvantages.

The anonymity was achieved in varying degrees. The distributors were obviously known to the researcher but distributors opinions were unknown as no identification was shown on the completed questionnaire. The identity and opinions of respondents remained totally anonymous to the researcher. The respondents were known to their distributor but their opinions were not, as the questionnaires were returned, sealed, to the distributors who in turn returned them, sealed, to the researcher.

A breakdown of the sample design used in the research is given in Table 4.3

Having determined the sampling plans to be used it was then necessary to determine the sample size.

TABLE 4.3 : A breakdown of the sample design showing how the samples used in the survey related to the three types of non-probability sample discussed in this chapter



1. SAMPLE 1 : PILOT SAMPLE FOR QUESTIONNAIRE TESTING

<u>Steps in Development of Sample</u>	<u>Sample Type Chosen</u>
1. Selection of population	1. Convenience
2. Selection of number to be sampled	2. Quota and judgement
3. Selection of individuals	3. Judgement

2. SAMPLE 2 : MAIN SAMPLE

<u>Steps in Development of Sample</u>	<u>Sample Type Chosen</u>
1. Selection of population	1. Judgement
2. Selection of number of distributors	2. Judgement and quota
3. Selection of individuals to act as distributors	3. Convenience and judgement
4. Selection of number of respondents	4. Convenience and judgement
5. Selection of individuals to act as respondents	5. Distributors decision based on their judgement

4.2.8 Determining the Sample Size

The determination of an acceptable sample size for probability sampling is a complex operation to ensure that any statistically based conclusions drawn from the sample results are correctly founded. The determination of sample size for a non-probability sample is a far simpler exercise. Essentially the judgement of the researcher is used, taking into account some broad parameters. For example, in the case of the sample drawn for this survey, 16 geographic cells were identified as being necessary for testing, therefore an absolute minimum sample size would be 16.

(i) The parameters set for the determination of sample size for this survey can be related to the characteristics which were considered necessary for inclusion in the sample to make the sample representative. The sample had to be large enough to include a representation of :

(a) Partners from large, medium and small firms (see table 4.4)

TABLE 4.4 : The distribution of size of firm to which the partner completing the questionnaire belonged

Size : classified by number of partners in firm	Number of partners completing questionnaire	% of Total(144)
Small 1 - 10	50	34,7
Medium 11 - 50	22	15,3
Large 50 upward	72	50,0
TOTAL	144	100

(b) Partners from the three specified age groups (see table 4.5)

TABLE 4.5 : Sample distribution by age of partner completing questionnaire

Classification by age of partner	Number of partners from each age category	% of Total
Up to 35	37	25,7
36 to 50	84	58,3
51 upwards	23	16,0
TOTAL	144	100

(c) Partners from the three specified categories of years experience as a partner (see table 4.6)

TABLE 4.6 : Sample distribution by years experience as a partner for each partner completing questionnaire

Classification by years experience	Number of partners from each experience category	% of Total
Up to 5	35	24,3
6 to 15	68	47,2
16 and over	41	28,5
TOTAL	144	100

- (d) Partners from the four recognized provincial societies and more specifically from the geographic cells identified (see table 4.7)

TABLE 4.7 : Sample distribution by the provincial society under which the partner completing the questionnaire fell

Provincial Society	Number of partners from each Provincial Society	% of Total
Transvaal	74	51,4
Natal	32	22,2
Cape	28	19,5
Orange Free State	10	6,9
TOTAL	144	100

- (e) Partners from both official language groups (see table 4.8)

TABLE 4.8 : Sample distribution by language of the partner completing questionnaire

Language	Number of partners from each language	% of Total
English	102	71
Afrikaans	42	29
TOTAL	144	100

- (ii) It was further intended that the number of persons from each provincial society completing a questionnaire should be, as far as possible, proportional to the number of accountants in public practice registered with that society.
- (iii) It was intended to draw a sample sufficiently large to result in 120 successfully completed questionnaires. 120 was regarded as a workable minimum, with a guideline minimum being set for each provincial society (see table 4.9). It was expected however, that with a non-probability sample being used, which resulted in more control being held by the researcher in the selection of sample members, a high percentage of returned questionnaires would be usable. As a result 155 questionnaires were distributed of which 144 were returned satisfactorily completed (see table 4.7).

TABLE 4.9 : Sample distribution by provincial society showing:
 (a) minimum number required per provincial society
 (b) number distributed per provincial society

Provincial Society	Number of Registered Accountants in Public Practice	(a)	(b)
Transvaal	1 847	75	77
Natal	373	15	38
Cape	642	26	30
Orange Free State	111	4	10
TOTAL	2 973	120	155

The total minimum number required per province was, as indicated previously, a figure based purely on the researcher's judgement.

The breakdown of the total sample was calculated on the basis of the ratio of the number of registered accountants in public practice in each province to the total number of registered accountants in practice.

The outstanding feature of this distribution was the high proportion of registered members located in the Transvaal. Consequently every effort was made to retain a similar distribution in the sample.

With 144 questionnaires being returned it would have been possible to select 120 of these to fit the required proportions exactly. This was not done as it was felt that the increased sample of 144 would be even more meaningful. For example it was better to have the opinions of 10 Free State practitioners than of only 4. The main characteristic of the distribution, namely the high proportion of respondents in the Transvaal was maintained.

Besides the number of accountants registered with the Public Accountants' and Auditors' Board by provincial society no statistics, related to the characteristics as identified in the tables above, are available for actual figures. It was therefore not possible to test the sample against the population for these characteristics.

4.3 DEVELOPMENT OF THE QUESTIONNAIRE - PART 1

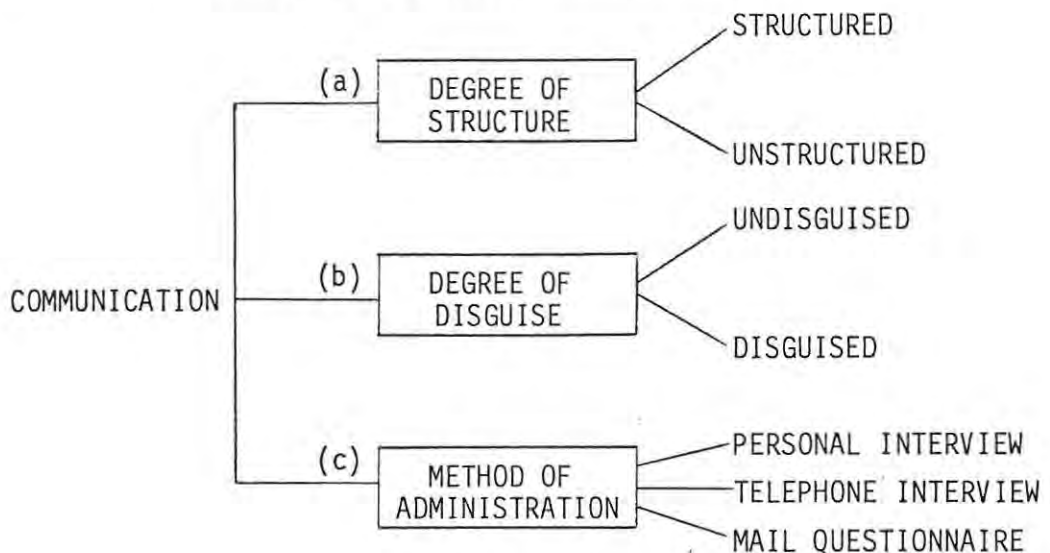
4.3.1 Collection of data

A. Method of Data Collection

The initial decision to be made concerned how the data was to be collected. The possible alternatives in this regard were either personal communication with the respondent or observation (109). The intention of the researcher was to survey opinions of partners on the advertising of professional accounting services and as these opinions are not freely demonstrated by partners actions they could, therefore, not be observed. Observation was therefore rejected as a method of collecting data and, accordingly, communication was chosen as the means to be employed.

Gilbert A. Churchill Jnr (110), indicates a number of supplementary decisions that need to be made once communication has been chosen as the means of data collection (see Figure 4).

FIGURE 4 : An outline of the decisions necessary where communication has been chosen as a means of data collection



(a) Degree of structure

Structure refers to the degree of standardization imposed upon the questionnaire. A highly structured questionnaire is one in which the questions to be asked and the responses permitted are completely predetermined.

A high degree of structure was decided upon for this questionnaire resulting in a standardized questionnaire where the respondent was given the option of answering in one of five predetermined ways, in other words the respondent is given a number of fixed alternative questions.

(b) Degree of disguise

Disguise relates to the extent to which the purpose of the research becomes obvious from the questions asked. A disguised questionnaire attempts to hide the purpose of the study in an attempt to reduce respondents giving answers biased by their opinion on the overall topic being researched, and not simply on the individual question asked.

The intention was for this questionnaire to be totally undisguised. Partners completing the questionnaire were informed of the reasons for the questionnaire and the issues under research were clear from the questions posed.

(c) Method of administration

As is indicated by Figure 4, the main methods of questionnaire administration are personal interview, telephone interview and mail questionnaire. None of these methods were exclusively used. Personal interviews were conducted with

distributors but the questionnaires were not completed on a face to face interview basis. Questionnaires were directed to respondents by distributors most often through the mail but with additional direct personal contact between distributor and respondent. The intention here was to overcome any lack of co-operation by respondents.

Paul E. Erdos (111) states that mail questionnaires afford the researcher little control in securing a response from the intended respondent. The researcher can simply direct the questionnaire to the designated respondent and offer the individual some incentive for co-operating. In the case of this survey the incentive for co-operating was an offer to the respondents to partake in an important survey, the results of which could directly effect them. This was supplemented by the personal appeal for co-operation from a known and respected colleague.

A problem with mail questionnaires may be a greater danger of sequence bias. Respondents are able to see the whole questionnaire and thus their replies to any single question may not be independently arrived at, but are more likely to be flavoured by their responses to other questions. This was regarded as an advantage as the success of the survey depended on the quality of thought which was applied in answering any question. The questions were not posed in isolation and it was reasonable and desirable that respondents were aware of the nature of other questions.

Generally, a mail questionnaire offers no opportunity for clarification where a respondent is not clear on what the question means, or if he finds it ambiguous; however, this problem was overcome by the researcher educating the distributor by discussion and the respondent being made aware that if he did not understand a question or if he found it ambiguous, clarification could be obtained from his distributor.

Anonymity must once again be mentioned. The mail questionnaire does afford respondents an opportunity to be more frank on certain sensitive issues (112). Certain of the issues covered by this survey were considered sensitive and it was felt that respondents should be given every opportunity to remain anonymous.

A further advantage of using the mail questionnaire method was that respondents were able to work at their own pace, this should have produced better thought out responses and resulted consequently, in a better quality survey.

The telephone interview method was not considered. In view of the advantages afforded by the method selected, which have been discussed above, it is not considered necessary to discuss the telephone interview method.

The basis of the method of administration chosen was by mail questionnaire, not in its purest form but adapted to overcome

the disadvantages of mail questionnaires, to make use of the advantages of mail questionnaires and to suit the circumstances of the survey.

B. Description of Questionnaire

In the light of the preceding discussion, the questionnaire can be described as a structured-undisguised questionnaire. As Selltiz, Wrightsman and Cook, explain :

"Questions are presented with exactly the same wording, and in exactly the same order, to all respondents. The reason for standardization of course, is to ensure that all respondents are replying to the same question" (113).

For example in the context of this survey if one respondent was asked *"Do you consider independence to be important to the audit profession"?* and another respondent was asked *"Do you consider that independence is the keystone of the audit profession"?*, the answers would not be comparable. It was important that partners answering the questionnaire in this survey, were responding to the same questions.

In a typical structured-undisguised questionnaire, the responses as well as the questions are standardized. Fixed alternative questions are used for which the responses are limited to the stated alternatives, for example see Figure 5.

FIGURE 5 : An example of a fixed alternative question from a structured-undisguised questionnaire

Statement	Responses				
Standardized for all Partners answering questionnaire	Fixed, Stated alternatives				
	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
The rules should be more restrictive					

The partners completing the questionnaire were all asked the same questions in the following format "*What is your opinion on the statement that*"? They were presented with five alternatives from which to choose. Their response was indicated by the ticking of the appropriate box.

In deciding on the use of structured undisguised questionnaires it was necessary to consider their advantages and disadvantages. A discussion of these follows.

C. Advantages/Disadvantages of structured-undisguised Questionnaires

1. Simplicity

Probably the greatest advantages of the structured-undisguised question are that it is simple to administer and easy to tabulate and analyse (114). Partners answering the questionnaire should have little difficulty in replying to the question. This does not assume that no thought would be necessary but rather that the range of answers to the question are specific and that to reply to the questionnaire the respondent does not

have to convert his opinion into the written word, he simply chooses the stated alternative which he considers best fits his opinion.

2. Reliability

- (i) Assuming that the partner completing the questionnaire has not changed his opinion, the response given to any particular question should be reliable in that, if the partner was asked the question again, he would choose the same stated alternative (115).
- (ii) Reliability is also increased because the frame of reference is obvious from the stated alternatives (116). For example in response to the question "*In your opinion would advertising impair the auditor's independence*", a whole range of answers may be forthcoming; "*Sometimes*", "*Depends on the situation*", "*Only for some auditors*", are all answers which fit the question. Interpretation would be impossible. If the question is standardized and phrased as a statement, "*Advertising would impair the auditor's independence*" and the partner completing the questionnaire is given a frame of reference in the form of a range of emotion, in this case strongly agree, agree, neither agree nor disagree, disagree, strongly disagree, he has no choice but to use one of the stated alternatives. Interpretation may then be meaningful. By providing the respondent with possible alternative replies the question itself may become more clear to the respondent.
- (iii) The reliability of fixed alternative questions is sometimes associated with loss of validity in that the answers

do not accurately reflect the true state of affairs (22). It may well happen that a partner's opinion does not fit neatly into the chosen stated alternatives and therefore his response does not accurately reflect his opinion. Furthermore fixed alternatives may force a response where the subject does not have an opinion on the particular question posed. This is partially solved by creating a stated alternative which allows no opinion, for example "neutral", or "neither agree nor disagree".

- (iv) Stated alternative responses may also lower validity when the response categories themselves introduce bias (117). This will be particularly acute if an appropriate response is omitted. In using a stated alternative question the researcher must be reasonably certain that the alternatives adequately cover the range of probable replies in order to avoid bias. For example, had the alternative response "agree" been left out of the range discussed in (ii), a respondent with any degree of agreement with the statement, would be forced to select the "strongly agree" alternative when in fact he simply agreed with the statement but had no strong feelings about it. As Selltitz, Wrightsman and Cook state

"The fixed alternative question is most productive when the possible replies are well known, limited in number, and clear cut. Thus they are appropriate for securing factual information, and for eliciting expressions of opinion about issues on which people hold clear opinions" (118).

It was considered in the light of the stated circumstances surrounding this survey that a structured-undisguised

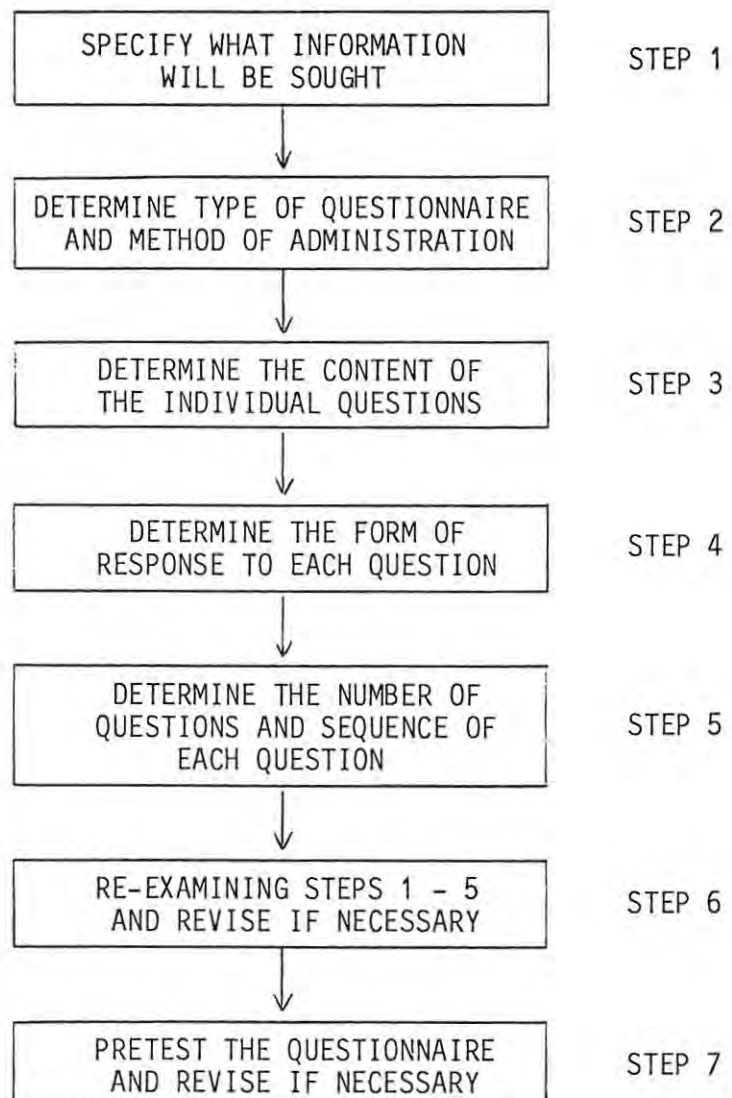
questionnaire administered as a mail questionnaire, was most suitable.

A discussion on the development of the questionnaire follows under section 4. 4..

4.4 DEVELOPMENT OF THE QUESTIONNAIRE - PART II

A diagrammatical representation of the procedure for developing the questionnaire appears in Figure 6 below (119).

FIGURE 6 : An outline of the procedure which was followed in developing the questionnaire



Step 1 - Specification of information sought

The decision regarding what information was to be sought, was directly related to the hypotheses to be tested. The hypotheses determine what information will be sought because they specify what relationships will be investigated.

The information sought was divided into four parts :

Part A : Description of firm to which partner belonged and characteristics of partner completing questionnaire

(i) Description of firm to which partner belonged

The information required here was sought for two reasons; firstly, so that it could be determined whether the sample contained the characteristics of the population identified as necessary, and secondly, so that certain tests could be carried out on the hypotheses. For example, the questionnaire requested the size of the firm to which the partner belonged. The answers to this question allowed the researcher firstly to determine whether the three size categories of firm were represented in the sample, and secondly whether the size of the firm from which the partner came had any effect on his opinion on advertising of professional accounting services;

(ii) Characteristics of partner completing questionnaire

The information required here was sought for the same two reasons as those outlined in (i).

Part B - Questions to test partners' opinions in respect of the advertising of professional accounting services

This part of the questionnaire made up the main body of the survey. Various issues to which the hypotheses were related, and which are more fully discussed in STEP 3 were identified.

Part B of the questionnaire sought to obtain the opinions of partners on these issues.

For the purposes of all relevant parts of this questionnaire, the terms "attitude" and "opinion" were treated as interchangeable and represented the partner's ideas, convictions or feelings about the issues. This is in accordance with, for example, Myers and Reynolds (120) who use both terms to refer to "some preference or inclination with respect to any object or idea in a person's total environment". Uhl and Schoner (121) refer to attitudes as "respondents' views of feelings toward some phenomenon" while opinions are "verbal expressions of attitudes".

An attempt was made to keep this section of the questionnaire to a manageable length by concentrating on the vital as opposed to interesting issues. A too lengthy questionnaire can lead to "problems in administration and analysis, and often increases non-response" (122).

Part C - Questions to test partners' opinions in respect of the placing, means and methods of advertising

Part C of the questionnaire although relevant to Part B, was not directly related to it. The partner was asked to place himself in a situation where the existing rules and regulations pertaining to

the advertising of professional accounting services were amended to allow advertising. He was then asked to indicate his attitude/opinion on advertising of professional accounting services in terms of the means and methods which could be used. The placing, means and methods chosen for the questions were those that are commonly associated with the advertising of consumer goods and services.

The information requested from this section was required so that an attempt could be made to establish whether the partners would find some forms of advertising acceptable whilst others not, and to identify which means and methods were acceptable or not acceptable. In addition, distinction was made in this part of the questionnaire between audit services, management advisory services, and taxation and estate planning services, to determine whether partners held different opinions for each of these three accounting service categories.

Part D - Questions to test partners' opinions in respect of overall content of advertising

Part D of the questionnaire, although relevant to Part B, was not directly related to it and was also entirely separate from Part C. The partner was once again asked to place himself in a situation where the rules and regulations pertaining to the advertising of professional accounting services were amended to allow advertising. He was then asked to indicate his attitude/opinion on five different categories of advertising appeal. The intention here was to establish firstly, whether the partners would find some categories of appeal professionally appropriate and others not, and secondly, to identify which appeals were appropriate and which not. For

example, a partner may consider that to advertise the services offered by his firm is appropriate, whereas advertising the fact that his firm has 35 of the "Top 100" companies as clients, is not. The information in Part D was sought so that some conclusions could be drawn about what type of content in an advertisement might be acceptable to the profession.

Part E - Comments

Although Part E was included with the other parts of the questionnaire it was not an integral part of the questionnaire and did not play any direct part in the analysis of data. It was simply included so that any partner wishing to make any comment at all about the topic under review, would have a place to do so.

Step 2 - Determination of type of questionnaire and method of administration

This step has been extensively dealt with under data collection. The questionnaire is described as structured-undisguised and the method of distribution is an adaptation of mail administration.

Step 3 - Determination of the content of the individual questions

Determining the content of an individual question depends upon previous decisions already taken by the researcher. These are primarily decisions on the information sought, the structure and disguise to be imposed on its collection, and the method of administration of the questionnaire. Kornhauser and Sheatsley (123) recommended that some additional aspects be considered which are listed as follows :

1. Is the question posed necessary?
2. Are several questions needed instead of one?
3. Do persons answering the questionnaire have the necessary information?
4. Will respondents provide the information?

Each of these is briefly discussed below.

1. Is the question posed necessary?

If an issue is important it obviously must be covered but it may have been covered by other questions. If it has not been covered, an additional question will be in order but such a question should be framed to secure an answer which will give the required detail, no more and no less. If the answer given does not satisfy the question, more questions may have to be asked. In other words where one question will suffice, two or more questions should not be posed. The role of the hypotheses in determining the content of the question is of vital importance.

2. Are several questions needed instead of one?

Whilst bearing in mind the necessity of the question, it is also important to realise that in some situations more than one question will be required to cover the issue under review. For example, the question "Are the rules pertaining to the advertising of professional accounting services satisfactory as they stand at present?", may receive the answer "no" from all persons completing the questionnaire. That only tells the researcher that the rules are unsatisfactory but gives no reasons at all. If this question is then supplemented by the following two questions "Should the

rules be less restrictive?", a more meaningful picture arises as half the persons completing the questionnaire may think the rules are unsatisfactory because they are too restrictive whilst the other half consider that the rules are not restrictive enough. It is however important to note that the first question asked is also necessary as certain persons may consider the rules to be satisfactory, in which case they would have no need for the second and third questions.

3. Do persons answering the questionnaire have the necessary information?

Before questions on issues are posed, it is necessary for the researcher to be satisfied that the partners completing the questionnaire would have the information required. Not only should he be satisfied of this, but he should also be satisfied that reliable answers would be given and that answering the questions will not require a great deal of time and effort on the part of the partner.

Gilbert A. Churchill (124) suggests that the researcher ask the following in respect of each question being considered for inclusion in the questionnaire :

- . Does the question call for answers the respondent cannot give or cannot give accurately?
- . Is the issue within the respondent's experience?
- . Would the respondent have to do a great deal of work to answer the question?
- . Does the question ask for opinions on matters so unfamiliar to the respondent that the answer does not mean what it seems to?

- . Is the respondent to whom the enquiry will be directed, the best source of information or should this specific data be secured from someone else?
- . Can the respondents be expected to remember the information?

In view of the fact that distributors approached to assist in this survey, were selected on a judgemental basis, it was possible in the opinion of the researcher, to obtain the type of respondent who would be satisfactory. It is also acceptable to assume that the distributors, being aware of the requirements of the researcher as regards respondents, would approach the right type of partner to complete the questionnaire.

Relating the questions posed by Churchill to the questionnaire :

- (a) Each partner should have been able to give accurate answers, within the framework required by the fixed alternative answer format. Whilst it is accepted that the fixed alternative format did not allow for the expansion of a partners opinion on an issue, the fixed alternatives were descriptive and varied enough to allow a sufficiently accurate answer.
- (b) A partner in a professional firm is directly concerned with the development of his business and the issue of advertising will automatically affect him. Therefore, it was logical to assume that the issue was within his experience.
- (c) The questionnaire was designed to require approximately 45 minutes of the partner's time. Whilst it was expected that

partners would need to crystalize their thoughts to satisfy the fixed alternative response format, a great deal of work should not have been necessary before a meaningful response could be achieved. Furthermore the questions were not designed to test the knowledge of partners of the existing rules and regulations but rather to obtain opinions on issues which they have been forced to face by virtue of their position within the profession.

- (d) In view of the partners' position, as discussed in parts (b) and (c) above, it can safely be assumed that none of the matters on which questions have been posed were unfamiliar to them.
- (e) In the judgement of the researcher no better population than the one used for this survey, namely accountants registered with the Public Accountants' and Auditors' Board as being in public practice, could have been chosen. As a source of information the person most involved with the topic should be the most knowledgeable. In this case partners, by virtue of their direct interest in the advertising issues, were considered to be the most appropriate population.
- (f) By virtue of the basic characteristics of the population, sampled respondents could reasonably be expected to remember the information given.

In view of the above analysis it was the considered opinion of the researcher that the distributors and respondents chosen had the necessary information available to complete the questionnaire in a meaningful manner.

4. Will Respondents provide the information?

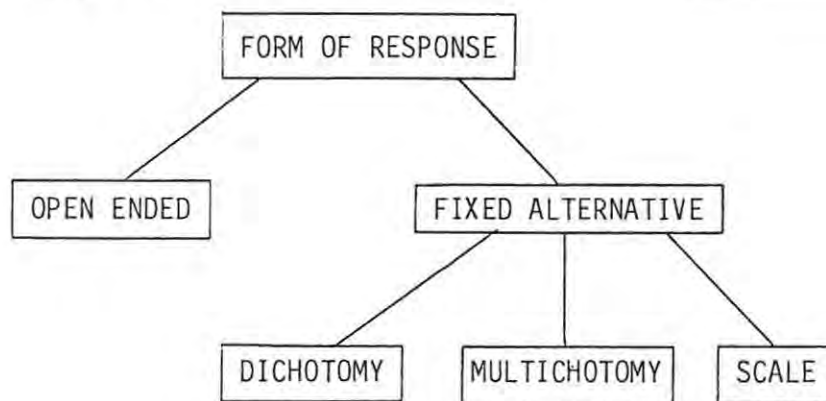
Where an issue under survey is of a sensitive nature respondents may not be prepared to divulge the information. Various methods exist whereby the respondent can be "tricked" into answering the sensitive issues by clever questionnaire design. This factor played no part in the design or content of questions in this survey. As a solution to this problem of sensitive issues, bearing in mind that advertising of professional accounting services is a sensitive issue, anonymity of individuals' opinions was maintained. Whilst the individual distributors and respondents could be identified, their opinions could not.

Step 4 - The determination of the form of response to each question

The first decision which had to be made was whether the responses should be open-ended or fixed-alternative. The fixed-alternative response format was used.

Once the fixed alternative format was selected, three possibilities arose (see Figure 7).

FIGURE 7 : A breakdown of the form, the response to a question may take



- (i) Dichotomous Questions : the dichotomous question is a fixed alternative question for which only two alternatives are offered
- (ii) Multichotomous Questions : the multichotomous question is a fixed alternative question where the respondent is asked to choose the alternative that most closely corresponds to his position on the subject. The multiple choice question does not permit the respondent to elaborate on his position, so is especially suitable when factual information is required.

Parts A1 and A2 of the questionnaire contained only dichotomous and multichotomous questions, as only factual descriptive information was required, namely the description of the firm to which the partner belonged and the characteristics of the partner completing the questionnaire.

(iii) Scales

In this method of obtaining a response to a question a scale is used from which the respondent once again chooses the answer which best suits his opinion. In this form the question is multichotomous but also within the framework of a scale. The format is fixed alternative.

The nature of the questions posed in Parts B, C and D lends itself to the adoption of a scale, as the intention was to test partners opinions and the strength of their opinions.

Determination of Scales used

"In attitude research, measurement of the attitudes held is generally obtained in a relatively direct fashion through the use of some type of attitudinal scale. In this method a fairly direct question is given, and respondents reflect the strength and direction of their attitude by their responses, as measured upon carefully designed scales" (125).

Two methods of scaling were considered for the fixed alternative responses needed for this questionnaire, namely "The Semantic Differential Scale" and the "Likert Attitude Scale".

Semantic Differential scaling method

The semantic differential scale grew out of some research at the University of Illinois designed to investigate the underlying structure of words. The technique has been adapted to measure attitudes.

The general thrust of the semantic differential technique has been to select an appropriate number of bipolar adjectives, or bipolar phrases which are used to "open" and "close" the scale. The bipolar adjectives or bipolar phrases are used to test an attribute of the sample. In the context of this survey, a question on the importance of independence to the accounting profession may have been structured as follows, if a semantic differential scaling form had been used :

Independence		Independence
is	— — — — —	is
important		unimportant

Semantic differential scales generally consist of a range of seven responses. The seven responses will be coded, most often on a 1 to 7 numerical basis. The respondent then selects the number which he considers best suits his opinions. Only the broad framework exists in the form of the boundaries described by the bipolar adjectives or phrases. The semantic differential scaling form could be described as a fixed alternative response format, although it is not as structured as the Likert type scaling plan which is discussed below.

Rensis Likert scaling method

The Likert method of summated ratings allows the respondent an expression of the intensity of feeling he has about the issue under review. The scale in its purest form involves a proposition with which the respondent could either agree or disagree with various levels of intensity. For example in the context of this questionnaire a question on the importance of independence to the profession, was framed as a proposition or statement :

Independence is the key-stone of the audit profession

Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree

The Likert rating scale was considered to be ideal for Part B of the questionnaire, and it was used in its original range of emotion. It was considered to be superior to the semantic differential for this survey for a number of reasons. Firstly, suitable bipolar

adjectives or phrases could not be found to suit the issues being tested in the questionnaire. Secondly because the responses in the Likert format are highly structured and fixed alternates, it was considered that partners completing the questionnaire would benefit, and as a result more meaningful answers would be forthcoming.

For parts C and D of the questionnaire a Likert type format was used. The original range of emotion of feeling of intensity was altered from the classic Likert form of "strongly agree to strongly disagree" to, in the case of Part C :

Strongly in Favour	In Favour	Neutral	Opposed	Strongly Opposed
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and in the case of Part D :

Very Appropriate	Appropriate	Neutral	In- Appropriate	Very In- Appropriate
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This was done so that the answers to issues being tested by Parts C and D could be better framed.

The topic dealt with in Part C covered the possible placing, means and methods of advertising professional accounting services. The intention was to test the intensity of feeling of partners about the proposed placing, means and methods to see if partners were in favour of or opposed to each issue and to what intensity.

The topic dealt with in Part D covered the appeals which could appear in advertisements for professional accounting services. The intention was to measure how appropriate or inappropriate the appeals were in the opinion of the partner.

The entire structure of the propositions in Parts C and D lends itself to a Likert-type rating scale, but not in its original form.

Rating Scales

"The rater places the person or object being rated at some point along a continuum or in one of an ordered series of categories; a numerical value is attached to the point or the category"(126).

A Likert statement is an example of a five point itemized rating scale. As a measurement basis each fixed alternative in the scales used in Parts B, C and D were assigned a number ranging from 1 to 5. "Strongly agree", "Strongly in favour" and "Very appropriate" were assigned the number 1 whilst "Strongly disagree", "Very inappropriate" and "strongly opposed" being the categories at the other end of the scales, were assigned the number 5.

The next step in the development of the questionnaire is discussed below.

Step 5 - Determination of the number of questions and the sequence of questions

The primary consideration here was to make sure that all issues were covered, without imposing too much on the respondent partners' time. There can be little point in alienating one's respondent because the questionnaire is too long.

"The researcher needs to recognize immediately that the number of questions can be crucial to the success of the research effort. A very long questionnaire can appear quite imposing and may occasion a quick 'circular filing' even though it does not demand more than a few minutes of the respondent's time"(127).

The questionnaire consisted of 82 questions on advertising, some of which had more than one part. To give the impression that the questionnaire was not too long and drawn out these 82 questions

were divided into three parts of 54, 22 and 6 questions respectively. Each part was printed on a different colour paper giving the impression of three questionnaires each of reasonable length. Timing of partners taking part in the pilot study indicated that 45 minutes was about the time it took to answer the questionnaire. This was regarded by these partners as being reasonable. In addition to the above questions, 10 straightforward dichotomous or multichotomous questions were asked in order to obtain factual information about the partners' firms and the partners themselves.

Churchill (128) suggests that the typical questionnaire contains two types of information : basic information and classification information. Basic information refers to the subject of the study, in this case partners opinions on the advertising of professional accounting services (Part B), the placing, means and methods of advertising (Part C) and the appropriateness of various advertising appeals (Part D). Classification information refers to the data collected by which we classify respondents so as to extract more information about the issues. In the case of this questionnaire, Part A was used to gather classification information in the form of detail about the partner's firm and himself.

Churchill (129) continues by stating that *"the proper questionnaire sequence is for questions securing basic information to be presented first and those seeking classification information to be presented last"*. The logical reasons for this are that without basic information there is no survey, and that the researcher does not want to alienate his respondent in any way by asking for personal

characteristics which may be sensitive to the respondent.

This sequence was not followed in the design of the questionnaire for this survey, primarily because the classification of information sought was the simplest part of the questionnaire and did not contain any sensitive questions. The researcher considered that the simplicity of this part of the questionnaire would ease the respondent into the balance of the questionnaire.

The opening questions of Part B of the questionnaire were designed to secure the respondents' interest and co-operation and to identify clearly the main issue of the survey. The questions dealing with the other issues were roughly grouped issue by issue but in no particular issue order.

The order of PARTS B, C and D have no real significance other than that PART B sought basic information which required the most thought.

Step 6 - Re-examination of Steps 1 - 5

Each step in the process described in steps 1 - 5 was re-examined, with the intention of ensuring that each question was not confusing or ambiguous, potentially offensive to the respondent, leading or bias inducing, and easy to answer.

As part of this re-examination, colleagues within the researcher's work environment assisted. They were however not part of the official pilot study conducted to discuss the questionnaire.

Step 7 - Pretesting and revision of questionnaire

"The researcher who avoids a questionnaire pretest is either naive or a fool. The pretest is the most inexpensive insurance the researcher can buy to assure the success of the questionnaire and the research project" (130).

The pretest or pilot sample was selected from partners from professional accounting firms around South Africa, who visited Rhodes University during the month of August 1982. Each partner was approached by the researcher with the request that he complete a questionnaire. All partners approached, agreed. A discussion explaining the survey was conducted during which the partners were asked to pay particular attention to whether :

- (a) the questions were ambiguous or confusing,
- (b) any vital issues relating to the subject of the survey had been omitted,
- (c) the format of the questionnaire was acceptable to them and the questions were comparatively easy to answer,
- (d) a time allocation of approximately 45 minutes was realistic.

Details of pilot sample

1. 16 partners took part in the pilot testing

2. Three regions were represented : Cape

Transvaal

Natal

6
9
1
16

3. The sizes of firms from which

partners came were as follows : 1-10 small
11-50 medium
51- large

1
4
11
16

4. All partners came from English speaking firms and had English as their home language.

5. The ages of the partners were split as follows :

Up to 35	5
35 - 50	10
51 and over	1
	16

6. The "years experience as partner" split was as follows :

Up to 5	8
6 to 15	6
16 and over	2
	16

Although the partners taking part in the pilot sample had the characteristics required for the partners to be sampled in the main sample, they were not necessarily representative of the population. The population from which pilot sample respondents were selected was chosen purely on a convenience basis. The sample drawn contained an element of quota sampling in that the three regional societies represented were identified as cells and partners were drawn from each. The number of respondents was a judgemental decision made by the researcher.

The fact that the pilot sample did not contain all characteristics of the population was not seen as a problem, as the pilot sample was only used to test the questionnaire before final drafting, and the results were not incorporated in final analysis.

Results of the pilot study

No major changes were necessary. All partners agreed that all relevant issues had been covered and that the questions were not

ambiguous or difficult to understand.

To improve the final questionnaire the following amendments were made :

Part A, Question 4.

Pilot study read, *"Is your firm part of a firm practising in the USA"?*
If your firm is only associated with a USA firm answer 'no'".

Final questionnaire read *"Is your firm part of an international association"?*

This change was made because partners felt that a better description of their relationship with their firm elsewhere in the world was *"association"*. Even though the major firms share a common name with the USA firm they are not part of the USA firm.

Part B, Questions 7, 9, 10 and 11

Questions 7, 9, 10 and 11 questioned whether firms should be allowed to advertise their various categories of service :

- (a) without restriction
- (b) subject only to the Institute's standards of professional dignity.

This was followed by a note : This would imply that all advertisements would have to be approved before publication.

As the above wording was considered to be clumsy and ambiguous, the wording for questions 7,9,10 and 11 was changed to :

- (a) without restriction
- (b) subject only to obtaining approval for each advertisement from the Institute.

Part B, Question 55

Question 55 was only included in the questionnaire used in the pilot study and was designed as follows :

"After completing the questionnaire, did you change your answers to,

Q1 (Are the rules satisfactory as they stand at present)

Q2 (Should the rules be more restrictive)

Q3 (Should the rules be less restrictive)"

YES NO

	YES	NO
Q1		
Q2		
Q3		

The object of this was to assist the researcher in deciding whether partners in general had considered the issues involved before giving their answers to the first three questions. All sixteen partners stated that no change had been made after completing the questionnaire, which it was considered gave some indication that partners in general were aware of the issues prior to answering the questionnaire.

The question was removed from the final questionnaire as it was no longer needed.

Part D.

Part D of the questionnaire called for partners' opinions on the appropriateness of a number of advertising appeals which might appear in an advertisement for professional services. To make the questionnaire clearer the word "Appeal" was attached to the heading of each category of appeal, for example, in the pilot study the category on services offered was headed "Service" whilst in the final questionnaire it was headed "Service Appeal".

Slight alterations were made to the wording of the points under each category and the points dealing with, personal attention, firm captions and firm approaches/packages offered, were moved for clarity, from the Professional Credentials Appeal to the General section.

Relating the results of the pilot study to the objects of the study :

- (a) the ambiguous or confusing questions were altered,
- (b) no vital issues were identified as being omitted,
- (c) the format of the questionnaire was highly acceptable and the questions were comparatively easy to answer,
- (d) the time allocation of approximately 45 minutes was realistic.

Translation

At this stage the questionnaire was ready for translation from English into Afrikaans. It was considered essential to do this as both English and Afrikaans distributors and respondents were used. The translation was carried out by a bilingual registered accountant lecturing at Rhodes University. The person concerned had had 18 years experience in a bilingual partnership in the Orange Free State and was fully aware of the issues involved in the research.

As an additional safeguard, the translation was discussed and checked in the Department of Afrikaans/Nederlands at Rhodes University.

Results

The information from the questionnaires was processed by computer. Using the Statistical Package for Social Sciences, the following information was extracted

1. a frequency distribution by description of the firm to which the partners belonged (Part A1 of the questionnaire),
2. a frequency distribution by characteristic of the partner completing the questionnaire (Part A2 of the questionnaire),
3. a cross tabulation for each question in Part B, C and D of the questionnaire by size of firm, years experience of the partner, partner's age and partner's home language.

The information extracted as described above appears in the appendices starting on page 247.

Conclusion

In the opinion of the researcher the use of the methodology described in this chapter was sufficiently sound to give meaningful results.

CHAPTER 5

Research Findings : Analysis of the responses received from partners taking part in this survey.

A. The analysis which follows is divided into three main sections, namely :

1. An analysis of responses received under PART B of the questionnaire which was headed "Questions to test partners' opinions in respect of the advertising of professional accounting services".
2. An analysis of responses received under PART C of the questionnaire which was headed "Questions to test partners' opinions in respect of the placing, means and methods of advertising".
3. An analysis of responses received under PART D of the questionnaire which was headed "Questions to test partners' opinions in respect of the overall content of advertisements".

B. The tables appearing in the analysis are numerically sequenced by section (see A). The table number is preceded by an alphabetic symbol. This symbol relates to the relevant part of the questionnaire, e.g. the first table under Section 2 (see A) will be table C.1.

- C. For a better understanding of this chapter, the detailed results appearing in the appendices should be consulted.
- D. Figure 8 below explains the meaning of the various categories used in the analysis of all of the three sections.

FIGURE 8 : A key to the categories used in the analysis of responses received in respect of Parts B, C and D of the questionnaire

Age
Category A = Respondents aged up to 35 years
Category B = Respondents aged 36 to 50 years
Category C = Respondents aged 51 and over

Years experience as a partner
Category D = Up to 5 years experience
Category E = 6 to 15 years experience
Category F = 16 or more years experience

I ANALYSIS OF RESULTS : PART B OF THE QUESTIONNAIRE :
PARTNERS' OPINIONS IN RESPECT OF THE ADVERTISING OF
PROFESSIONAL ACCOUNTING SERVICES

The intention of this section of the questionnaire was to gain an insight into partners' opinions on eight issues related to the advertising of professional accounting services.

Where the analysis of responses indicated that 50% or more of the respondents supported an hypothesis as stated, the hypothesis was accepted. If a figure of 50% was not achieved, the hypothesis was rejected, unless otherwise explained in the text.

Each of the eight issues related to the advertising of professional accounting services was analysed separately. The issues and the hypotheses which related to them are identified in Chapter 3 of this thesis.

5.1. The acceptability of the present state of the rules and regulations pertaining to the advertising of professional accounting services

HYPOTHESIS NO. 1. It is hypothesised that, in the opinion of partners taking part in this survey, the existing rules and regulations pertaining to the advertising of professional accounting services are unsatisfactory.

HYPOTHESIS NO. 2. It is hypothesised that, in the opinion of partners taking part in this survey, the rules referred to in hypothesis No. 1 should be less restrictive.

TABLE B.1 : An analysis, by percentage, of responses to the questions related to the present state of the rules and regulations pertaining to the advertising of professional accounting services

	STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
The rules are satisfactory as they stand at present.	4,9	42,4	7,6	38,9	6,2
The rules should be less restrictive.	6,2	43,8	16,0	22,2	11,8

As can be seen from the table above (Table B.1) the respondents taking part in this survey were sharply divided on whether the present rules and regulations are acceptable. Although sharply divided neither those who agreed nor those who disagreed were in the majority. The second question gives an indication that the rules are considered to be unsatisfactory by some because they are too restrictive, but with only 50% of respondents feeling this way it is far from conclusive. However, it is submitted by the researcher, that if approximately half of any membership is opposed to the rules and regulations of its controlling body, careful consideration should be given to those rules and regulations.

TABLE B.2 : An analysis, by percentage, of responses to the question of whether the present rules and regulations are satisfactory by size of firm, age, experience and language

		STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
Size	L	2,0	20,0	8,0	58,0	12,0
	M	9,1	45,5	13,6	27,3	4,5
	S	5,6	56,9	5,6	29,2	2,8
Age	A	0,0	35,1	8,1	45,9	10,8
	B	7,1	42,9	7,1	38,1	4,8
	C	4,3	52,2	8,7	30,4	4,3
Experience	D	0,0	35,3	5,9	50,0	8,8
	E	4,4	41,2	8,8	39,7	5,9
	F	9,8	51,2	7,3	26,8	4,9
Language	A	7,7	53,8	5,8	30,8	1,9
	E	3,3	35,6	8,9	43,3	8,9

As can be seen from the table above (Table B.2) some interesting differences of opinion are indicated. 70% of respondents from large firms disagreed that the rules as they stand at present are satisfactory, whilst only 32% of partners from small firms disagreed. To add emphasis to the difference in opinion between large firm and small firm respondents, 74% of respondents from large firms felt that the rules should be less restrictive compared to 31,7% of respondents from small firms who felt this way. It is submitted that there are several reasons

for this difference of opinion between small and large firms. Firstly, the large firms have strong associations with the firms in the United States of America. These firms are more progressive because they operate under a far less stringent set of rules pertaining to advertising, and whilst it is not suggested that there is any direct pressure brought to bear by the Americans on the South Africans, their influence does permeate this country. Secondly, the large firms are in fact running very large businesses with all the normal expense of big business. It is only logical therefore that the firms should want to develop and promote themselves. Thirdly the small and medium sized firms fear that if advertising is allowed they will not have the resources to combat what they consider will be an onslaught by the large firms on the market.

The analysis by age and experience indicated that the younger and least experienced partners found the rules unsatisfactory, whilst their older and more experienced counterparts felt that the rules were satisfactory. It is submitted that this difference can be attributed to the conservatism of the older respondents and the youthful enthusiasm of younger respondents who feel that they can be both professional and commercial.

The analysis by language group indicated that 61,5% of Afrikaans speaking respondents were satisfied with the rules, whilst only 38,9% of English speaking respondents were satisfied with the rules. It is submitted that the reason for this is the basic conservatism of the Afrikaans speaking respondents and the fact that the large firms, who in general disagreed that the rules are satisfactory are, in the majority, English speaking firms.

It is interesting to note that respondents overall, regardless of the size of the firm from which they came, their age, experience and language, disagreed that individual members of firms or the firms themselves should be allowed to advertise without restriction. The logical reason for this is that all respondents realise the damage that could be done to the professional body as a whole, and to its members if unrestricted advertising were allowed. This is borne out by the fact that 75% of respondents overall agreed that there will always be a few firms who will use advertising in a distasteful manner.

What of the future? 38,2% of all respondents agreed that South Africa would follow the United States of America and lift restrictions on advertising, whilst 45,1% felt that the South African profession should use all in its power to maintain strict rules against advertising. As was to be expected the support for the statement that South Africa would inevitably follow the United States and lift restrictions on advertising came from respondents from large firms, the youngest age category and the "least experienced" category. A prominent feature of the analysis of this question was that an unusually high percentage neither agreed nor disagreed with the statement.

Once again the conservative element indicated their presence by agreeing that the South African profession should use all in its power to maintain strict rules against advertising. Predictably, support came for this statement from respondents from small and medium size firms, from the older and more experienced partners and from Afrikaans speaking partners.

At this point an interesting point arises which indicates some contradiction to the findings recorded so far under this section. In response to the statement that the rules applicable to advertising should simply ensure that any published advertisement does not contain any misstatement or make any false claims, partners overall indicated agreement, regardless of size of firm, age, experience or language. In effect that statement above represents the core around which the American rules and regulations are built. It is submitted by the researcher that respondents are guided more by emotion than by facts on the subject of advertising professional accounting services!

In view of the overall discussion concerning the hypotheses under this section both hypotheses 1 and 2 were accepted.

5.2. The advertising of professional accounting services and independence

HYPOTHESIS NO. 3. It is hypothesised that, in the opinion of partners taking part in this survey, independence is the keystone of the audit profession.

HYPOTHESIS NO. 4. It is hypothesised that, in the opinion of partners taking part in this survey, advertising would impair the auditor's independence.

The positive nature of the response to the question of whether independence is the keystone of the accounting profession emphasizes the importance that the accounting profession attaches to independence. Having established this fact the relevance of the second hypothesis under this section, became most obvious. The results indicated that respondents overall disagreed that the auditor's independence would be impaired if advertising of professional accounting services was allowed. This finding was not common to all the analyses performed for the various categories. No conclusive result was found amongst partners from small firms, with 26,4% of respondents from small firms neither agreeing nor disagreeing.

When analysed by age and experience categories, it was found that respondents in the age category A (youngest) and experience category D (most inexperienced) disagreed that advertising would impair the auditors independence whilst their older, more experienced counterparts showed far less tendency to disagree.

It is submitted that the reason for this difference in opinion between members of the profession on this issue is that many respondents fail to understand that advertising is simply a way of promoting themselves as being able to offer a particular service, and has nothing to do with the performance of their duties. The auditor's independence relates to the performance of his duties and not to his appointment. This interpretation is borne out by the positive response to the statement that advertisements would only impair the auditor's independence, if promises were made in the advertisement which placed restrictions on the auditor's performance of his duties, for example where the advertisement promised a reduced fee. Respondents agreed with the statement regardless of the size of firm from which they came, their ages, and their experience. Afrikaans speaking respondents were less in agreement than their English speaking counterparts and also showed a higher percentage of respondents as neither agreeing nor disagreeing with the statement. No reason for the difference between English and Afrikaans respondents was apparent at this stage of the survey, but it is submitted that Afrikaans speaking respondents do not have as clearly defined opinions as their English counterparts on advertising professional accounting services.

Hypothesis No. 3 was accepted. Hypothesis No. 4 was also accepted, but only where the advertisement placed restrictions on the auditor in the performance of his duties.

5.3. Institute Control

HYPOTHESIS NO. 5. It is hypothesised that, in the opinion of partners taking part in this survey, advertising of professional accounting services should be carried out by the Institute only, on behalf of the profession.

HYPOTHESIS NO. 6. It is hypothesised that, in the opinion of partners taking part in this survey, firms should be able to advertise subject only to obtaining approval for each advertisement from the Institute.

Overall, exactly half of the respondents agreed that advertising should be carried out by the Institute only, on behalf of the profession. However the analysis by category revealed some interesting findings, as is indicated by Table B.3.

TABLE B.3 : An analysis, by percentage, of responses to questions on whether the advertising of professional accounting services should be carried out by the Institute only, on behalf of the profession, analysed by size of firm, age, experience and language

		STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
Size of firm	L	4,0	22,0	6,0	58,0	10,0
	M	27,3	31,8	4,5	18,2	18,2
	S	26,4	37,5	8,3	23,6	4,2
Age	A	8,1	27,2	10,8	51,4	2,7
	B	19,0	32,1	4,1	31,7	13,1
	C	34,8	34,8	8,7	21,7	0,0
Experience	D	8,8	17,6	14,7	50,0	8,8
	E	13,2	36,8	4,4	35,3	10,3
	F	36,6	34,1	4,9	19,5	4,9
Language	A	23,1	40,4	9,6	26,9	0,0
	E	15,6	26,7	5,6	38,9	13,3

As can be seen from Table B.3 above, the support for institutional advertising came from small and medium sized firms. It is submitted that the reason for large firms disagreeing is that they wish to control their own affairs. It should not be implied from this question that large firms are necessarily in favour of advertising professional accounting services, but rather that they do not wish the Institute to advertise on their behalf. It is further

submitted that the large firms feel that the major portion of the finance required for the Institute to run advertising campaigns would come from them, for which they would not necessarily receive a corresponding portion of exposure. This is borne out by the response to the statement that member firms could reasonably be expected to pay an annual subscription for the service rendered by the Institute on their behalf. The large firms disagreed with the proposal and the small and medium sized firms, realising that they might have to pay for the service, were also not as strongly in agreement as they were with the concept of Institutional advertising. The support of the small and medium sized firms for the concept of institutional advertising can logically be attributed to the fact that these firms would not have the resources to embark on their own advertising campaigns.

The analysis by age and experience (see Table B.3) indicated that the young and inexperienced partners disagreed with the concept of institutional advertising whilst the older and more experienced partners were in agreement with the concept.

The analysis by language group indicated that the majority of the Afrikaans speaking respondents agreed with the concept of institutional advertising whilst the English speaking respondents disagreed. It is submitted that the reasons for this are twofold. Firstly, the main opposition to institutional advertising come from the large firms, the majority of which are English speaking, and secondly that the Afrikaans speaking respondents are more supportive of the group concept and less individualistic.

Hypothesis No. 5 was accepted.

The idea that firms should be able to advertise subject only to obtaining the approval of the institute was not supported.

Respondents overall, regardless of the size of the firm from which they came, their age, experience and home language, disagreed with this proposal. The reasons for this are, in the opinion of the researcher :

1. it would be impractical to run such a scheme from a cost and time point of view, and
2. partners do not want to have their actions approved as they do not consider it necessary.

Hypothesis No. 6 was rejected.

5.4 The distinction between the various categories of accounting service offered by the accounting profession

HYPOTHESIS NO. 7. It is hypothesised that, in the opinion of partners taking part in this survey, independence is not important in assignments in the Management Advisory Service, Taxation and Estate Planning categories.

HYPOTHESIS NO. 8. It is hypothesised that, in the opinion of partners taking part in this survey, the rules pertaining to the advertising of professional accounting services offered by the accounting profession, should distinguish between audit, management advisory, and taxation and estate planning services.

Overall 56,9% of respondents did not agree that independence was not important in the management and taxation and estate planning categories, while 33,4% of respondents agreed. Had the question read "Independence is not as important in assignments in the management advisory and taxation and estate planning service categories as it is in the audit service category", a better indication of whether respondents consider the degree of independence to be an area of distinction between the three categories of accounting service offered, would have been achieved. However, bearing in mind firstly, that under Section 2 (Independence) of this analysis, respondents overwhelmingly supported the idea that independence was the keystone of the audit profession, and secondly, that 33,4% of respondents did not agree that independence is important in the management advisory and taxation and estate planning categories, it is logical to assume that respondents do draw a distinction on the degree of independence necessary in the three categories of accounting service offered.

TABLE B.4 : An analysis, by percentage, of responses to the statement that there should be some distinction between the three categories of accounting service offered by the profession, analysed by size of firm, age, experience and language

		STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
Size	L	2,0	62,0	4,0	28,0	4,0
	M	4,5	27,3	13,6	36,4	18,2
	S	6,9	31,9	13,9	29,2	18,1
Age	A	8,1	43,2	21,6	24,3	2,7
	B	3,6	41,7	6,0	32,1	16,7
	C	4,3	39,1	8,7	30,4	17,4
Experience	D	8,8	47,8	14,0	23,5	5,9
	E	2,9	45,6	10,3	32,4	8,8
	F	4,9	29,3	7,3	31,7	26,8
Language	A	3,8	32,7	19,2	26,9	17,3
	E	5,6	47,8	4,4	31,1	11,1
	O	0,0	0,0	0,0	0,0	0,0

As regards the question of whether there should be some distinction in the rules between the three categories of accounting service offered the table above (Table B.4) provides some interesting results. Once again large firms differed from small firms in their opinions. It is submitted that this is because large firms see the three categories of accounting service as very distinct units. All the large firms have

management advisory and taxation departments which are virtually autonomous. The small and medium size firms, on the other hand, do not have sufficient of each category of accounting service to create separate departments. Furthermore a great deal of the work which small and medium sized firms do, that could be described as management advisory or taxation work, is an integral part of the overall "audit" service which the small and medium sized practices offer to their clients. For these two reasons small and medium sized firms do not perceive a clear distinction between the three categories of accounting service.

No significant differences of opinion were found amongst partners from different age categories and different experience categories. As can be observed from Table B.4 the older and more experienced respondents disagreed that any distinction in the rules should be made, but this is attributed to the conservatism of this group, a characteristic which has become obvious in the analysis of results in Parts B, C and D of this survey.

The difference in agreement with the statement between English and Afrikaans respondents can be attributed to the comparatively large percentage of Afrikaans respondents who neither agreed nor disagreed with the statement. This supports the contention that Afrikaans speaking respondents do not have as clearly defined opinions on the advertising of professional accounting services as do their English counterparts. It is submitted further, that any distinction made by respondents is based on the fact that members of the profession compete with non-members in the areas of management advisory and taxation and

estate planning services.

Hypothesis No. 7 was rejected. On the overall results obtained under this section hypothesis No. 8 should be rejected. However the analysis of responses submitted under Parts C and D of the questionnaire indicate clearly that respondents draw a clear distinction between audit services on one hand, and management advisory and taxation and estate planning on the other. Furthermore the nature of the responses given imply that a separate set of rules and regulations would be appropriate. On the strength of all the findings related to this hypothesis, it was decided that the hypothesis should be accepted.

5.5. The advertising of professional accounting services and competition

The analysis of responses received for questions related to competition are dealt with under three main headings :

- (i) General
- (ii) Competition amongst members of the accounting profession
- (iii) Competition with non-members of the accounting profession

(i) General : Hypotheses 9, 10 and 11

HYPOTHESIS NO. 9. It is hypothesised that, in the opinion of partners taking part in this survey, the accounting profession in South Africa is highly competitive within the existing rules and regulations

HYPOTHESIS NO. 10. It is hypothesised that, in the opinion of partners taking part in this survey, competition should be fostered between members of the profession by relaxing the existing rules and regulations.

HYPOTHESIS NO. 11. It is hypothesised that, in the opinion of partners taking part in this survey, competition based upon the effectiveness of advertising will lessen the importance of the quality of service rendered by the profession.

Regardless of the size of the firm from which they came, their age, experience and home language, the majority of respondents agreed that the accounting profession in South Africa is at present very competitive, and that the basis of that competition was the quality of service offered and the competence and efficiency of the firm.

Hypothesis No. 9 was accepted.

On the question of whether competition based upon the effectiveness of advertising will lessen the importance of the quality of service rendered by the professional accountant, the respondents overall were equally divided in their opinions, with inconclusive results being the outcome. However, if the results obtained under Section 8 (Quality of Service) are taken into consideration, one can assume that a majority of respondents do not consider that the effectiveness of advertising will become the basis of competition between firms. Furthermore, they do not agree that advertising will lessen the quality of service offered.

Hypothesis No. 11 was rejected.

Evidence that a fair percentage of respondents (40,3%) are satisfied that quality of service offered should be the basis of competition between members of the accounting profession, was provided by the responses to the question of whether competition should be fostered between members of the profession by allowing advertising of professional services. Predictably, respondents from large firms, and respondents from the youngest and least experienced categories comprised a far lower percentage who disagreed, and a far higher percentage who agreed that competition should be fostered between members of the profession. This result was regarded as predictable because respondents from these categories have consistently indicated throughout this thesis, their favourable disposition towards the advertising of professional accounting services.

Hypothesis No. 10 was rejected.

(ii) Competition amongst members of the accounting profession : Hypothesis 12

HYPOTHESIS NO. 12. It is hypothesised that, in the opinion of partners taking part in this survey, the advertising of audit services should be allowed without restriction.

TABLE B.5 : An analysis, by percentage, of responses given to questions related to the issue of competition amongst members of the accounting profession

	STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
Advertising would cause polariz-ation	8,3	43,1	25,7	22,9	0,0
Advertising of audit services where members compete with members should be allowed without restriction	2,1	9,7	6,2	37,5	44,4
Advertising of audit services where members compete with members should be allowed subject only to obtaining approval for each advertisement from the Institute	4,2	22,2	4,2	35,4	34,0

As can be seen from the above table, the majority of respondents agreed that the advertising of professional accounting services would cause polarization within the profession. Perhaps more significant than the 51,4% who agreed, is the low figure of 22,9% who disagreed. An analysis of the results by size of firm and by language group, reflected very similar results to those indicated in the analysis of all respondents.

However, as shown in Table B.6 below, the analysis of responses by age category and by experience category, revealed some interesting points.

TABLE B.6 : An analysis, by percentage, of responses to the question of whether advertising would cause polarization in the accounting profession, analysed by age category and experience category

		STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
Age	A	0,0	24,3	48,6	27,0	0,0
	B	10,7	50,0	20,2	19,0	0,0
	C	13,0	47,8	8,7	30,4	0,0
Experience	D	0,0	29,0	41,0	30,1	0,0
	E	10,3	45,6	25,0	19,1	0,0
	F	12,2	51,2	14,6	22,0	0,0

What is evident from the above table, is that respondents from the youngest and least experienced categories are undecided on this issue, whilst the majority of their older and more experienced counterparts show definite views. It is interesting that the youngest and least experienced group show indecision.

It has been shown in this thesis that this group has consistently been favourably disposed to advertising, but when asked to indicate whether they think the advertising, of which they are in favour, will polarize the profession, they are undecided. It is submitted that respondents from this group have answered this way because they realize that, to agree with the statement, would be admitting that what they think would

be desirable, namely advertising, would be detrimental to the profession, and this admission would surely weaken the case for allowing the advertising of professional accounting services.

Where members compete with members, respondents, regardless of the size of firm from which they came, their age, experience and language, did not agree with the proposal that advertising should be allowed unrestricted. Neither did they agree that advertising should be allowed subject only to obtaining approval for each advertisement.

It is submitted that there are three reasons for the finding noted above. Firstly respondents believe that the accounting profession should be a unified body and that advertising of audit services would cause polarization amongst members. Secondly respondents do not agree with the concept of unrestricted advertising (see Section 1 - Acceptability of Present State of the rules and regulations pertaining to the advertising of professional accounting services), and thirdly respondents do not agree with the concept of Institute control in the form proposed above.

Hypothesis No. 12 was rejected.

(iii) Competition with non-members of the accounting profession :
Hypotheses 13 and 14

HYPOTHESIS NO. 13. It is hypothesised that, in the opinion of partners taking part in this survey, advertising of management advisory services where members of the profession compete with non-members of the profession, should be allowed without restriction.

HYPOTHESIS NO. 14. It is hypothesised that, in the opinion of partners taking part in this survey, advertising of taxation and estate planning services where members of the profession compete with non-members, should be allowed without restriction.

The following analysis deals with the situation where members of the accounting profession compete with non-members of the profession. Competition with non-members can only take place in the accounting service categories of management advice, and taxation and estate planning advice.

TABLE B.7 : An analysis, by percentage, of responses given to the question of whether the advertising of management advisory services should be allowed without restriction, analysed by size of firm, age, experience and language of respondent

		STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
Size	L	14,0	32,0	4,0	44,0	6,0
	M	9,1	27,3	4,5	36,4	22,7
	S	6,9	16,7	9,7	43,1	23,6
Age	A	13,5	27,0	16,2	32,4	10,8
	B	10,7	23,8	3,6	42,9	19,0
	C	0,0	17,4	4,3	56,5	21,7
Experience	D	14,0	27,2	17,6	35,3	5,9
	E	11,8	27,9	4,4	38,2	17,6
	F	2,4	12,2	2,4	56,1	26,8
Language	A	1,9	15,4	9,6	48,1	25,0
	E	14,4	27,8	4,4	40,0	13,3
	O	-	-	-	-	-

As can be seen from Table B.7, the majority of respondents from all size categories of firm, disagreed that unrestricted advertising should be allowed where members of the profession compete with non-members. If the results of this table are compared with the results recorded for the proposal that unrestricted advertising be allowed where members compete with members it can be seen that respondents draw a distinction between the two situations. A far higher percentage of respondents from each of the size categories disagreed with unrestricted advertising where members compete with members. This emphasises the fact that respondents do not see the advertising of audit services and management advisory and taxation and estate planning services, in the same light, and there appears to be a case emerging for a different set of rules and regulations for the advertising of management advisory and taxation and estate planning services.

The analysis by age and experience indicated that the majority of respondents from age categories B and C, and experience categories E and F, disagreed with unrestricted advertising where members compete with non-members, while the younger and least experienced respondents were, as a group, divided on the issue. These results are attributed to the conservatism of the older and more experienced respondents, and the generally favourable disposition which the youngest, least experienced group has towards advertising.

As regards the language analysis, a far greater percentage of Afrikaans speaking respondents as opposed to English speaking respondents, disagreed with unrestricted advertising where members compete with non-members. The comparison between responses received on the question of

advertising where members compete with members and where members compete with non-members, indicates that 84,6% of Afrikaans speaking respondents and 81,1% of English speaking respondents disagreed with advertising where members compete with members. For the question of advertising where members compete with non-members, the percentage of Afrikaans speaking respondents who disagreed dropped to 73,1% and the percentage of English speaking respondents who disagreed, dropped to 53,3%. This gave rise to two interesting points. Firstly, that English speaking respondents are far less opposed to unrestricted advertising where members compete with non-members compared to their Afrikaans counterparts, and secondly, Afrikaans respondents overall, are more conservative about the advertising of professional accounting services than English speaking respondents.

Where members compete with members, respondents, regardless of the size of firm from which they came, their age, experience and language, did not agree with the proposal that advertising be allowed subject only to the approval of the Institute being obtained. This was consistent with previous findings (see Section 3 - Institute Control), on control by the Institute.

Table B.7 and the analysis above concerned the advertising of management advisory services. The results received on questions related to the advertising of Taxation and Estate Planning Services were so similar to those received for questions related to the advertising of management advisory services, that no separate analysis was considered necessary for the former category of accounting service.

Finally, it must be noted that the majority of respondents, regardless of the size of the firm from which they came, their age, experience or language, agreed that active support should be given to members of the accounting profession by fellow members when competing with non-members for management advisory and taxation and estate planning services.

In view of the discussion under this section, hypotheses 13 and 14 were both rejected. It must be pointed out however, that these hypotheses related to unrestricted advertising. An overall analysis of the opinions submitted in this survey, indicated that, some form of advertising of the two categories of accounting service, in which members of the accounting profession compete with non-members, should be allowed.

5.6 The image of the accounting profession

The image of the profession, and the effect that advertising may have on that image was considered from a number of viewpoints, namely :

- (i) General Image
- (ii) Professionalism
- (iii) Public Awareness
- (iv) Traditional Users
- (v) Abuse of Advertising

For the sake of clarity the analysis of responses received in testing the hypotheses formulated around each of the above viewpoints, is carried out separately for each viewpoint.

(i) General Image : Hypothesis No. 15

HYPOTHESIS NO. 15. It is hypothesised that, in the opinion of partners taking part in this survey, advertising of professional accounting services will improve the image of the profession.

Respondents, regardless of the size of the firm from which they came, their age, experience or language, agreed by a vast majority that uncontrolled advertising can, in itself, be demeaning to the profession as a whole and thus reduce the status and respect of the profession and its members in the eyes of the public. This was consistent with the reaction of respondents to a number of proposals put to them in Part C of the questionnaire in which they were asked to indicate their attitudes towards the suitability of various media for the advertising of professional

accounting services. The type of media through which uncontrolled advertising could possibly take place and through which large sections of the public could be reached, were considered unsuitable for the advertising of professional accounting services. These media included radio, television, popular magazines and non-financial newspapers. It is clear that respondents who are in favour of some form of advertising, would like to see tasteful, controlled advertising as opposed to distasteful and uncontrolled advertising.

On the question of whether advertising will tarnish or improve the image of the profession, the opinion of respondents overall is equally divided, as Table B.8 below illustrates.

TABLE B.8 : An analysis, by percentage, of responses to questions related to the effect of advertising on the general image of the accounting profession

	STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
Advertising will improve the image of the accounting profession	3,5	31,9	21,5	33,3	9,7
Advertising will tarnish the image of the accounting profession	9,7	30,6	18,1	38,2	3,5

However, as Table B.9 indicates, a different picture emerges when the analysis is carried out for each of the categories into which respondents were divided.

TABLE B.9 : An analysis, by percentage, of responses to the question of whether the advertising of accounting services will improve the image of the accounting profession, analysed by size of firm, age, experience and language of respondent

		STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
Size	L	6,0	50,0	18,0	24,0	2,0
	M	0,0	22,7	18,2	40,9	18,2
	S	2,8	22,2	25,0	37,5	12,5
Age	A	5,4	37,8	35,1	16,2	5,4
	B	3,6	33,3	15,5	38,1	9,5
	C	0,0	17,4	21,7	43,5	17,4
Experience	D	5,9	33,1	38,2	14,0	8,8
	E	4,4	35,3	20,6	33,8	5,9
	F	0,0	24,4	9,8	48,8	17,1
Language	A	1,9	23,1	23,1	50,0	1,9
	E	4,4	35,6	21,1	24,4	14,4
	O	-	-	-	-	-

The majority of respondents from large firms agreed with the proposal that advertising would improve the image of the profession. This was in sharp contrast to the opinions of the majority of respondents from small

and medium sized firms, the majority of whom disagreed. This again emphasises the difference that exists between the attitudes of these groups to the advertising of professional accounting services. This result was supported by the responses to the question of whether advertising would tarnish the image of the profession, where only 20% of respondents from large firms as opposed to 54,5% from medium sized firms, and 50,0% from small firms agreed that advertising would tarnish the image of the accounting profession.

The significant feature of the analysis by age and experience categories was the low percentage of respondents from the oldest and most experienced categories who agreed that advertising would improve the image of the accounting profession. This feature was matched by the high percentage of respondents from these categories who in fact, thought that advertising would tarnish the image of the accounting profession. The results of this analysis were not surprising to the researcher as the older and more experienced respondents have been consistently more conservative throughout this survey.

The analysis of responses from English and Afrikaans respondents indicated that the Afrikaans speaking respondents tended, more than the English speaking respondents, towards the line that the advertising of professional accounting services would not improve the image of the accounting profession, but would, in fact, tarnish it. This result is consistent with the findings of this survey in that Afrikaans speaking respondents have been found to be more conservative on the issue of advertising professional accounting services.

The hypothesis was rejected.

(ii) Professionalism : Hypotheses Nos. 16 and 17

HYPOTHESIS NO. 16. It is hypothesised that, in the opinion of partners taking part in this survey, the traditional view that a professional person placed service to the client above profit making, still holds.

TABLE B.10 : An analysis, by percentage, of responses to questions related to the proposal that the traditional view that a professional person places service to the client above profit making, still holds

	STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
The traditional view that a professional man or woman places service to his/her clients above profit making, still holds	7,2	34,7	18,7	33,8	5,6
The professional should become more commercialised	3,5	20,8	16,7	47,9	11,1
The profession should strive to become more professional	11,1	61,1	16,0	11,8	0,0

As the above table indicates, respondents overall were evenly split on whether the traditional view, that a professional man or woman places service to his/her client above profit making, still holds. The overall opinion of respondents corresponds closely to the opinions of respondents when analysed by category, so it cannot be said that any one category has influenced the overall result in a particular way. Initially

this result appears alarming as it seems to indicate that one of the basic characteristics of a profession is no longer present in the accounting profession. However in the opinion of the researcher, the responses to the next two statements shown in Table B.10, indicate that responses to the first statement is a reflection of the present state of affairs, a state which is not desirable. 72,2% of all respondents agree that the profession should strive to become more professional, whilst only 24,3% of all respondents agree that the profession should become more commercialised. In the opinion of the researcher this implies a desire by respondents to return to a situation where the professional person places service to his client above profit making.

The effect of advertising on professionalism is dealt with below.

The hypothesis was rejected.

HYPOTHESIS NO. 17. It is hypothesised that, in the opinion of partners taking part in this survey, advertising and professionalism are not compatible.

The desire that the accounting profession become more professional, was clearly expressed in the discussion under hypothesis No. 16. Whether or not advertising of professional accounting services would have any effect on the professionalism of the accounting profession is discussed below.

TABLE B.11 : Analysis, by percentage, of responses given to the proposal that advertising and professionalism are not compatible, analysed in total for all respondents, and by size of firm, age, experience and language of respondent

		STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
IN TOTAL		11,8	29,2	16,0	38,2	4,9
Size	L	4,0	22,0	10,0	54,0	10,0
	M	13,6	40,9	13,6	27,3	4,5
	S	16,7	30,6	20,8	30,6	1,4
Age	A	0,0	10,8	18,9	56,8	13,5
	B	15,5	34,5	15,5	32,1	2,4
	C	17,4	39,1	13,0	30,4	0,0
Experience	D	0,0	20,6	17,0	44,8	17,6
	E	10,3	27,9	16,2	45,6	0,0
	F	24,4	39,0	14,6	19,5	2,4
Language	A	15,4	34,6	15,4	34,6	0,0
	E	10,0	26,7	16,7	38,9	7,8
	0	-	-	-	-	-

As can be seen from Table B.11, respondents overall, were sharply divided on this issue. However the analysis of size of firm indicates that respondents from large firms disagree with the contention that advertising and professionalism are not compatible. This is consistent with the attitude which respondents from large firms have adopted throughout the survey. The fact that a greater percentage of respondents from medium sized firms than from small firms agree that advertising and professionalism are not compatible, indicates to the researcher that respondents from medium sized firms feel that their firms would be more vulnerable than small firms to the detrimental effects of advertising. The reason for this is that although they compete to an extent with the large firms, they would not have the resources to match the advertising campaigns of the large firms and would therefore lose existing, and potential clients.

The analyses by age and experience categories revealed the expected trend. The older and more experienced the respondent the less favourably disposed he is to advertising.

As was expected the analysis by language group revealed that a higher percentage of Afrikaans speaking respondents than of English speaking respondents agreed that advertising and professionalism are not compatible.

Despite the convincing agreement overall, that advertising and professionalism are not compatible, respondents generally agreed that advertising could be used tastefully by the profession. This appears to be a slight contradiction of the findings on the question of the compatibility of advertising and professionalism. However, it is submitted

by the researcher that it is a matter of degree; unrestricted advertising, and advertising which would bring the profession into disrepute is obviously not compatible with professionalism, but low-key advertising tastefully done would not be incompatible with professionalism. A study of the analysis conducted in Parts C and D of this chapter will give the reader some idea of the distinction that is drawn by respondents between advertising which would be compatible with professionalism and that which would not.

Finally, it should be mentioned here that 75% of all respondents agreed that there will always be a few firms who will advertise in a distasteful manner if the rules and regulations pertaining to the advertising of professional accounting services become less restrictive. This however does not surprise the researcher. The fact that some professional accountants are at the present time, promoting themselves distastefully, was one of the reasons that this survey was undertaken.

The hypothesis was rejected.

(iii) Public Awareness : Hypotheses Nos 18, 19 and 20

HYPOTHESIS NO. 18. It is hypothesised that, in the opinion of partners taking part in this survey, the public's view of the profession is vitally important.

95,9% of all respondents agreed that the public's view of the profession is vitally important. Of all the issues raised in this survey, this was the issue which enjoyed the highest level of consensus amongst respondents.

The hypothesis was accepted.

HYPOTHESIS NO. 19. It is hypothesised that, in the opinion of partners taking part in this survey, the public will become more aware of what accounting services are available to them, if advertising is allowed.

HYPOTHESIS NO. 20. It is hypothesised that, in the opinion of partners taking part in this survey, the general public represents an untapped market, and is a market which should be serviced by the profession.

The importance that the respondents placed upon the relationship between the general public and the accounting profession can be gauged by the responses given by respondents to the statements shown in Table B.12.

Firstly, respondents identified the general public as an untapped market which the accounting profession should service. Secondly, there is overall agreement that the public needs to be aware of what services are available to them, and that they will become more aware of these services if the advertising of professional accounting services is allowed. However, this should not be interpreted as a mandate for unrestricted advertising, but should be viewed in the overall context of the results obtained in this survey. For example, advertising by the Institute on behalf of the profession is a method of informing the public with which respondents are in favour. Alternatively, alterations to the existing rules and regulations may be made which will allow tasteful advertising by members of the profession themselves. The important points to note here, however, are that respondents see the public as an untapped market which needs to be made aware of the accounting services offered by the profession, and that advertising will increase this awareness.

TABLE B.12 : An analysis, by percentage, of responses given to questions related to public awareness of the accounting profession

	STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
The general public represents an untapped market	8,3	55,6	22,9	11,8	1,4
If the general public represents an untapped market, it is the profession's job to service that market	9,7	76,4	10,4	2,8	0,7
The general public need to be aware of what accounting services are available to them	12,5	72,9	10,4	3,5	0,7
The general public will become more aware of what accounting services are available to them if advertising of those services is allowed	16,7	59,7	12,5	9,0	2,1

Hypotheses numbers 19 and 20 were accepted.

(iv) Traditional Users : Hypotheses Nos 21 and 22

HYPOTHESIS NO. 21. It is hypothesised that, in the opinion of partners taking part in this survey, traditional users need to become more aware of the availability of accounting services

Overall respondents indicated that traditional users of accounting services need to become more aware of the services offered by the accounting profession. The normal protagonists of advertising, namely

respondents from large firms, and respondents from the youngest age and least experienced categories, once again indicated their support for advertising, by agreeing that traditional users need to become more aware of the availability of the accounting services offered, and that if advertising is allowed, traditional users will become more aware of the services offered. Responses from the oldest and most experienced categories were somewhat contradictory. Whilst the majority agreed that traditional users do need to become more aware of the services offered by the accounting profession, only 47,8% agreed that advertising would make traditional users more aware of the services offered! This is all the more surprising when one considers that in excess of 70% of respondents from these categories thought that public awareness would be increased if advertising of professional accounting services was allowed.

English and Afrikaans respondents held similar views both agreeing, in majority, that traditional users do need to become more aware of the accounting services offered and that the advertising of these services will in fact make them more aware of the services offered by the accounting profession.

The hypothesis was accepted.

HYPOTHESIS NO. 22. It is hypothesised that, in the opinion of partners taking part in this survey, the relationship between the professional accountant and his client would be altered if unrestricted advertising were allowed because clients would simply go for the best "deal" available from year to year

The other aspect of the relationship between the traditional user of accounting services and the professional accountant that was considered under this section, is the development of that relationship and the effect of advertising thereon. 95,1% of all respondents agreed that the relationship between client and professional is built up over time. Whether this situation would be maintained if advertising was allowed is an issue which divided the opinions of partners fairly evenly. Overall 40,2% of respondents agreed that the development of the client relationship over time would be changed to one where the client simply goes for the best 'deal' available from year to year. 47,9% of respondents overall disagreed that this would happen. As was to be expected, respondents from the large firms displayed their faith in advertising with 68% disagreeing that the relationship between client and professional would be altered in the manner described above. Exactly half of the respondents from small firms agreed that the relationship would be altered, as described above, if advertising of professional accounting services was allowed, once again displaying their unfavourable disposition to the advertising of professional accounting services. The fact that respondents from small firms felt that advertising would change the basis of their relationship with their clients, was a little surprising to the researcher. It is believed by the researcher that a strong personal relationship based on mutual trust often develops between the small firm partner and his client, and it is surprising that respondents consider this relationship is fragile enough to be affected by advertising.

In the analysis of responses by age and experience categories, respondents from age category A (youngest) and experience category D (least

experienced) differed significantly from their counterparts in age category C (oldest) and experience category F (most experienced). The youngest and least experienced respondents disagreed with the suggestion that advertising will change the basis of the client/professional relationship in the manner described above, while their older and more experienced counterparts agreed that the basis would change.

50% of Afrikaans respondents agreed that the relationship between client and professional would be altered in the manner described above, compared to 35,6% of English respondents. This was consistent with the trend established in this survey, that Afrikaans speaking respondents are less favourably disposed to advertising of professional accounting services than their English counterparts.

The hypothesis was rejected.

(v) Abuse of Advertising : Hypotheses Nos 23 and 24

HYPOTHESIS NO. 23. It is hypothesised that, in the opinion of partners taking part in this survey, advertising will create unrealistic user expectations which will lead to a tarnishing of the profession's image

HYPOTHESIS NO. 24. It is hypothesised that, in the opinion of partners taking part in this survey, advertising would encourage widespread deception by professionals seeking business

The intention of the above hypotheses was to test whether respondents thought that some professionals would abuse the regulations if they were amended to allow the advertising of professional accounting services.

In reply to the question of whether advertising would create unrealistic user expectations, respondents were overall, equally divided. However, the analysis by size of firm, and age and experience of partners verified the established trend. Respondents from large firms and respondents from the youngest and most inexperienced categories generally disagreed that advertising would cause unrealistic user expectations. On the other hand their counterparts from small and medium sized firms, and from the older and more experienced categories tended to agree that advertising of professional accounting services will create unrealistic user expectations which will lead to a tarnishing of the profession's image.

Afrikaans speaking respondents tended once again to be more antagonistic towards advertising than their English counterparts.

Finally it was pleasing to find that respondents overall, regardless of the size of the firm from which they came, their age, experience or language, disagreed that advertising would encourage widespread deception by professional accountants seeking business. This was to be expected as deception of any kind is not compatible with the standards and integrity of the accounting profession.

Both hypotheses 23 and 24 were rejected.

5.7 The effect of advertising on the relationship between various sizes of accounting firm

HYPOTHESIS NO. 25. It is hypothesised that, in the opinion of partners taking part in this survey, large firms' advertising would place small firms at a disadvantage.

TABLE B.13 : An analysis, by percentage, of responses to the questions related to the issue of whether large firms advertising would place small firms at a disadvantage

	STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
Small firms (i.e. ten partners or less) would benefit more than large firms from advertising	1,4	9,7	29,2	52,8	6,9
Large firms advertising would place small firms at a disadvantage	8,3	47,2	18,7	25,7	0,0

As can be seen from Table B.13 above, respondents overall, agreed that small firms would be placed at a disadvantage if the advertising of professional accounting services was allowed. This was emphasized by the fact that only 11,1% of respondents felt that small firms would benefit more than large firms from the advertising of professional accounting services. This result was surprising to the researcher because in his opinion large firms and small firms do not necessarily compete in the same market. It is submitted that there is a considerable amount of work available, which is suited to the small practitioner and in which the large firm has little interest. Examples of this type of work are personal taxation advice and small business advice where the user is looking for personal service.

The contention discussed above is borne out by the high percentage (76,3%) of respondents who agreed that advertising would force the small firms to accentuate the "personal service aspect" of their practice.

The analysis by size category indicated that only 44% of respondents from large firms agreed that advertising would place small firms at a disadvantage compared to 63,5% of medium size firms and 61,1% of small firms who agreed with the statement. Respondents, regardless of the size of firm to which they belong disagreed that small firms would benefit more than large firms. Considering these two results together, it is obvious that respondents from large firms do not think that large firm advertising will have a detrimental effect on small firms. Perhaps the reason for this is that respondents from large firms do not consider that they are competing directly with small firms.

Respondents from all age categories and all experience categories, as well as from both major language categories, were basically in agreement that small firms would be placed at a disadvantage if large firms advertised.

The hypothesis was accepted.

5.8 The effect of the advertising of professional accounting services on the cost of such services

HYPOTHESIS NO. 26. It is hypothesised that, in the opinion of partners taking part in this survey, advertising will ultimately add to the cost of accounting services.

TABLE B.14 : An analysis, by percentage, of responses to questions related to the effect of advertising of professional accounting services on the cost of those services

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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Advertising will cause a decline in costs to the users of accounting services

0,0	9,7	18,7	63,9	7,6
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Advertising, because it is expensive, will ultimately add to the cost of accounting services.

3,5	52,8	26,4	16,0	1,4
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As can be seen from the table above (Table B.14) respondents generally felt that advertising would have some effect on the cost of accounting services. The proposal that costs to the user would decline, met with definite disagreement regardless of the size of the firm from which the partner came, his age, experience or his language. It is submitted that the reason for this is that respondents see advertising as an additional element of cost which will have to be built into the fee charging structure. This is borne out by the response to the second statement which indicated that respondents, especially those from small and medium size firms agreed that advertising will ultimately lead to an increase in the cost of accounting services. It is interesting to note that only 38% of respondents from large firms as compared to 72,7%

from medium firms and 63,9% from small firms, agreed with the second statement. In the opinion of the researcher the reason for this is that the large firms would be better able to absorb the advertising cost, as their profit margins are greater than those of small and medium sized firms. Medium size and small firms, because of the nature of their clients, work on a smaller profit margin and would find it difficult to absorb additional costs themselves. This opinion is supported by the fact that 38% of respondents from large firms, by neither agreeing nor disagreeing that the cost of accounting services will increase, implied that advertising costs could be absorbed by the firm and not passed on to the user.

The hypothesis was accepted.

5.9 The effect of the advertising of professional accounting services on the quality of such services

HYPOTHESIS NO: 27. It is hypothesised that, in the opinion of partners taking part in this survey, the quality of accounting services will decline if advertising is allowed.

TABLE B.15 : An analysis, by percentage, of responses to questions related to the effect of advertising on the quality of service offered by the accounting profession

	STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
Advertising will improve the quality of accounting services	0,0	20,8	25,7	47,2	6,2
The quality of accounting services will decline if advertising is allowed	2,8	13,2	29,2	50,0	4,9

Before discussing the results indicated by Table B.15 above, it should be noted that 60,4% of all respondents considered that quality of service and not the effectiveness of an advertisement will be the criterion used when a potential client wishes to appoint an auditor. This is important because it indicates, to an extent, that respondents do not fear that clients will be lost or gained through the strength of an advertisement, but rather through the quality of service offered by the professional accountant, a quality over which the professional accountant himself, has control. It should be noted that, by comparison to large and small firms, medium sized firms did not agree with the contention that quality of service will be the criterion by which firms are judged. It is submitted that the medium size firm feels particularly vulnerable because,

unlike the small firms, they compete with the large firms for a segment of the market, namely large clients. If advertising were allowed they would not have the resources to match the advertising campaigns of the large firms and would therefore lose clients.

As can be seen from Table B.15 above, respondents overall did not consider that advertising would have any significant effect on the quality of service offered by the accounting profession. Respondents, regardless of the size of the firm from which they came, their age and experience, disagreed that advertising would improve the quality of service offered by professional accountants, but also disagreed that advertising would cause the quality of service offered by the profession to decline. It must be noted that a high percentage (38,5%) of Afrikaans speaking respondents neither agreed nor disagreed that quality of service would decline if advertising of professional accounting services was allowed. No reason for this is submitted, other than that Afrikaans speaking respondents do not appear to be as decisive about their opinions on the advertising of professional accounting services.

Hypothesis No. 27 was rejected.

CONCLUSION

The conclusions drawn and the recommendations arising out of this analysis of responses submitted under Part B of the questionnaire, are to be found in Chapter 6 of this thesis.

II ANALYSIS OF RESULTS : PART C OF THE QUESTIONNAIRE :
PARTNERS' OPINIONS IN RESPECT OF THE PLACING, MEANS AND METHODS OF
ADVERTISING

The intention of this section of the questionnaire was to gain an insight into partners opinions on the suitability of various types of media for the advertising of professional accounting services.

Where it was hypothesised that respondents would be in favour of a particular means or method of advertising, and 50% or more of the respondents indicated an "in favour" or "strongly in favour" response, the hypothesis was accepted. Where it was hypothesised that respondents would be opposed, the hypothesis was accepted if 50% or more of the respondents indicated an "opposed" or "strongly opposed" response.

HYPOTHESIS NO. 1. It is hypothesised that partners taking part in this survey would be opposed to the advertising on radio of all three categories of accounting services offered by the profession, namely audit, management advisory, and taxation and estate planning services.

HYPOTHESIS NO. 2. It is hypothesised that partners taking part in this survey would be opposed to the advertising on television of all three categories of accounting services offered by the profession, namely audit, management advisory, and taxation and estate planning services.

TABLE C.1 : An analysis, by percentage, of responses given to the question of advertising the three categories of accounting service on radio and television

	AUDIT		M.A.S.		TAXATION/ESTATE-PLANNING	
	OPPOSED	STRONGLY OPPOSED	OPPOSED	STRONGLY OPPOSED	OPPOSED	STRONGLY OPPOSED
Radio	29,2	54,2	31,3	38,2	32,6	36,1
Television	28,5	54,2	29,9	39,6	30,6	38,9

As can be seen from Table C.1 above, respondents do not make any significant distinction between radio and television as media for advertising professional accounting services. Furthermore they show strong opposition to advertising through either medium. Although respondents were opposed to the advertising of taxation services and management advisory services, their opposition was not as severe as it was for the advertising of audit services. This suggests to the researcher that respondents see a distinction between the three categories of accounting service, evidenced by their stronger opposition to the advertising of audit services.

Of significance, was the fact that a far higher percentage of respondents who were members of small firms were "strongly opposed" to the advertising of all categories of accounting service on radio and on television. The researcher interprets this as being an indication that the small firms fear that they would not have the financial resources to embark on this type of advertising which, especially in the case of television advertising, is expensive. Respondents falling in the age category C were more strongly opposed to radio and television advertising of accounting services than the other age categories. This was consistent with the findings of the analysis by "years experience as a partner", which showed that a greater percentage of partners falling into the experience category F were strongly opposed to radio advertising. The interpretation here is that the older and more experienced partners are more conservative.

No significant differences were indicated between the responses given by English and Afrikaans respondents.

Both of the hypotheses were accepted.

HYPOTHESIS NO. 3. It is hypothesised that partners taking part in this survey would be opposed to the advertising in non-financial sections of the newspaper of all three categories of accounting services offered by the profession, namely audit, management advisory, and taxation and estate planning services.

TABLE C.2 : An analysis, by percentage, of responses given to the question of advertising the three categories of accounting service in non-financial sections of newspapers

	AUDIT		M.A.S.		TAXATION/ESTATE PLANNING	
	OPPOSED	STRONGLY OPPOSED	OPPOSED	STRONGLY OPPOSED	OPPOSED	STRONGLY OPPOSED
Non-financial sections of newspapers	30,6	40,3	36,8	20,8	30,6	20,1

The above table indicates that partners drew a distinction between the advertising of the three categories of accounting service in non-financial sections of the newspaper. This was consistent with the results obtained under hypotheses 1 and 2. This distinction is particularly noticeable when the "strongly opposed" column is studied.

Once again a significantly higher percentage of respondents from small firms were strongly opposed to the advertising of any category of accounting service in non-financial sections of newspapers, whilst respondents falling into the age category C and the experience category F also showed a higher percentage as strongly opposed to advertising in non-financial sections of the newspaper. This was consistent with the findings under hypotheses 1 and 2. Consequently the same interpretation is submitted.

Once again no significant differences were indicated between the responses given by English and Afrikaans respondents.

The hypothesis was accepted.

HYPOTHESIS NO. 4. It is hypothesised that partners taking part in this survey would be in favour of the advertising in any financial publications of all three categories of accounting services offered by the profession, namely audit management advisory and taxation and estate planning services.

The overall analysis indicated that partners once again drew a distinction between the advertising of the three categories of accounting service in financial publications. The question of advertising of audit services in financial publications produced inconclusive results with 48% of respondents opposed or strongly opposed and 41,6% in favour or strongly in favour. Significant here is the fact that of the 69 respondents who were either opposed or strongly opposed, 42 came from the small firm category; this had a marked effect on the final result.

Once again respondents in the age category C and in the experience category F showed a higher percentage as "opposed" or "strongly opposed" than did the other categories. This indicated that stronger opposition came from the small firms and from the more experienced partners which was consistent with the results obtained in testing hypotheses 1 to 3.

No significant differences were indicated between the responses given by English and Afrikaans respondents.

The advertising of management advisory services and taxation and estate planning services in financial publications met with a more favourable response overall. 61,1% of respondents were in favour or strongly in favour of a firm being allowed to advertise management advisory services in such publications with only 27,8% being in opposition thereto. Very similar results were obtained in respect of the advertising of taxation

and estate planning services in any financial publication with 60,4% being in favour or strongly in favour and 27,8% being opposed.

When the results were analysed by the size, experience and age categories, the results corresponded with the overall results obtained on this question. Furthermore, no significant differences were indicated between the responses given by English and Afrikaans respondents.

The hypothesis could only be accepted in respect of two of the three categories of accounting service offered, namely management advisory, and taxation and estate planning services but must be rejected for audit services.

HYPOTHESIS NO. 5. It is hypothesised that partners taking part in this survey would be in favour of the advertising in any professional journal of all three categories of accounting services offered by the profession, namely audit, management advisory, and taxation and estate planning services.

The distinction between audit services and management advisory services and taxation and estate planning services was once again clearly defined. The results obtained in respect of advertising in professional journals were so similar to those obtained under financial publications (see table C.3) that the conclusions drawn on hypothesis No. 5 were the same as those drawn on hypothesis No. 4.

TABLE C.3 : An analysis, by percentage, of responses given to the question of advertising the three categories of accounting service in Professional Journals/Financial Publications

	Strongly in favour or in favour		Neutral		Strongly opposed or opposed	
	Financ.	Prof.	Financ.	Prof.	Financ.	Prof.
Audit Services	41,6	43,0	10,4	11,1	48,0	45,9
M.A.S.	61,1	61,1	11,1	11,1	27,8	27,8
Taxation and Estate Planning	60,4	61,8	11,8	11,8	27,8	26,2

The hypothesis was only accepted in respect of two of the three categories of accounting service offered, namely management advisory, and taxation and estate planning service, but was rejected in respect of audit services.

HYPOTHESIS NO. 6. It is hypothesised that partners taking part in this survey would be opposed to the advertising in popular magazines of all three categories of accounting services offered by the profession namely, audit, management advisory, and taxation and estate planning services.

A distinction was once again drawn between audit services and management and taxation and estate planning services, but only in the intensity of opposition to advertising being allowed in popular magazines. 81,2% of respondents overall were opposed to this advertising media for audit services with 47,2% of all respondents being strongly opposed. When the results were analysed by the size, experience, age and language categories, the results obtained are consistent with the overall results from this question. Respondents, regardless of the size of the firm of which they were partners, their age, experience and language, were opposed to the

advertising of audit services in popular magazines. The opposition to the advertising of management advisory services in popular magazines was overall, almost as strong with 72,9% of respondents being opposed or strongly opposed, with 33,3% of all respondents falling into the "strongly opposed" column. The reduction in percentage from 81,2% to 72,9% cannot be attributed to any single factor but simply represents a less severe opposition by respondents in general.

The opposition to the advertising of taxation and estate planning services in popular magazines dropped slightly when compared to management advisory services. 67,3% of the respondents fell into the "opposed" or "strongly opposed" column. Neither this reduction nor the difference between the opposition to audit services (81,2%) and taxation and estate planning services (67,3%) can be attributed to any single factor, but simply represents a less severe opposition by respondents in general.

No difference of opinion between English and Afrikaans respondents was indicated.

The hypothesis was accepted for all three categories of accounting service offered by the profession.

HYPOTHESIS NO. 7. It is hypothesised that partners taking part in this survey would be in favour of being allowed to display at their offices and on their stationery and on publications/bulletins sent to clients, the services they offer in respect of all three categories of accounting services.

TABLE C.4 : An analysis, by percentage, of responses given to the question of advertising the three categories of accounting service, by displaying services offered
 (a) at the firm's offices
 (b) on firm's stationery
 (c) on publications and bulletins which are sent to clients.

	AUDIT		M.A.S.		TAXATION AND ESTATE PLANNING	
	STRONGLY IN FAVOUR	IN FAVOUR	STRONGLY IN FAVOUR	IN FAVOUR	STRONGLY IN FAVOUR	IN FAVOUR
At firm's offices	16,7	51,4	17,4	58,3	18,1	57,6
On firm's stationery	11,8	45,8	11,8	52,8	11,8	52,8
On publications and bulletins	20,8	54,9	21,5	61,8	21,5	61,8

(a) Services offered displayed at firm's offices

As can be seen from the table above, respondents indicated clearly that they were in favour of being able to display the services they offer at their offices. 68,1% overall were in favour or strongly in favour of being able to display audit services, while 75,7% of respondents were in favour or strongly in favour of being able to display both management advisory, and taxation and estate planning services at their offices. The increase of 7,6% was attributed to a slight shift in the opinion of respondents coming from small firms who were more in favour of displaying management advisory and taxation and estate planning services than audit services.

It must be noted that the opposition to this form of advertising was very limited with only 15,9% of respondents showing any opposition to the displaying of audit services and 9,4% showing opposition to the other categories of service offered. Overall respondents, regardless of the size of the firm of which they were partners, their age,

experience and language, were in favour of displaying the services they offer, at their offices.

(b) Services offered displayed on firm's stationery

As can be seen from Table C.4, a clear indication was once again given by respondents that they were in favour of being able to display on their stationery the services offered by their firms. However, the reaction indicated, although favourable, was not as strong as in part (a) above. This was not attributed to any single factor but rather to an overall shift in intensity. It should be noted that, for all three categories of service offered, approximately 18% of respondents displayed a neutral opinion; this combined with the favourable responses achieved, indicated that there was little opposition from any respondents regardless of the size of the firm of which they were partners, their age and experience and their language.

(c) Services offered displayed on publications and bulletins which are sent to clients

As can be seen from Table C.4, 75,7% of respondents were in favour or strongly in favour of firms being allowed to display on publications and bulletins sent to clients the audit services they offer whilst 83,3% were in favour or strongly in favour of being able to display both management advisory, and taxation and estate planning services offered on publications and bulletins sent to clients. Respondents indicated a favourable inclination to this method of advertising regardless of the size of the firm from which they came, their age, experience or language group.

TABLE C.5 : An analysis, by percentage, of size of firm of favourable responses given to the question of advertising the three categories of accounting service by displaying services offered
 (a) at firm's offices
 (b) on firm's stationery
 (c) on publications and bulletins which are sent to clients

	AUDIT			M.A.S.			TAXATION AND ESTATE PLANNING		
	L	M	S	L	M	S	L	M	S
Offices	86,0	68,2	55,5	88,0	77,2	64,6	88,0	77,2	66,7
Stationery	60,0	72,7	51,4	64,0	72,7	62,5	64,0	72,7	62,5
Publications/ bulletins	88,0	81,8	65,3	90,0	86,3	77,8	90,0	86,3	77,8

It is interesting to note that large firms were generally more favourably disposed to allowing the above three means of advertising as Table C.5 indicates. The interpretation here is that the large firms and the small firms realise that the large firms could reach a substantial market in this manner of advertising. Not only do they have more people visiting their offices, they have more stationery in circulation and they have more clients to whom they send more bulletins and publications! It is interesting to note that the small firms were significantly more in favour of these methods of advertising, for taxation and management advisory services, than for audit services. This is interpreted as meaning that they see these methods as an inexpensive way of getting into a market which they can service, namely small business affairs.

The hypothesis was accepted for all three categories of accounting service offered and for all three methods of advertising proposed.

HYPOTHESIS NO. 8. It is hypothesised that, partners taking part in this survey would be in favour of a firm being able to release to the public, under the firm's name, articles/bulletins/booklets on topics related to the three categories of service they offer.

An overall analysis showed that 69,4% of all respondents were in favour of this method of advertising. Approval came from all three size categories. Especially noticeable was the fact that 88% of respondents from large firms were "in favour" or "strongly in favour" whilst 72,7% of respondents from medium size firms and 55,5% from small firms were "in favour" or "strongly in favour". This further underlined the difference in opinions on advertising between large firms and small firms.

Respondents from the three age categories were generally similar in their opinions with the respondents from age category A having a 75,6% favourable response compared to 66,6% and 69,6% for the other two categories respectively. A virtually identical spread was obtained in the analysis by experience category with a 76,5% favourable response from experience category D, compared to a 67,7% and 65,8% favourable response from the other two categories respectively. An interesting point arose here in that, for the first time, a noticeable difference arose between the responses given by English and Afrikaans speaking respondents. Only 51,9% of Afrikaans respondents compared to 78,9% of English respondents were favourably disposed to this method of advertising.

As to the question of whether firms should be allowed to advertise the services they offer on the bulletins/booklets which they release to the public, 53,5% were in favour or strongly in favour of advertising audit services whilst 60,4% and 61,8% were in favour or strongly in favour of advertising management advisory and taxation and estate planning services.

TABLE C.6 : An analysis, by percentage, of responses to the proposal that firms be allowed to advertise the services they offer on bulletins/booklets distributed to the public, analysed for each category of accounting service by size of firm (favourable responses only).

	Large firm	Medium firm	Small firm
Audit Services	78,0	45,4	38,9
M.A.S.	84,0	45,4	48,6
Taxation & Estate Planning	86,0	50,0	48,6

Table C.7 below indicates the different responses by age category.

TABLE C.7 : An analysis, by percentage, of responses to the proposal that firms be allowed to advertise the services they offer on bulletins/booklets distributed to the public, analysed for each category of accounting service by age (favourable responses only).

Age	Category A	Category B	Category C
Audit Services	59,4	53,6	42,5*
M.A.S.	73,0	54,8	60,9
Taxation & Estate Planning	73,0	56,0	65,2

*52,2% of respondents in age category C were either opposed or strongly opposed to this form of advertising.

The only points of significance were that the distinction between audit service and the other two categories of service was once again indicated and that 52,2% of respondents in age category C were in fact opposed to this form of advertising.

Table C.8 indicates the different responses by experience category.

TABLE C.8 : An analysis, by percentage, of responses to the proposal that firms be allowed to advertise the services they offer on bulletins distributed to the public, analysed for each category of accounting service by experience category (favourable responses only)

Experience	Category D	Category E	Category F
Audit Service	64,7	51,5	46,4*
M.A.S.	73,6	55,9	56,1
Taxation & Estate Planning	76,5	55,9	58,5

*51,2% of respondents in experience category F were either opposed or strongly opposed to this form of advertising

The analysis by experience category corresponded closely to that of age category, with the significant points being that a distinction was again drawn between audit services and the other two categories of service offered, and that once again a greater percentage (51,2%) of respondents in a senior category (those with most experience) were in fact opposed to advertising of audit services by this method. Comparing the two tables (7 and 8) it was obvious that the younger partners, and therefore those with less experience were more favourably disposed to this type of advertising.

With regard to language groups, the breakdown by language analysis indicated that for all categories of accounting service offered, Afrikaans speaking respondents were less favourably disposed to this form of advertising than their English counterparts.

Partners' opinions on whether a firm should be allowed to put its name to press articles written by one of its members, were also tested under this

hypotheses. An analysis of the responses indicated that 68% of all respondents were in favour of this form of advertising.

When the responses were analysed by category some interesting results emerged (see Table C.9).

TABLE C.9 : An analysis, by percentage, of responses to the proposal that firms be allowed to put their names to press articles written by one of their members (favourable responses only)

	SIZE			AGE			EXPERIENCE			LANGUAGE		
	L	M	S	A	B	C	D	E	F	A	E	O
Press articles	80,8	72,7	54,2	75,7	65,5	53,2	74,2	73,5	53,2	65,4	68,9	-

Respondents from large firms were substantially more in favour of this form of advertising than were respondents from small firms. The interpretation is that small firm respondents would probably not have the same amount of time to devote to writing articles for publication as their counterparts in large firms. It must be noted that large firms invariably have separate technical departments as well as some form of public relations department from which articles flow.

The results obtained in the age and experience categories are consistent with those obtained under previous hypotheses, namely that the older and more experienced respondents were less in favour than their younger, less experienced counterparts.

No significant difference was recorded between responses given by Afrikaans and English speaking respondents.

In view of the overall results the hypothesis No. 8 was accepted.

HYPOTHESIS NO. 9. It is hypothesised that, partners taking part in this survey would be in favour of a firm being able to display their full name on items of attire.

The overall analysis showed that 48,6% of respondents were opposed or strongly opposed to firms being allowed to display their full names on items of attire, with only 29,8% being in favour or strongly in favour. Far more significant is the fact that while 54,5% of respondents from medium sized firms and 63,9% of respondents from small firms were opposed or strongly opposed, only 24% of respondents from large firms were in opposition with 58% in favour. This served once again to underline the difference in opinion between large and small firms, and can be attributed to a more progressive outlook on the part of the large firms.

Similar percentages emerged from the analysis by age category, with the age category C (oldest group) showing 65,2% of respondents in opposition as compared to 29,8% of age category A being opposed. This pattern repeated itself in the analysis by experience category, with 68,3% of experience category F (most experienced) being in opposition compared to the 38,3% in opposition from category D. At this point it appeared, from the hypotheses already tested, that the older and more experienced respondents were more opposed to advertising than their younger, less experienced counterparts.

With regard to language groups, the breakdown by language analysis indicated that the Afrikaans speaking respondents were less opposed to this form of advertising than English speaking respondents. It must be noted however that 42,3% of Afrikaans respondents were in fact neutral on this issue.

Overall the hypothesis was rejected as only 29,8% of respondents indicated that they were in favour of this type of advertising with 48,6% being opposed to it.

HYPOTHESIS NO. 10. It is hypothesised that partners taking part in this survey would be opposed to advertising on billboards, bus stops and similar types of space.

Respondents were overwhelmingly opposed to the use of billboards, bus stops and similar types of space for advertising professional accounting services. 88,8% of respondents indicated that they were opposed or strongly opposed with 56,2% being strongly opposed. Furthermore, only 4,2% of respondents showed any favourable disposition towards this form of advertising. On first thoughts, this strong opposition may seem logical but it must be borne in mind that many financial institutions operating in the management advisory and taxation and planning service categories, e.g. banks, use this form of advertising.

The analysis by size of firm indicated a consistently strong opposition to this type of advertising regardless of category. It was interesting to note however, that a lower percentage of respondents in age category A, and respondents in experience category D, were, although consistently in opposition to this form of advertising, less in opposition compared to the other categories. This appeared consistent with

results obtained under other hypotheses, emphasising the less opposing opinions of younger and less experienced respondents.

No significant difference in the responses from Afrikaans and English respondents was detected with both language groups being in opposition.

The hypothesis was accepted.

HYPOTHESIS NO. 11. It is hypothesised that partners taking part in this survey would be in favour of partners distributing business cards on which some form of advertising their firm's services appears.

TABLE C.10 : An analysis, by percentage, of responses to the proposal that firms be allowed to distribute business cards on which some form of advertising the firm's services appears by size, age, and language categories

	SIZE			AGE			EXPERIENCE			LANGUAGE		
	L	M	S	A	B	C	D	E	F	A	E	O
Business cards (favourable)	56,0	36,3	43,1	62,1	51,1	26,1	65,4	53,0	31,7	40,4	44,4	-
Business cards (opposed)	16,0	50,0	38,9	10,8	34,5	60,9	11,7	29,4	56,1	44,3	26,7	-

Overall, exactly half of the respondents were in favour of advertising the accounting services their firms offered in this manner. In addition 17,4% were neutral on this issue which meant that only just less than one third of respondents were in opposition to it. When analysed by category the following results emerged (see Table C.10). Respondents from large firms were more favourably disposed and showed significantly less opposition to

the distribution of business cards. This is logical when one considers that most of the large firms indulge in the use of business cards. No explanation can be offered for the relatively strong opposition shown by medium firms. The pattern of a more conservative approach from the older and more experienced respondents was once again repeated as expected. Afrikaans respondents were fairly evenly divided on this issue, and showed a high opposition percentage when compared with their English counterparts.

Based on the analysis of results received for all respondents the hypothesis was accepted.

HYPOTHESIS NO. 12. It is hypothesised that partners taking part in this survey, would be opposed to allowing the advertising of the services their firms offer, when recruiting staff for their own purpose, or on behalf of a client.

TABLE C.11 : An analysis, by percentage, of responses given to the question of firms being allowed to advertise the services they offer when placing advertisements recruiting staff
(a) for their own purposes
(b) on behalf of a client.

	STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
for their own purposes	5,6	45,8	19,4	19,4	9,7
on behalf of a client	1,4	12,5	13,9	50,0	22,2

As is illustrated by the above table (Table C.11) respondents overall drew a sharp distinction between the two proposed methods of advertising professional accounting services mentioned above, whilst the support for proposal (a) was not particularly strong, the opposition to proposal (b)

was substantial. A possible reason for the support for proposal (a) is that partners feel it is necessary to indicate the services they themselves offer in order to attract suitable staff, especially as the profession now offers specialized training in a number of fields. As regards proposal (b), it is submitted that respondents feel that there would be a conflict of interest in advertising the services they themselves offer, in an advertisement placed on behalf of a client.

Because of the different responses to the two proposals (a and b) under this hypothesis, the analyses of the proposals by size, age, experience and language are dealt with separately for each proposal.

Proposal (a) - advertisements recruiting staff for their own purposes

74% of respondents from large firms as opposed to 33,3% of respondents from small firms were in favour of firms being allowed to advertise the services they offer in staff recruitment advertisements. The logical reason for this is that small firms generally, do not place staff recruiting advertisements as regularly or prominently as do large firms.

When the results of this proposal were analysed by age, experience and language category, the established trend was followed; the younger and less experienced partners were more in favour of this form of advertising than the older more experienced counterparts. It is also interesting to note that respondents falling in the second of the age group and experience categories were as conservative as the oldest and most experienced categories. Further emphasis can be placed on the difference between young and inexperienced and older and more experienced respondents (categories A and D versus categories C and F).

Less than 14% of respondents from categories A & D were opposed to this form of advertising whilst approximately 40% of respondents from categories C & F showed opposition.

No significant differences were found between responses given by Afrikaans and English respondents.

Proposal (b) - advertisements recruiting staff on behalf of clients

Respondents, regardless of the size of the firm from which they came, their age, experience and language, were in opposition to this form of advertising. As has been previously stated, the result is interpreted as being an indication that respondents would consider this to be a conflict of interest. Furthermore it amounts to using the client to promote the accounting firm's interests, something which a professional person would consider most unethical.

The hypothesis was rejected for proposal (a) and accepted for proposal (b).

HYPOTHESIS NO. 13. It is hypothesised that, partners taking part in this survey would be in favour of their firm being allowed to advertise bursaries offered for study at a recognised educational institution, and/or to publicly sponsor a post at a recognised educational institution.

The above hypothesis will be dealt with in two parts,

proposal (a) - bursaries offered for study

proposal (b) - public sponsorship of a university post (favourable and opposed responses).

TABLE C.12 : An analysis, by percentage, of responses to the proposal that firms be allowed to offer bursaries to study at recognized educational institutions

	SIZE			AGE			EXPERIENCE			LANGUAGE		
	L	M	S	A	B	C	D	E	F	A	E	O
Bursaries (favourable)	80,0	45,4	40,3	62,1	50,0	60,8	59,5	57,3	46,3	46,2	60,0	-
Bursaries (opposed)	10,0	31,8	33,3	8,1	30,9	30,4	11,8	22,0	41,5	25,0	25,6	-

As can be seen from Table C.12, respondents from large firms indicated that they were in favour of offering bursaries to students. In view of the fact that this is widely practised by the large firms, this result was expected. Small firms and medium firms who generally do not have the manpower or financial resources to do this, were not significantly opposed to, but at the same time were not really in favour of this practice.

When analysed by age category some interesting findings emerged. All age categories of respondents were in favour of the proposal with the older respondents (category C) sharing the same opinion as their younger counterparts. This is surprising since it has been indicated by previous hypothesis analysis that respondents from age category C usually have vastly differing views from their younger counterparts. The explanation offered for this surprising response is that the older partners (as indeed the younger partners) do not see the offering of bursaries as advertising but rather as a worthwhile educational and recruitment practice.

The analysis by experience category did not indicate anything significant other than the fact that the most experienced category of respondents were divided on the issue.

Analysed by language category, Afrikaans respondents were less favourably inclined to this practice than their English counterparts. The reason for this may be that the recruiting by Afrikaans firms on the University campuses is not as intense as it is by English firms. Another point of importance is that the majority of large firms are English firms and it is traditionally the large firms that have offered bursaries for study at recognised educational institutions.

TABLE C.13 : An analysis, by percentage, of responses to the proposal that firms be allowed to publically sponsor a post at an educational institution

	SIZE			AGE			EXPERIENCE			LANGUAGE		
	L	M	S	A	B	C	D	E	F	A	E	O
Posts (favourable)	62,0	27,3	29,2	45,9	39,3	34,7	50,7	39,7	31,3	28,9	46,7	-
Posts (opposed)	24,0	50,0	45,8	21,6	42,9	52,1	17,6	41,2	53,6	42,3	37,8	-

As can be seen from Table C.13, respondents from large firms were far more favourably disposed to this form of advertising than their small and medium size firm counterparts. The logical interpretation for this is that the small and medium size firms would not have the financial resources to sponsor posts whilst the large firms would have the necessary prestige and resources to do so.

The results indicated in the analysis by age and experience were rather inconclusive except that the older and more experienced respondents were once again more opposed to this form of advertising than their younger less experienced counterparts.

As in proposal (a) under this hypothesis Afrikaans speaking respondents were less favourably inclined to this form of advertising than English speaking respondents.

The hypothesis was accepted for proposal (a) and rejected for proposal (b).

HYPOTHESIS NO. 14. It is hypothesised that partners taking part in this survey would be opposed to a firm using direct mail advertising.

TABLE C.14 : An analysis, by percentage, of responses to the proposal that firms be allowed to use direct mail advertising

	SIZE			AGE			EXPERIENCE			LANGUAGE		
	L	M	S	A	B	C	D	E	F	A	E	O
Direct Mail (favourable)	16,0	9,0	4,2	5,4	11,9	4,3	9,5	10,3	4,8	9,6	8,9	-
Direct Mail (opposed)	64,0	86,4	84,8	67,5	79,7	87,0	70,6	76,5	87,8	71,1	83,3	-

As can be seen from the table above (table C.14) respondents are, regardless of the size of firm from which they come, their age, experience and language, opposed to this form of advertising. It is interesting to note though that the trends established in the analysis of Hypothesis 13 preceding this one are once again followed. Large firms are less opposed to advertising than are small and medium sized firms while the older and more experienced respondents are more conservative, and therefore opposed to advertising, than younger, inexperienced respondents.

The hypothesis was accepted.

HYPOTHESIS NO. 15. It is hypothesised that partners taking part in this survey would be opposed to allowing a firm to approach the client of another auditor in an attempt to solicit business.

Respondents, regardless of the size of the firm from which they came, their age, experience and language, showed strong opposition to this form of advertising. No significant differences were recorded in the analysis by category which underlines the strength of the opposition to this form of advertising.

It is interesting to note however that there was a marked lessening in the degree of opposition to soliciting business in a social atmosphere as opposed to direct client solicitation. As could be expected the large firms influenced the result obtained here with 40% of respondents from this category being in favour of social solicitation. Once again the older and more experienced partners were more opposed to social solicitation than their younger, less experienced counterparts. English and Afrikaans respondents showed no meaningful difference in opinion on this issue.

In the opinion of the researcher this difference in response between direct and social solicitation is surprising. Solicitation is solicitation regardless of the atmosphere in which it is conducted.

The hypothesis was accepted.

HYPOTHESIS NO. 16. It is hypothesised that partners taking part in this survey would be opposed to sponsoring activities presented for the interest and enjoyment of the general public.

TABLE C.15 : An analysis, by percentage, of responses to the proposal that firms be allowed to sponsor certain public activities

	STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
A financial quiz/game	2,8	26,4	19,4	31,9	19,4
A lecture tour by a well known personality in the business world	5,6	33,3	16,0	25,7	19,4
A sports tournament - as major sponsor	0,7	9,7	12,5	41,0	36,1
A sports tournament - as partial sponsor	0,7	11,8	15,3	38,9	33,3

As Table C.15 above indicates, respondents overall were opposed to this form of advertising. They did, however, draw a distinction between financial/business type events and sports events. It is submitted that the reason for this is that respondents see the followers of these two types of event as different markets with the former being more consistent with the image the profession feels it should display.

Respondents from large firms were, in fact, in favour of the sponsoring of a tour by a business personality, whilst small and medium sized firms would not have the resources to sponsor this type of event and hence were opposed.

All size categories of firm remained opposed to the sponsorship of sports events.

The analysis by age and experience category yielded results which were similar to the results obtained under the size category analysis. The main feature remains the opposition of this form of advertising.

English and Afrikaans respondents showed very little difference in their attitudes to this form of advertising.

The hypothesis was accepted.

CONCLUSION

The conclusions drawn and the recommendations arising out of this analysis of responses submitted under Part C of the questionnaire are to be found in Chapter 6 of this thesis.

III ANALYSIS OF RESULTS : PART D OF THE QUESTIONNAIRE :
PARTNERS' OPINIONS IN RESPECT OF THE OVERALL CONTENT OF
ADVERTISEMENTS FOR PROFESSIONAL ACCOUNTING SERVICES

The intention of this section of the questionnaire was to gain an insight into partners' opinions in respect of the appropriateness of various advertising appeals appearing in advertisements for professional accounting services.

Where it was hypothesised that respondents would consider that a particular advertising appeal was appropriate, and 50% or more of respondents indicated a "very appropriate" or "appropriate" response, the hypothesis was accepted. If the figure of 50% was not achieved, the hypothesis was rejected.

HYPOTHESIS NO. 1. It is hypothesised that, in the opinion of partners taking part in this survey, if advertising were allowed, a service appeal would be appropriate.

TABLE D.1 : An analysis, by percentage, of responses to the proposal that a service appeal would be an appropriate form of advertising for use by the accounting profession

	VERY APPRO.	APPRO.	NEUTRAL	IN-APPRO.	VERY IN-APPRO.
Availability of Services - Audit	6,2	37,5	20,1	20,8	15,3
M.A.S.	9,0	55,6	16,1	11,1	8,3
Taxation and Estate Planning	10,4	54,9	16,0	10,4	8,3
Specializations	12,5	52,1	16,0	11,1	8,3

As can be seen from the table above both elements of the service appeal proposal namely, availability of service and specializations, were strongly supported. Respondents once again drew a distinction between audit and the other services by showing less support for being allowed to advertise the availability of audit services. It must be noted however that 20,1% of respondents were neutral on this issue which resulted in only 36,1% of respondents considering advertising the availability of audit services as inappropriate.

TABLE D.2 : An analysis, by percentage, of responses to the proposal that a service appeal would be an appropriate form of advertising for use by the accounting profession, analysed by size, age, experience and language categories

	SIZE			AGE			EXPERIENCE			LANGUAGE		
	L	M	S	A	B	C	D	E	F	A	E	O
Availability of service												
- Audit	64,0	40,9	30,6	45,9	48,8	21,7	56,6	51,5	19,5	30,7	50,0	-
- M.A.S.	84,0	54,5	54,2	73,0	64,3	52,2	82,1	67,6	46,3	46,1	74,4	-
- Tax & Estate	84,0	54,5	55,6	73,0	65,5	52,2	80,5	69,1	46,3	48,1	74,4	-
Specializations	84,0	50,0	55,6	73,0	55,5	47,8	77,2	70,6	43,9	46,5	74,4	-

As can be seen from the above table large firms supported this advertising appeal for all categories of accounting service offered including audit services. Although more than fifty percent of respondents from small and medium size firms felt that the advertising of the availability of management advisory services and taxation and estate planning services was appropriate, a far greater percentage from large firms thought this form of advertising was appropriate. In the opinion of the researcher this was to be expected as it is usually the large firms who are able to offer the full range of services and who have the specialists to handle any type of assignment.

The analysis by age category had some interesting features. Respondents in age category A (youngest category) gave strong support to firms being able to advertise all but the availability of audit services. Whilst this was in line with the overall findings for the advertising appeal it was inconsistent with their progressive approach indicated so far by this survey.

The second interesting feature of the analysis was that respondents in age category C (oldest category) did not stick to their normal conservative viewpoint. Although they felt that advertising the availability of audit services was inappropriate, they felt that advertising the availability of the other two categories of accounting service was appropriate. The logical reason for this is that all respondents recognise that in these categories of accounting assignment, the profession is competing against non members of the profession who do advertise and in doing so, place the profession at a disadvantage. If the professional accounting firms were allowed to advertise the availability of these services, this disadvantage might be partially overcome.

The analysis by age category confirmed the trend established so far by this survey namely, that the more experienced respondents did not feel that this form of advertising was appropriate especially as regards audit services.

The analysis by language showed a sharp distinction between the opinions of English and Afrikaans speaking respondents. It must be noted however that a relatively high percentage of Afrikaans respondents were neutral on this issue. No explanation is offered for the difference between the two language groups or the high neutrality of the Afrikaans group.

The hypothesis was accepted for all proposals except the advertising of the availability of audit services.

HYPOTHESIS NO. 2. It is hypothesised that, in the opinion of partners taking part in this survey, if advertising were allowed, a professional credentials appeal would be appropriate

TABLE D.3 : An analysis, by percentage, of responses to the proposal that a professional credentials appeal would be an appropriate form of advertising for use by the accounting profession

	VERY APPRO.	APPRO.	NEUTRAL	IN-APPRO.	VERY IN-APPRO.
Number of listed companies as clients	2,8	18,7	20,1	36,8	21,5
Number of "Top 100" companies as clients	2,1	17,4	20,1	38,2	22,2
Member of "Big 9"	2,8	23,6	19,4	34,0	20,1
Details of particular achievement e.g. auditors involved in multi-million merger	2,8	16,0	20,8	37,5	22,9
Part of international association	4,9	43,7	22,2	18,1	11,1

As can be seen by the above (Table D.3), respondents overall, regardless of the size of the firm from which they came, their age, experience and language, did not consider that a professional credentials appeal would be appropriate. However certain interesting results should be highlighted :

1. The analysis by size category showed that partners from large firms were not as critical of this type of advertising as their small and medium size counterparts, especially under the "Member of Big 9" and "Part of international association" proposals. This, of course, was not surprising as all the large firms are members of the "Big 9" and have strong international associations.
2. The analysis by age and experience revealed very similar results with the established trend of a difference in opinion between young and

old, inexperienced and experienced, although it must be borne in mind that the younger respondents overall did not consider this advertising appeal to be appropriate. What should be noted was the strong disapproval (over 82%) of the older and more experienced partners of this form of advertising. Of the five proposals put forward under this appeal, the first four, all which the respondents found inappropriate, had elements of "achievement" in them whereas, the fifth would be described as more of an informative comment. It is submitted that the reason for the general disapproval registered for this type of advertising appeal can be attributed to the modesty of the members of the accounting profession or more specifically a possible dislike of boastful advertising.

No significant differences were noted between the attitudes of English and Afrikaans speaking respondents to this type of advertising appeal with both categories finding the appeal inappropriate.

The hypothesis was rejected.

HYPOTHESIS NO. 3. It is hypothesised that, in the opinion of partners taking part in this survey, if advertising were allowed, a partners' personal appeal would be appropriate.

TABLE D.4 : An analysis, by percentage, of responses to the proposal that a partner's personal appeal would be an appropriate form of advertising for use by the accounting profession

	VERY APPRO.	APPRO.	NEUTRAL	IN-APPRO.	VERY IN-APPRO.
Photographs of partners	4,2	11,8	18,1	37,5	28,5
Qualifications of partners	5,8	34,7	22,9	24,3	12,5
Resumé of partners careers	2,8	24,3	20,1	36,8	16,0
Specializations of partners	5,6	40,3	20,8	21,5	11,8
Reference to partners well known in society as a result of					
performance in business field	2,8	29,2	19,4	31,9	16,7
performance in other spheres e.g. sport	2,1	15,3	20,1	39,6	22,9
personal attention	4,9	37,5	23,6	19,4	14,6

As Table D.4 indicates, respondents overall did not consider this form of advertising appeal to be appropriate.

Least opposition was shown to the proposals that firms be able to advertise the qualifications of their partners and their specializations. It is submitted that the reason for this is that partners do not wish to promote themselves personally but would rather promote what the firm has to offer by virtue of certain attributes that the partners may have. The interpretation under this hypothesis corresponds with the interpretation under hypothesis No. 2.

The analysis by category indicated that support for firms being allowed to advertise the qualifications and specializations of partners, came from respondents from large firms, from the youngest age category and from the "least experienced" category. An additional point of interest was that the opposition to this form of advertising appeal was particularly strong from respondents from small firms and from the oldest and most experienced categories. English and Afrikaans respondents were equally opposed to this form of advertising appeal. It is also interesting to note that, overall, respondents felt that advertising by the use of firm captions and the advertising of firm approaches and packages offered would be inappropriate.

As regards the use of a personal attention appeal, the results were inconclusive. Large firms gave more support to this type of appeal than did the other size categories, which to the researcher was surprising as it was considered that the personal approach type appeal would be most appropriate for the small firm. As expected the older more experienced respondents found this type of appeal less appropriate than their younger less experienced counterparts did.

The hypothesis was rejected.

HYPOTHESIS NO. 4. It is hypothesised that, in the opinion of partners taking part in this survey, if advertising were allowed, a pricing of services appeal would be inappropriate.

TABLE D.5 : An analysis, by percentage, of responses to the proposal that a pricing appeal would be an appropriate form of advertising for use by the accounting profession

	VERY APPRO.	APPRO.	NEUTRAL	IN-APPRO.	VERY IN-APPRO.
Offer of lower fees	,7	1,4	7,6	37,5	53,5
Comparison with fees of other firms	,7	1,4	8,3	37,5	52,1
Method of charging	2,1	22,2	18,8	34,7	22,2
No mention at all of fees	13,9	42,4	27,8	9,7	6,3

The proposal that a pricing appeal would be inappropriate was wholeheartedly supported by respondents. Partners, regardless of the size of the firm from which they came, their ages, experience and language offered very little support for the first three of the four proposals under this type of appeal, and in addition, the majority considered that no mention of fees in an advertisement would be most appropriate. It is interesting to note however that the degree of opposition to the first three proposals is not counter-balanced by those in favour of no mention of fees at all. This appears to be contradictory to the findings of the first three proposals made under this issue, and is interpreted by the researcher as indicating that partners feel that to give specific details about the charging of fees, or to make comparisons with other firms would be inappropriate but that any informative advertising other than the proposals made, would be appropriate. An example of this may be the statement that *"fees are charged in terms of the rates recommended by the Public Accountants' and Auditors' Board"*.

Respondents from the Afrikaans language group held the same views as English speaking respondents on the first three proposals under this issue but differed somewhat on the proposal that no mention of fees be made. A small percentage (42,3%) of the Afrikaans speaking respondents felt that no mention of fees was appropriate compared to the percentage (63,4%) registered by English speaking respondents. However, it must be noted that 36,5% of Afrikaans speaking respondents and 23,3% of English speaking respondents were neutral, which indicates a great deal of indecision on this issue.

HYPOTHESIS NO. 5. It is hypothesised that, in the opinion of partners taking part in this survey, if advertising were allowed, a quality appeal would be appropriate

TABLE D.6 : An analysis, by percentage, of responses to the proposal that a quality appeal would be an appropriate form of advertising for use by the accounting profession

	VERY APPRO.	APPRO.	NEUTRAL	IN-APPRO.	VERY IN-APPRO.
Superiority to competitors within profession	,7	4,2	12,5	36,8	45,8
Superiority to competitors outside profession	6,9	24,3	15,3	25,7	27,8
Superiority to other specific firms - implied	1,4	3,5	11,8	37,5	45,8
Superiority to other specific firms - mentioned by name	,7	1,4	8,3	31,9	57,6
Large firm superior to small firm or vice versa	,7	5,6	8,3	36,8	48,6

The outstanding feature of this analysis under this appeal was the extent to which the respondents registered their opposition to firms being allowed to advertise using this type of appeal. Respondents,

regardless of the size of the firm from which they came, their age, their experience and their language felt that advertising in this manner would be inappropriate. The interpretation of this is that respondents see themselves as one professional body and to promote themselves by advertising themselves as being superior in any way to fellow members would not be compatible with professional ethics. This interpretation is partially borne out by the fact that respondents were less severe in their condemnation of comparison between themselves and competitors outside the profession. This, once again, highlighted the fact that respondents drew a distinction between the advertising of audit services for which only members of the profession may be engaged, and management advisory and taxation and estate planning services, for which non-members may also be engaged.

TABLE D.7 : An analysis, by percentage, of responses to the proposal that the use of comparison with competitors would be an appropriate form of advertising for use by the accounting profession

	VERY APPRO.	APPRO.	NEUTRAL	IN-APPRO.	VERY IN-APPRO.
Comparison, in any way, with competitors - within profession	0	4,2	11,1	38,9	45,8
Comparison, in any way, with competitors - outside profession	4,9	26,4	16,7	25,0	27,1

It is further submitted that another reason for the opposition to this form of advertising is that quality of service is a very difficult appeal to advertise without using comparison in one way or another, and professional accountants do not see comparison as appropriate especially

in the profession, a fact which is borne out by the results obtained from the proposal indicated in table D.7 above.

The hypothesis was rejected.

CONCLUSION

The conclusions drawn and the recommendations arising out of the analyses of responses submitted under PART D of the questionnaire are to be found in Chapter 6 of this thesis.

CHAPTER 6

OBSERVATIONS, RECOMMENDATIONS AND CONCLUSION

This chapter is divided into three parts. The first part deals with the observations of the researcher based upon the results of the survey. The second part is made up of recommendations to which the survey has given rise, whilst the third part consists of the conclusion to the thesis as a whole.

It is not intended that the chapter should be in great detail. It is more in the nature of a summary of what has been written in Chapters 1 to 5 and should be read in conjunction with these chapters.

6.1 Observations

The observations are broken down into comments related to :

- 6.1.1 The eight issues around which the first 27 hypotheses in Chapter 3 were formulated.
- 6.1.2 The 16 hypotheses formulated around the suitability of various types of media for the advertising of professional accounting services.
- 6.1.3 The 5 hypotheses covering the various types of advertising appeal which may be appropriate for the advertising of professional accounting services.
- 6.1.4 The 4 categories into which respondents were placed for the purposes of analysis, namely size of firm, age, experience and language.

6.1.1 Observations Regarding the Eight Issues Around which the First 27 Hypotheses were Formulated

- (a) The acceptability of the present state of the rules and regulations pertaining to the advertising of professional accounting services.

As they stand at present, the rules and regulations must be regarded as unsatisfactory in the sense that they should be less restrictive. Although respondents were sharply divided on the question of whether the rules and regulations are satisfactory at present, the mere fact that 45,1% of respondents do not think that the rules and regulations are satisfactory, suggests, in the opinion of the researcher, that some redrafting of the rules is necessary. It is unsatisfactory for any organization to have nearly 50% of its members dissatisfied with the rules of their organization.

- (b) The advertising of professional accounting services and independence.

Respondents showed the expected support for the contention that independence is the keystone of the audit profession. They also indicated that the advertising of professional accounting services would have no effect on the auditor's independence unless the advertisement placed restrictions on the auditor in the performance of his duty. It is the opinion of the researcher that many members of the profession fail to

understand that advertising is a way of promoting the services they offer, and has nothing to do with the performance of their duties.

- (c) The control of the Institute over the advertising of professional accounting services.

The proposal that the Institute should carry out the advertising of professional accounting services on behalf of its members was not well received, particularly by the large firms. In the opinion of the researcher, to pursue anything other than a very low profile advertising campaign which may help in increasing public awareness, would be pointless, primarily because the support of the large firms would not be forthcoming.

Furthermore, the creation of a committee within the Institute to monitor and authorize advertisements for professional accounting services, which members might wish to place, would be of little value as members indicated they were strongly opposed to this form of control.

- (d) The distinction between the various categories of accounting service and the need for rules and regulations which recognize this distinction.

The responses received for questions related to this issue indicate that there should be some distinction

in the rules pertaining to the advertising of the three categories of accounting service offered by the accounting profession. For those services where members of the accounting profession compete with non-members for assignments, less restrictive rules should apply to the advertising of those services by members.

The accounting profession in South Africa is highly competitive with the basis of the competition being the quality of service offered by the accounting profession. Respondents were satisfied that competitive advertising would not lessen the quality of service offered by the profession.

Advertising of services, which fosters competition where members compete with members, should not be allowed as this would cause polarization within the profession. However, some form of advertising, but not unrestricted advertising, should be allowed where members of the accounting profession are in competition with non-members.

(e) The image of the accounting profession.

Some deep differences of opinion exist on the effect which respondents consider advertising will have on the image of the profession. For details of these differences Chapter 5 should be consulted. A brief summary of the observations under this section appears below.

- (i) Respondents overall could not reach consensus on whether advertising would tarnish or improve the image of the accounting profession,

- (ii) Respondents overall were divided on the question of whether advertising and professionalism are compatible.
- (iii) Respondents recognize the general public as being vitally important to the accounting profession. Also the general public need to be made aware of what accounting services are available to them. Respondents agree that the public will become more aware of the services available to them if advertising of those services is allowed. This is an interesting observation as it would appear that many respondents were faced with a some mental conflict : we don't want restrictions on advertising lifted, but we do want to make the general public more aware!
- (iv) The relationship between the professional accountant and his client is built up over time. Respondents did not reach consensus on whether this relationship would be altered if the advertising of professional accounting services was allowed.
- (v) Respondents, whilst being equally divided on the question of whether advertising would create unrealistic user expectations, were overwhelmingly opposed to the contention that advertising would create widespread deception by professionals seeking business. It is pleasing to find some unanimity amongst members of the accounting profession!

- (f) The effect of the advertising of professional accounting services on the relationship between large firms and small firms.

In the opinion of partners taking part in this survey, the advertising of professional accounting services would place small firms, as opposed to large firms, at a disadvantage.

- (g) The effect of the advertising of professional accounting services on the cost of such services.

The advertising of professional accounting services will ultimately add to the cost of accounting services.

- (h) The effect of the advertising of professional accounting services on the quality of such services.

The quality of accounting services will not be effected in any way if advertising of professional accounting services is allowed.

The preceding observations are based on the analysis of each question by total number of responses received. Attention should be given to the observations arising out of the analysis by size of firm, age, experience and language category, which appear under 6.1.4 below.

6.1.2 Observations Regarding the Suitability of Various Types of Media for the Advertising of Professional Accounting Services

- (a) The use of the following media, means and methods of advertising for all of the three categories of accounting service is considered unacceptable by the accounting profession.
- (i) Radio and television
 - (ii) Non-financial sections of newspapers
 - (iii) Popular magazines
 - (iv) Billboards, bus stops and similar types of space
 - (v) Staff advertisements when recruiting on behalf of a client
 - (vi) Direct mail advertising
 - (vii) Direct approach to the client of another auditor.
- (b) In addition to the media, means and methods of advertising listed in (a) above, the following media, means and methods are considered unacceptable for the advertising of audit services :
- (i) Any financial publications
 - (ii) Any professional journals.
- (c) The use of the following media, means and methods of advertising for all of the three categories of accounting service would be considered acceptable by the accounting profession if changes were made to the rules and regulations pertaining to the advertising of professional accounting services.
- (i) Displaying the services offered by the firm at the firm's offices

- (ii) Displaying the services offered by the firm on the firm's stationery
 - (iii) Displaying the services offered by the firm on publications and bulletins sent to clients
 - (iv) Displaying the services offered by the firm on publications and bulletins which are distributed to the public
 - (v) Displaying the services offered by the firm on business cards.
- (d) The use of the following media, means and methods of advertising of services would be considered acceptable by the profession, for those services where members of the profession compete with non-members.
- (i) Any financial publication
 - (ii) Any professional journal.

In addition to the media, means and methods listed in (a) and (d) above, the following observations were also made.

- (i) Respondents overall were not in favour of firms being allowed to display their full names on items of attire.
- (ii) Respondents overall were in favour of firms being allowed to advertise the services they offer when recruiting staff for their own purposes.

(iii) Respondents overall were in favour of a firm being allowed to offer bursaries for study at a recognized educational institution but were not in favour of a firm publically sponsoring a post at such an institution.

(iv) Respondents overall were opposed to a firm being allowed to sponsor events aimed at the public, e.g. a sports tournament.

6.1.3 The types of advertising appeal which may be appropriate for the advertising of professional accounting services.

(a) Respondents overall considered that it would be appropriate for a firm to advertise the availability of management advisory and taxation and estate planning services as well as any areas in which the firm may specialize. However, they did not consider that advertising the availability of audit services would be appropriate.

(b) Respondents overall, considered that an advertisement containing any form of professional credentials appeal would be inappropriate for use by the accounting profession.

(c) Respondents overall, considered that an advertisement containing any particulars of the partners would be inappropriate for use by the accounting profession. It must be noted however, that a relatively high percentage of partners were neutral on this issue.

- (d) Respondents overall considered that it would be appropriate to have no mention of fees at all in an advertisement for professional accounting services.
- (e) Respondents overall considered that an advertisement, which suggested the superiority of the firm placing the advertisement, over any competitor, either in or out of the profession, would be inappropriate for use by the accounting profession.

6.1.4 Observations Regarding the Four Categories into which respondents were Placed for the Purposes of Analysis, namely Size of Firm, Age, Experience and Language

It is important to note that the observations given in the preceding sections are based on the analysis by total of responses submitted by partners who completed the questionnaire. The analysis by size of firm, age, experience and language adds a new and important dimension to the results obtained. It should be borne in mind that in many instances the overall results were influenced by the support or opposition of a particular category. The general observations which emerged in relation to the individual categories appear below.

(a) Size of Firm.

- (i) Large firms. The majority of partners from large firms are in favour of far less restrictive rules and regulations pertaining to advertising and would support change.

(ii) Medium sized firms. Partners from medium sized firms are inclined to be opposed to less restrictive advertising and show particular opposition in areas where advertising would lead to competition with the large firms. It is submitted that they do not have the resources to match the advertising campaigns on which the large firms may embark, and as a result they fear that they may lose some clients to the large firms.

(iii) Small firms. As a category, partners from small firms were strongly opposed to less restrictive rules pertaining to the advertising of professional accounting services. Possibly because they see themselves as competing with the large and medium sized firms for some sectors of the market, they fear that they will lose clients as they do not have the resources to match the large firms when it comes to advertising.

(b) Age of partner and years' experience as a partner.

These two categories can be dealt with together as the analyses by age and experience provided very similar results.

Simply stated, the majority of the younger and least experienced partners were in favour of less restrictive rules for the advertising of professional accounting services, whilst their older and more experienced counterparts were opposed to the lifting of restrictions of the advertising of professional accounting services.

(c) Language.

Overall the English speaking partners were more in favour of less restrictive advertising rules than their Afrikaans speaking counterparts. It must be noted that it is not a particularly strong difference of opinion. Furthermore, the Afrikaans speaking partners had a higher degree of neutrality on many questions which suggests that they are less decided than their English colleagues at the present time.

The observations made in this part of Chapter 6 gave rise to the recommendations which follow.

6.2 Recommendations Regarding the Advertising of Professional Accounting Services

The recommendations which follow are not made lightly. The researcher is well aware that, with so many differences of opinion within the profession, many members will disagree with these recommendations. It is also realised that before any recommendations can finally be adopted, the finer points of detail will have to be worked out, for example, the permissible size of an advertisement. It is no easy matter to redraft a set of rules to satisfy all members, and it is not suggested that this can be done; however it is hoped that these recommendations will go some way to satisfying the large body of members who are dissatisfied with the rules as they stand at present.

These recommendations are based upon the premise that any advertisement for professional services should be tasteful, should not contain any misstatement and should not make any false claim; and in addition that in placing an advertisement for professional accounting services, a practitioner should be activated by a spirit of fairness to all those parties who may be affected by the advertisement. It is submitted that in determining the basic standards for advertisements for professional accounting services, this thesis can be of considerable assistance.

The recommendations are as follows :

1. Careful consideration should be given to the redrafting of the rules of professional conduct pertaining to the advertising of professional accounting services.
2. The rules and regulations should recognize the distinction between the advertising of audit services, and management

advisory and taxation and estate planning services with the more restrictive rules being applied to the advertising of audit services.

3. The Institute should give careful consideration to the desirability of entering into advertising campaigns on behalf of its members.
4. Firms should be allowed to distribute to the public, publications and bulletins on the services they offer.
5. The advertising of all categories of accounting service should be allowed by display
 - (i) at the firm's office
 - (ii) on the firm's stationery
 - (iii) on publications and bulletins sent to clients
 - (iv) on publications and bulletins distributed amongst the public
 - (v) on business cards.
6. The advertising of management advisory services and taxation and estate planning should be allowed in
 - (i) any financial publication
 - (ii) any professional journal.
7. Firms should be allowed to advertise the services they offer when placing staff recruitment advertisements for themselves.

8. The content of advertisements should be limited to the availability of services offered and any areas in which the firm may specialize.

The eight recommendations above may be termed "positive" recommendations. "Negative" recommendations, for example, that the advertising of audit services on radio should not be allowed, have not been made.

6.3 Conclusion

As was stated in the introduction to this thesis, the setting of professional rules of conduct should be an evolutionary process which should meet the needs of the profession to which they relate. The rules and regulations pertaining to the advertising of professional accounting services have not kept up, satisfactorily, with the requirements of a high percentage of the members of the profession. The simple fact that in excess of 45% of partners taking part in this survey considered that the rules as they stand at present are unsatisfactory because they are too restrictive, should be a clear warning that careful consideration should be given to the rules and regulations before the situation goes beyond control and brings the accounting profession into disrepute.

It is clear that there are many diverse opinions on the issues surrounding the advertising of professional accounting services and it is most unlikely that consensus amongst members will ever be achieved. However, consensus should be the final objective. This thesis is a contribution to the achievement of that objective.

APPENDICES

APPENDICES

An explanation of the appendices which follow is given below.

I Key to Categories

Size : L = Large firm - 51 partners and over
M = Medium firm - 11 to 50 partners
S = Small firm - 1 to 10 partners

Age : A = partners up to 35 years
B = partners from 36 to 50 years
C = partners from 51 onwards

Experience : D = partners with up to 5 years experience
E = partners with 6 to 15 years experience
F = partners with at least 16 years experience

Language : A = Afrikaans
E = English
O = Other

II Layout of Appendices

- (1) Under appendix A the issue to which the appendices relate is located in the top left-hand corner of the page, or, where the appendices for more than one issue appear on a single page, halfway down the left-hand side of the page. Each issue can be crossreferenced to the index presented under this section.
- (2) The topics to which appendices B and C relate were not broken down into issues, therefore point (1) above does not apply to these appendices.
- (3) Under appendices A, B and C the category to which the appendices relate, is located at the beginning of the appendix, e.g. Category : Size L. M. S.

- (4) The letters of the alphabet shown next to the category identified in (3) above, relate to the lines making up the grid in which the analysis of responses is entered. The first letter of the alphabet shown next to the category relates to the first line of the grid, while the second and third letters relate to the second and third lines of the grid respectively.

For example : The figures in the top line of the grid shown below represent the responses, expressed as a percentage received from respondents from large firms, whilst the second and third lines represent the responses received from respondents from medium and small firms respectively.

L = Large	0,0	2,7	24,3	29,7	43,2
M = Medium	0,0	9,5	6,0	31,0	53,6
S = Small	0,0	4,3	0,0	21,7	73,9

For the category identified as "total", there is obviously only one line of responses per question.

APPENDIX A. Responses to questions designed to test partners' opinions in respect of the advertising of professional accounting services.

CONTENTS

The appendices under the above heading have been divided into the eight issues around which the hypotheses were formulated. The responses to each question posed on the eight issues were then analysed in total, by size of firm, age, experience and by language of the respondent. The index for the relevant appendices appears below.

	<u>Pages</u>
<u>Acceptability of the present state</u>	
Category : total	253
size	254
age	255
experience	256
language	257
<u>Independence</u>	
Category : total	258
size	259
age	259
experience	259
language	259
<u>Institute Control</u>	
Category : total	260
size	261
age	261
experience	261
language	261

	<u>Pages</u>
<u>Distinction between types of service offered</u>	
Category : total	262
size	263
age	263
experience	263
language	263
 <u>Competition</u>	
Category : total	264-265
size	266-267
age	267-268
experience	269-270
language	270-271
 <u>Image of the Profession</u>	
<u>General</u>	
Category : total	272
size	273
age	273
experience	273
language	273
 <u>Professionalism</u>	
Category : total	274
size	275
age	275
experience	276
language	276
 <u>Traditional users</u>	
Category : total	277
size	278
age	278
experience	279
language	279

	<u>Pages</u>
<u>Public awareness</u>	
Category : total	280
size	281
age	281
experience	282
language	282
<u>Abuse of advertising</u>	
Category : total	283
size	284
age	284
experience	284
language	284
<u>Large firm vs Small firm</u>	
Category : total	285
size	286
age	286
experience	286
language	286
<u>Cost of Service</u>	
Category : total	287
size	288
age	288
experience	288
language	288
<u>Quality of service</u>	
Category : total	289
size	290
age	290
experience	290
language	290

ISSUE: Acceptability of present state

Category: TOTAL

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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The rules are satisfactory as they stand at present

4,9	42,4	7,6	38,9	6,2
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The rules should be more restrictive

3,5	9,7	18,7	45,1	22,9
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The rules should be less restrictive

6,2	43,7	16,0	22,2	11,8
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Individual members of firms should be able to advertise without restriction on behalf of their firms

2,1	10,4	4,9	44,4	38,2
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Firms should be able to advertise without restriction

2,8	11,1	4,9	40,3	41,0
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South Africa will inevitably follow the United States and lift restrictions on advertising

2,8	35,4	27,1	29,9	4,9
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ISSUE: Acceptability of present state

Category: TOTAL

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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The South African profession should use all the powers at its disposal to maintain strict rules against advertising

19,4	25,7	12,5	31,9	10,4
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The rules applicable to advertising should simply ensure that any published advertisement does not contain any mis-statement or make any false claims.

17,4	35,4	15,3	25,0	6,9
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ISSUE: Acceptability of present state

Category: Size L M S

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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The rules are satisfactory as they stand at present

2,0	20,0	8,0	58,0	12,0
9,1	45,5	13,6	27,3	4,5
5,6	56,9	5,6	29,2	2,8

The rules should be more restrictive

0,0	2,0	12,0	48,0	38,0
9,1	22,7	18,2	40,9	9,1
4,2	11,1	23,6	44,4	16,7

The rules should be less restrictive

12,0	62,0	10,0	12,0	4,0
9,1	22,7	13,6	22,7	31,8
1,4	37,5	20,8	29,2	11,1

Individual members of firms should be able to advertise without restriction on behalf of their firms

4,0	22,0	6,0	48,0	20,0
4,5	9,1	4,5	27,3	54,5
0,0	2,8	4,2	47,2	45,8

Firms should be able to advertise without restriction

4,0	22,0	6,0	46,0	22,0
4,5	4,5	4,5	36,4	50,0
1,4	5,6	4,2	37,5	51,4

South Africa will inevitably follow the United States and lift restrictions on advertising

6,0	48,0	22,0	20,0	4,0
4,5	27,3	22,7	40,9	4,5
0,0	29,2	31,9	33,3	5,6

ISSUE: Acceptability of present state

Category: Size L M S

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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The South African profession should use all the powers at its disposal to maintain strict rules against advertising

10,0	14,0	8,0	48,0	20,0
31,8	31,8	13,6	18,2	4,5
22,2	31,9	15,3	25,0	5,6

The rules applicable to advertising should simply ensure that any published advertisement does not contain any misstatement or make any false claims.

18,0	42,0	12,0	24,0	4,0
27,3	31,8	4,5	31,8	4,5
13,9	31,9	20,8	23,6	9,7

ISSUE: Acceptability of present state

Category: Age A B C

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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The rules are satisfactory as they stand at present

0,0	35,1	8,1	45,9	10,8
7,1	42,9	7,1	38,1	4,8
4,3	52,2	8,7	30,4	4,3

The rules should be more restrictive

0,0	8,1	10,8	51,4	29,7
4,8	8,3	20,2	45,2	21,4
4,3	17,4	26,1	34,8	17,4

The rules should be less restrictive

8,1	56,8	16,2	16,2	2,7
6,0	41,7	16,7	25,0	10,7
4,3	30,4	13,0	21,7	30,4

Individual members of firms should be able to advertise without restriction on behalf of their firms

2,7	10,8	23,5	51,4	21,6
2,4	11,9	2,4	41,7	41,7
0,0	4,3	0,0	43,5	52,2

Firms should be able to advertise without restriction

2,7	8,1	13,5	54,1	21,6
3,6	15,5	2,4	36,9	41,7
0,0	0,0	0,0	30,4	69,6

South Africa will inevitably follow the United States and lift restrictions on advertising

5,4	45,9	35,1	10,8	2,7
2,4	35,7	22,6	34,5	4,8
0,0	17,4	30,4	43,5	8,7

ISSUE: Acceptability of present state

Category: Age A B C

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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The South African profession should use all the powers at its disposal to maintain strict rules against advertising

5,4	13,5	16,2	40,5	24,3
25,0	26,2	8,3	34,5	6,0
21,7	43,5	21,7	8,7	4,3

The rules applicable to advertising should simply ensure that any published advertisement does not contain any mis-statement or make any false claims.

10,8	37,8	21,6	29,7	0,0
19,0	33,3	15,5	22,6	9,5
21,7	39,1	4,3	26,1	8,7

ISSUE: Acceptability of present state

Category: Experience D E F

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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The rules are satisfactory as they stand at present

0,0	35,3	5,9	50,0	8,8
4,4	41,2	8,8	39,7	5,9
9,8	51,2	7,3	26,8	4,9

The rules should be more restrictive

0,0	2,9	11,8	52,9	32,1
1,5	10,3	17,6	50,0	20,6
9,8	14,6	26,8	31,7	17,1

The rules should be less restrictive

8,8	53,6	14,0	23,5	0,0
4,4	50,0	17,6	20,6	7,4
7,3	24,4	14,6	24,4	29,3

Individual members of firms should be able to advertise without restriction on behalf of their firms

2,9	11,8	8,1	56,6	20,6
1,5	14,7	5,9	39,7	38,2
2,4	2,4	0,0	41,5	53,7

Firms should be able to advertise without restriction

5,9	8,8	14,0	56,6	14,7
1,5	19,1	2,9	36,8	39,7
2,4	0,0	0,0	31,7	65,9

South Africa will inevitably follow the United States and lift restrictions on advertising

5,9	50,0	33,1	11,1	0,0
1,5	38,2	23,5	32,4	4,4
2,4	19,5	26,8	41,5	9,8

ISSUE: Acceptability of present state

Category: Experience D E F

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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The South African profession should use all the powers at its disposal to maintain strict rules against advertising

5,9	14,7	17,0	33,1	29,4
16,2	27,9	7,4	45,6	2,9
36,6	31,7	17,1	7,3	7,3

The rules applicable to advertising should simply ensure that any published advertisement does not contain any mis-statement or make any false claims.

14,0	30,1	23,5	32,4	0,0
17,6	39,7	14,7	23,5	4,4
19,5	31,7	9,8	22,0	17,1

ISSUE: Acceptability of present state

Category: Language A E O

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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The rules are satisfactory as they stand at present

7,7	53,8	5,8	30,8	1,9
3,3	35,6	8,9	43,3	8,9
0,0	50,0	0,0	50,0	0,0

The rules should be more restrictive

7,7	13,5	30,8	40,4	7,7
1,1	7,8	11,1	48,9	31,1
0,0	0,0	50,0	0,0	50,0

The rules should be less restrictive

0,0	32,7	19,2	28,8	19,2
10,0	50,0	14,4	17,8	7,8
0,0	50,0	0,0	50,0	0,0

Individual members of firms should be able to advertise without restriction on behalf of their firms

0,0	3,8	9,6	34,6	51,9
3,3	13,3	2,2	50,0	31,1
0,0	50,0	0,0	50,0	0,0

Firms should be able to advertise without restriction

1,9	5,8	5,8	36,5	50,0
3,3	13,3	4,4	42,2	36,7
0,0	50,0	0,0	50,0	0,0

South Africa will inevitably follow the United States and lift restrictions on advertising

1,9	19,2	30,8	44,2	3,8
3,3	44,4	24,4	22,2	5,6
0,0	50,0	50,0	0,0	0,0

ISSUE: Acceptability of present state

Category: Language A E O

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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The South African profession should use all the powers at its disposal to maintain strict rules against advertising

25,0	32,7	15,4	21,2	5,8
16,7	22,2	11,1	35,7	13,3
0,0	0,0	0,0	100,0	0,0

The rules applicable to advertising should simply ensure that any published advertisement does not contain any mis-statement or make any false claims.

28,8	34,6	23,1	9,6	3,8
11,1	34,4	11,1	34,4	8,9
0,0	100,0	0,0	0,0	0,0

ISSUE: Independence

Category: TOTAL

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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Independence is the keystone of the
audit profession

40,3	52,8	4,9	2,1	0,0
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Advertising would impair the
auditor's independence.

9,0	22,9	17,4	45,1	5,6
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Advertising would impair the auditor's
independence only if promises which were
made in the advert placed restrictions
on the auditor in the performance of his
duties e.g. a promise of reduced cost

6,2	48,6	15,3	27,1	2,8
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ISSUE: Independence

Category: Size L M S

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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Independence is the keystone of the audit profession

32,0	66,0	2,0	0,0	0,0
54,5	45,5	0,0	0,0	0,0
41,7	45,8	8,3	4,2	0,0

Advertising would impair the auditor's independence.

6,0	14,0	6,0	62,0	12,0
13,6	22,7	13,6	50,0	0,0
9,7	29,2	26,4	31,9	2,8

Advertising would impair the auditor's independence only if promises which were made in the advert placed restrictions on the auditor in the performance of his duties e.g. a promise of reduced cost

8,0	56,0	12,0	22,0	2,0
4,5	40,9	18,2	27,3	9,1
5,6	45,8	16,7	30,6	1,4

Category: Experience D E F

Independence is the keystone of the audit profession

33,1	52,9	14,0	0,0	0,0
33,8	60,3	2,9	2,9	0,0
56,1	41,5	0,0	2,4	0,0

Advertising would impair the auditor's independence.

0,0	14,0	23,5	47,8	14,7
11,8	22,1	13,2	50,0	2,9
12,2	31,7	19,5	34,1	2,4

Advertising would impair the auditor's independence only if promises which were made in the advert placed restrictions on the auditor in the performance of his duties e.g. a promise of reduced cost

8,8	50,0	23,5	17,6	0,0
2,9	50,0	13,2	30,9	2,9
9,8	43,9	12,2	29,3	4,9

ISSUE: Independence

Category: Age A B C

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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Independence is the keystone of the audit profession

32,4	54,1	13,5	0,0	0,0
40,5	54,8	2,4	2,4	0,0
52,2	43,5	0,0	4,3	0,0

Advertising would impair the auditor's independence.

2,7	13,5	21,6	51,4	10,8
13,1	25,0	15,5	42,9	3,6
4,3	30,4	17,4	43,5	4,3

Advertising would impair the auditor's independence only if promises which were made in the advert placed restrictions on the auditor in the performance of his duties e.g. a promise of reduced cost

5,4	51,4	24,3	18,9	0,0
7,1	47,6	11,9	29,8	3,6
4,3	47,8	13,0	30,4	4,3

Category: Language A E O

Independence is the keystone of the audit profession

42,3	46,2	7,7	3,8	0,0
38,9	56,7	3,3	1,1	0,0
50,0	50,0	0,0	0,0	0,0

Advertising would impair the auditor's independence.

11,5	32,7	23,1	28,8	3,8
7,8	17,8	14,4	53,3	6,7
0,0	0,0	0,0	100,0	0,0

Advertising would impair the auditor's independence only if promises which were made in the advert placed restrictions on the auditor in the performance of his duties e.g. a promise of reduced cost

9,6	32,7	26,9	28,8	1,9
4,4	56,7	8,9	26,7	3,3
0,0	100,0	0,0	0,0	0,0

ISSUE: Institute Control

Category: TOTAL

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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Advertising of professional accounting services should be carried out by the Institute only, on behalf of the profession.

18,7	31,3	6,9	34,7	8,3
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Member firms could reasonably be expected to pay an annual subscription for the service rendered in Question 4.

9,0	35,4	12,5	27,8	15,3
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Firms should be able to advertise subject only to obtaining approval for each advertisement from the Institute.

4,9	29,9	6,9	32,6	25,7
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ISSUE: Institute Control

Category: Size L M S

Advertising of professional accounting services should be carried out by the Institute only, on behalf of the profession.

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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4,0	22,0	6,0	58,0	10,0
27,3	31,8	4,5	18,2	18,2
26,4	37,5	8,3	23,6	4,2

Member firms could reasonably be expected to pay an annual subscription for the service rendered in Question 4.

6,0	32,0	10,0	30,0	22,0
13,6	27,3	9,1	31,8	18,2
9,7	40,3	15,3	25,0	9,7

Firms should be able to advertise subject only to obtaining approval for each advertisement from the Institute.

6,0	34,0	8,0	38,0	14,0
9,1	22,7	0,0	36,4	31,8
2,8	29,2	8,3	27,8	31,9

Category: Experience D E F

Advertising of professional accounting services should be carried out by the Institute only, on behalf of the profession.

8,8	17,6	14,0	50,7	8,8
13,2	36,8	4,4	35,3	10,3
36,6	34,1	4,9	19,5	4,9

Member firms could reasonably be expected to pay an annual subscription for the service rendered in Question 4.

5,9	29,4	14,0	27,2	23,5
5,9	38,2	11,8	32,4	11,8
17,1	36,6	12,2	19,5	14,6

Firms should be able to advertise subject only to obtaining approval for each advertisement from the Institute.

5,9	30,1	17,0	29,4	17,6
2,9	33,8	5,9	35,3	22,1
7,3	22,0	0,0	31,7	39,0

ISSUE: Institute Control

Category: Age A B C

Advertising of professional accounting services should be carried out by the Institute only, on behalf of the profession.

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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8,1	27,0	10,8	51,4	2,7
19,0	32,1	4,8	31,0	13,1
34,8	34,8	8,7	21,7	0,0

Member firms could reasonably be expected to pay an annual subscription for the service rendered in Question 4.

5,4	29,7	16,2	32,4	16,2
8,3	36,9	10,7	27,4	16,7
17,4	39,1	13,0	21,7	8,7

Firms should be able to advertise subject only to obtaining approval for each advertisement from the Institute.

5,4	37,8	21,6	24,3	10,8
2,4	26,2	2,4	39,3	29,8
13,0	30,4	0,0	21,7	34,8

Category: Language A E O

Advertising of professional accounting services should be carried out by the Institute only, on behalf of the profession.

23,1	40,4	9,6	26,9	0,0
15,6	26,7	5,6	38,9	13,3
50,0	0,0	0,0	50,0	0,0

Member firms could reasonably be expected to pay an annual subscription for the service rendered in Question 4.

17,3	32,7	15,4	26,9	7,7
4,4	36,7	11,1	27,8	20,0
0,0	50,0	0,0	50,0	0,0

Firms should be able to advertise subject only to obtaining approval for each advertisement from the Institute.

9,6	30,8	9,6	23,1	26,9
2,2	28,9	5,6	37,8	25,6
0,0	50,0	0,0	50,0	0,0

ISSUE: Distinction between type of service offered

Category: TOTAL

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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Independence is not important in assignments in the M.A.S. and Taxation & Estate Planning categories

3,5	29,9	9,7	48,6	8,3
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There should be some distinction in the rules between the following (3) three broad categories of accounting service offered by the accounting profession - audit, M.A.S., taxation & estate planning

4,9	41,7	10,4	29,9	13,2
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ISSUE: Distinction between type of service offered

Category: Size L M S

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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Independence is not important in assignments in the M.A.S. and Taxation & Estate Planning categories

4,0	34,0	10,0	42,0	10,0
4,5	18,2	0,0	68,2	9,1
2,8	30,6	12,5	47,2	6,9

There should be some distinction in the rules between the following (3) three broad categories of accounting service offered by the accounting profession - audit, M.A.S., taxation & estate planning

2,0	62,0	4,0	28,0	4,0
4,5	27,3	13,6	36,4	18,2
6,9	31,9	13,9	29,2	18,1

Category: Experience D E F

Independence is not important in assignments in the M.A.S. and Taxation & Estate Planning categories

5,9	35,3	17,8	33,1	8,8
1,5	29,4	7,4	55,9	5,9
4,9	26,8	7,3	48,8	12,2

There should be some distinction in the rules between the following (3) three broad categories of accounting service offered by the accounting profession - audit, M.A.S., taxation & estate planning

8,8	47,8	14,0	23,5	5,9
2,8	45,6	10,3	32,4	8,8
4,9	29,3	7,3	31,7	26,8

ISSUE: Distinction between type of service offered

Category: Age A B C

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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Independence is not important in assignments in the M.A.S. and Taxation & Estate Planning categories

5,4	37,8	18,9	29,7	8,1
2,4	26,2	7,1	58,3	6,0
4,3	30,4	4,3	43,5	17,4

There should be some distinction in the rules between the following (3) three broad categories of accounting service offered by the accounting profession - audit, M.A.S., taxation & estate planning

8,1	43,2	21,6	24,3	2,7
3,6	41,7	6,0	32,1	16,7
4,3	39,1	8,7	30,4	17,4

Category: Language A E O

Independence is not important in assignments in the M.A.S. and Taxation & Estate Planning categories

5,8	15,4	11,5	61,5	5,8
2,2	38,9	7,8	41,1	10,0
0,0	0,0	50,0	50,0	0,0

There should be some distinction in the rules between the following (3) three broad categories of accounting service offered by the accounting profession - audit, M.A.S., taxation & estate planning

3,8	32,7	19,2	26,9	17,3
5,6	47,8	4,4	31,1	11,1
0,0	0,0	50,0	50,0	0,0

ISSUE: Competition

Category: TOTAL

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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Advertising of M.A.S. services where members compete with non-members should be allowed without restriction.

9,7	23,6	6,9	42,4	17,4
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Advertising of M.A.S. services where members compete with non-members should be allowed subject only to obtaining approval for each advertisement from the Institute.

3,5	30,6	10,4	36,1	19,4
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Advertising of taxation and estate planning where members compete with non-members should be allowed without restriction.

9,7	25,7	5,6	41,7	17,4
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Advertising of taxation and estate planning where members compete with non-members should be allowed subject only to obtaining approval for each advertisement from the Institute.

3,5	28,5	9,0	38,9	20,1
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Active support should be given to members competing against non-members for M.A.S. and Taxation & Estate Planning by the Institute.

18,7	54,2	7,6	16,0	3,5
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Active support should be given to members competing against non-members for M.A.S. and Taxation & Estate Planning by fellow practitioners.

12,5	43,1	16,0	22,9	5,6
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ISSUE: Competition

Category: TOTAL

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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Accounting is essentially a highly competitive profession in South Africa

12,5	54,9	16,0	15,3	1,4
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Competition should be fostered between members of the profession

6,2	28,5	25,0	31,3	9,0
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Competition between members for available business is on the basis of the quality of service offered, the competence and efficiency of the firm.

20,1	58,3	7,6	12,5	1,4
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Competition based upon the effectiveness of advertising will lessen the importance of the quality of service rendered by the professional.

8,3	35,4	13,2	36,8	6,2
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Advertising of audit services where members compete with members should be allowed without restriction

2,1	9,7	6,2	37,5	44,4
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Advertising of audit services where members compete with members should be allowed subject only to obtaining approval for each advertisement from the Institute.

4,2	22,2	4,2	35,4	34,0
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ISSUE: Competition

Category: TOTAL

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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Active support by fellow practitioners should be allowed where members compete with members for the same M.A.S. or Taxation & Estate Planning assignment.

2,8	25,7	25,0	37,5	9,0
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Advertising would cause polarization in the profession.

8,3	43,1	25,7	22,9	0,0
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ISSUE: Competition

Category: Size L M S

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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Advertising of M.A.S. services where members compete with non-members should be allowed without restriction.

14,0	32,0	4,0	44,0	6,0
9,1	27,3	4,5	36,4	22,7
6,9	16,7	9,7	43,1	23,6

Advertising of M.A.S. services where members compete with non-members should be allowed subject only to obtaining approval for each advertisement from the Institute.

2,0	40,0	6,0	38,0	14,0
4,5	9,1	9,1	45,5	31,8
4,2	30,6	13,9	31,9	19,4

Advertising of taxation and estate planning where members compete with non-members should be allowed without restriction.

14,0	34,0	4,0	40,0	8,0
9,1	22,7	4,5	40,9	22,7
6,9	20,8	6,9	43,1	22,2

Advertising of taxation and estate planning where members compete with non-members should be allowed subject only to obtaining approval for each advertisement from the Institute.

2,0	38,0	6,0	40,0	14,0
4,5	18,2	9,1	40,9	27,3
4,2	25,0	11,1	37,5	22,2

Active support should be given to members competing against non-members for M.A.S. and Taxation & Estate Planning by the Institute.

20,0	62,0	6,0	10,0	2,0
18,2	36,4	13,6	27,3	4,5
18,1	54,2	6,9	16,7	4,2

Active support should be given to members competing against non-members for M.A.S. and Taxation & Estate Planning by fellow practitioners.

12,0	48,0	16,0	20,0	4,0
18,2	31,8	18,2	27,3	4,5
11,1	43,1	15,3	23,6	6,9

ISSUE: Competition

Category: Size L M S

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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Accounting is essentially a highly competitive profession in South Africa

14,0	62,0	12,0	10,0	2,0
18,2	59,1	9,1	13,6	0,0
9,7	48,6	20,8	19,4	1,4

Competition should be fostered between members of the profession

8,0	40,0	28,0	22,0	2,0
13,6	31,8	9,1	31,8	13,6
2,8	19,4	27,8	37,5	12,5

Competition between members for available business is on the basis of the quality of service offered, the competence and efficiency of the firm.

18,0	60,0	12,0	10,0	0,0
18,2	59,1	4,5	18,2	0,0
22,2	56,9	5,6	12,5	2,8

Competition based upon the effectiveness of advertising will lessen the importance of the quality of service rendered by the professional.

2,0	22,0	8,0	56,0	12,0
18,2	22,7	9,1	50,0	0,0
9,7	48,6	18,1	19,4	4,2

Advertising of audit services where members compete with members should be allowed without restriction

6,0	20,0	8,0	46,0	20,0
0,0	4,5	0,0	36,4	59,1
0,0	4,2	6,9	31,9	56,9

Advertising of audit services where members compete with members should be allowed subject only to obtaining approval for each advertisement from the Institute.

4,0	30,0	2,0	42,0	22,0
4,5	22,7	0,0	31,8	40,9
4,2	16,7	6,9	31,9	40,3

ISSUE: Competition

Category: Size LMS

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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Active support by fellow practitioners should be allowed where members compete with members for the same M.A.S. or Taxation & Estate Planning assignment.

0,0	32,0	26,0	34,0	8,0
18,2	13,6	27,3	40,9	0,0
0,0	25,0	23,6	38,9	12,5

Advertising would cause polarization in the profession.

2,0	40,0	26,0	32,0	0,0
18,2	31,8	22,7	27,3	0,0
9,7	48,6	26,4	15,3	0,0

ISSUE: Competition

Category: Age A B C

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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Advertising of M.A.S. services where members compete with non-members should be allowed without restriction.

13,5	27,0	16,2	32,4	10,8
10,7	23,8	3,6	42,9	19,0
0,0	17,4	4,3	56,5	21,7

Advertising of M.A.S. services where members compete with non-members should be allowed subject only to obtaining approval for each advertisement from the Institute.

2,7	29,7	16,2	35,1	16,2
3,6	31,0	9,5	33,3	22,6
4,3	30,4	4,3	47,8	13,0

Advertising of taxation and estate planning where members compete with non-members should be allowed without restriction.

10,8	32,4	16,2	32,4	8,1
11,9	23,8	1,2	42,9	20,2
0,0	21,7	4,3	52,2	21,7

Advertising of taxation and estate planning where members compete with non-members should be allowed subject only to obtaining approval for each advertisement from the Institute.

2,7	29,7	16,2	37,8	13,5
3,6	27,4	7,1	36,9	25,0
4,3	30,4	4,3	47,8	13,0

Active support should be given to members competing against non-members for M.A.S. and Taxation & Estate Planning by the Institute.

15,2	56,8	10,8	10,8	5,4
16,7	57,1	6,0	16,7	3,6
30,4	39,1	8,7	21,7	0,0

Active support should be given to members competing against non-members for M.A.S. and Taxation & Estate Planning by fellow practitioners.

16,2	32,4	24,3	21,6	5,4
9,5	47,6	11,9	25,0	6,0
17,4	43,5	17,4	17,4	4,3

ISSUE: Competition

Category: Age A B C

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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Accounting is essentially a highly competitive profession in South Africa

13,5	45,9	21,6	16,2	2,7
11,9	58,3	14,3	14,3	1,2
13,0	56,5	13,0	17,4	0,0

Competition should be fostered between members of the profession

5,4	37,8	32,4	18,9	5,4
4,8	25,0	25,0	33,3	11,9
13,0	26,1	13,0	43,5	4,3

Competition between members for available business is on the basis of the quality of service offered, the competence and efficiency of the firm.

24,6	43,2	10,8	21,6	0,0
21,4	61,9	6,0	8,3	2,4
8,7	69,6	8,7	13,0	0,0

Competition based upon the effectiveness of advertising will lessen the importance of the quality of service rendered by the professional.

5,4	24,3	10,8	51,4	8,1
8,3	40,5	13,1	31,0	7,1
13,0	34,8	17,4	34,8	0,0

Advertising of audit services where members compete with members should be allowed without restriction

2,7	5,4	16,2	40,5	35,1
2,4	14,3	3,6	34,5	45,2
0,0	0,0	0,0	43,5	56,5

Advertising of audit services where members compete with members should be allowed subject only to obtaining approval for each advertisement from the Institute.

2,7	35,1	10,8	24,3	27,0
3,6	16,7	2,4	40,5	36,9
8,7	21,7	0,0	34,8	34,8

ISSUE: Competition

Category: Age A B C

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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Active support by fellow practitioners should be allowed where members compete with members for the same M.A.S. or Taxation & Estate Planning assignment.

2,7	24,3	35,1	27,0	10,8
3,6	23,8	21,4	41,7	9,5
0,0	34,8	21,7	39,1	4,3

Advertising would cause polarization in the profession.

0,0	24,3	48,6	27,0	0,0
10,7	50,0	20,2	19,0	0,0
13,0	47,8	8,7	30,4	0,0

ISSUE: Competition

Category: Experience D E F

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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Advertising of M.A.S. services where members compete with non-members should be allowed without restriction.

14,7	27,2	17,0	35,3	5,9
11,8	27,9	4,4	38,2	17,6
2,4	12,2	2,4	56,1	26,8

Advertising of M.A.S. services where members compete with non-members should be allowed subject only to obtaining approval for each advertisement from the Institute.

0,0	23,5	14,0	41,9	20,6
4,4	30,9	13,2	33,9	17,6
4,9	36,6	2,4	34,1	22,0

Advertising of taxation and estate planning where members compete with non-members should be allowed without restriction.

11,8	33,1	17,0	32,4	5,9
11,8	30,9	1,5	39,7	16,2
4,9	9,8	2,4	53,7	29,3

Advertising of taxation and estate planning where members compete with non-members should be allowed subject only to obtaining approval for each advertisement from the Institute.

0,0	23,5	14,0	44,8	17,6
4,4	29,4	10,3	36,8	19,1
4,9	31,7	2,4	36,6	24,4

Active support should be given to members competing against non-members for M.A.S. and Taxation & Estate Planning by the Institute.

14,7	59,5	5,9	14,0	5,9
14,7	60,3	7,4	14,7	2,9
29,3	39,0	9,8	19,5	2,4

Active support should be given to members competing against non-members for M.A.S. and Taxation & Estate Planning by fellow practitioners.

14,7	38,9	17,0	23,5	5,9
8,8	44,1	17,6	25,0	4,4
17,1	43,9	12,2	19,5	7,3

ISSUE: Competition

Category: Experience D E F

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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Accounting is essentially a highly competitive profession in South Africa

14,7	44,8	17,0	17,6	5,9
7,4	63,2	17,6	11,8	0,0
19,5	48,8	12,2	19,5	0,0

Competition should be fostered between members of the profession

5,9	44,1	27,2	20,0	2,9
2,9	29,4	25,0	29,4	13,2
12,2	14,6	22,0	43,9	7,3

Competition between members for available business is on the basis of the quality of service offered, the competence and efficiency of the firm.

26,5	44,8	8,8	20,0	0,0
20,6	60,3	7,4	10,3	1,5
14,6	65,9	7,3	9,8	2,4

Competition based upon the effectiveness of advertising will lessen the importance of the quality of service rendered by the professional.

5,9	20,	12,5	50,0	11,8
2,9	41,2	11,8	38,2	5,9
19,5	39,0	14,6	24,4	2,4

Advertising of audit services where members compete with members should be allowed without restriction

2,9	8,8	17,0	44,8	26,5
2,9	14,7	4,4	33,8	44,1
0,0	2,4	0,0	36,6	61,0

Advertising of audit services where members compete with members should be allowed subject only to obtaining approval for each advertisement from the Institute.

2,9	27,2	11,0	32,4	26,5
2,9	23,5	2,9	36,8	33,8
7,3	14,6	0,0	36,6	41,5

ISSUE: Competition

Category: Experience D E F

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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Active support by fellow practitioners should be allowed where members compete with members for the same M.A.S. or Taxation & Estate Planning assignment.

0,0	27,2	22,8	41,2	8,8
2,9	19,1	26,5	41,2	10,3
4,9	34,1	24,4	29,3	7,3

Advertising would cause polarization in the profession.

0,0	29,0	41,0	30,1	0,0
10,3	45,6	25,0	19,1	0,0
12,2	51,2	14,6	22,0	0,0

ISSUE: Competition

Category: Language A E O

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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Advertising of M.A.S. services where members compete with non-members should be allowed without restriction.

1,9	15,4	9,6	48,1	25,0
14,4	27,8	4,4	40,0	13,3
0,0	50,0	50,0	0,0	0,0

Advertising of M.A.S. services where members compete with non-members should be allowed subject only to obtaining approval for each advertisement from the Institute.

7,7	28,8	9,6	34,6	19,2
1,1	31,1	11,1	36,7	20,0
0,0	50,0	0,0	50,0	0,0

Advertising of taxation and estate planning where members compete with non-members should be allowed without restriction.

1,9	17,3	9,6	44,2	26,9
14,4	30,0	2,2	41,1	12,2
0,0	50,0	50,0	0,0	0,0

Advertising of taxation and estate planning where members compete with non-members should be allowed subject only to obtaining approval for each advertisement from the Institute.

7,7	26,9	9,6	36,5	19,2
1,1	28,9	8,9	40,0	21,1
0,0	50,0	0,0	50,0	0,0

Active support should be given to members competing against non-members for M.A.S. and Taxation & Estate Planning by the Institute.

19,2	48,1	13,5	19,2	0,0
18,9	57,8	3,3	14,4	5,6
0,0	50,0	50,0	0,0	0,0

Active support should be given to members competing against non-members for M.A.S. and Taxation & Estate Planning by fellow practitioners.

15,4	38,5	25,0	21,2	0,0
11,1	45,6	10,0	24,4	8,9
0,0	50,0	50,0	0,0	0,0

ISSUE: Competition

Category: Language A E O

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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Accounting is essentially a highly competitive profession in South Africa

13,5	50,0	21,2	13,5	1,9
12,2	57,8	12,2	16,7	1,1
0,0	50,0	50,0	0,0	0,0

Competition should be fostered between members of the profession

3,8	28,8	30,8	28,8	7,7
7,8	28,9	20,0	33,3	10,0
0,0	0,0	100,0	0,0	0,0

Competition between members for available business is on the basis of the quality of service offered, the competence and efficiency of the firm.

17,3	55,8	11,5	13,5	1,9
20,0	61,1	5,6	12,2	1,1
100,0	0,0	0,0	0,0	0,0

Competition based upon the effectiveness of advertising will lessen the importance of the quality of service rendered by the professional.

5,8	36,5	15,4	36,5	5,8
10,0	34,4	12,2	36,7	6,7
0,0	50,0	0,0	50,0	0,0

Advertising of audit services where members compete with members should be allowed without restriction

0,0	7,7	7,7	28,8	55,8
3,3	10,0	5,6	43,3	37,8
0,0	50,0	0,0	0,0	50,0

Advertising of audit services where members compete with members should be allowed subject only to obtaining approval for each advertisement from the Institute.

7,7	23,1	9,6	26,9	32,7
2,2	21,1	1,1	40,0	35,6
0,0	50,0	0,0	50,0	0,0

ISSUE: Competition

Category: Language A E O

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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Active support by fellow practitioners should be allowed where members compete with members for the same M.A.S. or Taxation & Estate Planning assignment.

1,9	25,0	42,3	26,9	3,8
3,3	26,7	13,3	44,4	12,2
0,0	0,0	100,0	0,0	0,0

Advertising would cause polarization in the profession.

9,6	46,2	25,0	19,2	0,0
7,8	41,1	25,6	25,6	0,0
0,0	50,0	50,0	0,0	0,0

ISSUE: Image of Profession
General

Category: TOTAL

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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Uncontrolled advertising can in itself be demeaning to the profession as a whole and thus reduce the status and respect of the profession and its members in the eyes of the public.

37,5	45,1	6,2	11,1	0,0
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Advertising will improve the image of the accounting profession.

3,5	31,9	21,5	33,3	9,7
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Advertising will tarnish the image of the accounting profession.

9,7	30,6	18,1	38,2	3,5
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ISSUE: Image of Profession
General

Category: Size L M S

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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Uncontrolled advertising can in itself be demeaning to the profession as a whole and thus reduce the status and respect of the profession and its members in the eyes of the public.

16,0	56,0	4,0	24,0	0,0
45,5	45,5	4,5	4,5	0,0
50,0	37,5	8,3	4,2	0,0

Advertising will improve the image of the accounting profession.

6,0	50,0	18,0	24,0	2,0
0,0	22,7	18,2	40,9	18,2
2,8	22,2	25,0	37,5	12,5

Advertising will tarnish the image of the accounting profession.

2,0	18,0	10,0	62,0	8,0
13,6	40,9	13,6	27,3	4,5
13,9	36,1	25,0	25,0	0,0

Category: Experience D E F

Uncontrolled advertising can in itself be demeaning to the profession as a whole and thus reduce the status and respect of the profession and its members in the eyes of the public.

29,4	41,2	11,8	18,3	0,0
33,8	50,0	7,4	8,8	0,0
51,2	41,5	0,0	7,3	0,0

Advertising will improve the image of the accounting profession.

5,9	33,1	38,2	14,0	8,8
4,4	35,3	20,6	33,8	5,9
0,0	24,4	9,8	48,8	17,1

Advertising will tarnish the image of the accounting profession.

2,9	20,0	32,4	38,9	5,9
7,4	27,9	16,2	45,6	2,9
19,5	43,9	9,8	24,4	2,4

ISSUE: Image of Profession
General

Category: Age A B C

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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Uncontrolled advertising can in itself be demeaning to the profession as a whole and thus reduce the status and respect of the profession and its members in the eyes of the public.

24,3	51,4	13,5	10,8	0,0
41,7	40,5	4,8	13,1	0,0
43,5	52,2	0,0	4,3	0,0

Advertising will improve the image of the accounting profession.

5,4	37,8	35,1	16,2	5,4
3,6	33,3	15,5	38,1	9,5
0,0	17,4	21,7	43,5	17,4

Advertising will tarnish the image of the accounting profession.

0,0	16,2	29,7	48,6	5,4
11,9	34,5	14,3	35,7	3,6
17,4	39,1	13,0	30,4	0,0

Category: Language A E O

Uncontrolled advertising can in itself be demeaning to the profession as a whole and thus reduce the status and respect of the profession and its members in the eyes of the public.

38,5	46,2	9,6	5,8	0,0
37,8	43,3	4,4	14,4	0,0
0,0	100,0	0,0	0,0	0,0

Advertising will improve the image of the accounting profession.

1,9	23,1	23,1	50,0	1,9
4,4	35,6	21,1	24,4	14,4
0,0	100,0	0,0	0,0	0,0

Advertising will tarnish the image of the accounting profession.

1,9	44,2	15,4	36,5	1,9
14,4	23,3	20,0	37,8	4,4
0,0	0,0	0,0	100,0	0,0

ISSUE: Image of profession.
Professionalism

Category: TOTAL

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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The traditional view, that a professional man or woman places service to his/her clients above profit making, still holds.

7,6	34,7	18,7	33,3	5,6
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The profession should become more commercialised.

3,5	20,8	16,7	47,9	11,1
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The profession should strive to become more professional.

11,1	61,1	16,0	11,8	0,0
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Advertising can be used tastefully by the accounting profession.

14,6	50,0	17,4	14,6	3,5
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There will always be a few firms who will use advertising in a distasteful manner.

11,1	63,9	18,7	5,6	0,7
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Advertising and professionalism are not compatible.

11,8	29,2	16,0	38,2	4,9
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ISSUE: Image of profession.
Professionalism

Category: Size L M S

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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The traditional view, that a professional man or woman places service to his/her clients above profit making, still holds.

8,0	34,0	12,0	40,0	6,0
13,6	27,3	27,3	22,7	9,1
5,6	37,5	20,8	31,9	4,2

The profession should become more commercialised.

8,0	38,0	12,0	40,0	2,0
4,5	13,6	18,2	50,0	13,6
0,0	11,1	19,4	52,8	16,7

The profession should strive to become more professional.

8,0	64,0	16,0	12,0	0,0
18,2	63,6	4,5	13,6	0,0
11,1	58,3	19,4	11,1	0,0

Advertising can be used tastefully by the accounting profession.

22,0	60,0	12,0	6,0	0,0
9,1	45,5	18,2	22,7	4,5
11,1	44,4	20,8	18,1	5,6

There will always be a few firms who will use advertising in a distasteful manner.

8,0	62,0	24,0	6,0	0,0
18,2	54,5	13,6	9,1	4,5
11,1	68,1	16,7	4,2	0,0

Advertising and professionalism are not compatible.

4,0	22,0	10,0	54,0	10,0
13,6	40,9	13,6	27,3	4,5
16,7	30,6	20,8	30,6	1,4

ISSUE: Image of profession.
Professionalism

Category: Age A B C

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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The traditional view, that a professional man or woman places service to his/her clients above profit making, still holds.

2,7	18,9	27,0	37,8	13,5
9,5	35,7	16,7	34,5	3,6
8,7	56,5	13,0	21,7	0,0

The profession should become more commercialised.

5,4	35,1	21,6	32,4	5,4
2,4	16,7	17,9	50,0	13,1
4,3	13,0	4,3	65,2	13,0

The profession should strive to become more professional.

10,8	48,6	27,0	13,5	0,0
10,7	65,5	13,1	10,7	0,0
13,0	65,2	8,7	13,0	0,0

Advertising can be used tastefully by the accounting profession.

18,9	56,8	21,6	2,7	0,0
11,9	52,4	14,3	16,7	4,8
17,4	30,4	21,7	26,1	4,3

There will always be a few firms who will use advertising in a distasteful manner.

5,4	73,0	16,2	5,4	0,0
10,7	61,9	20,2	6,0	1,2
21,7	56,5	17,4	4,3	0,0

Advertising and professionalism are not compatible.

0,0	10,8	18,9	56,8	13,5
15,5	34,5	15,5	32,1	2,4
17,4	39,1	13,0	30,4	0,0

ISSUE: Image of profession.
Professionalism

Category: Experience D E F

The traditional view, that a professional man or woman places service to his/her clients above profit making, still holds.

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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2,9	21,3	26,0	35,3	14,7
7,4	30,9	19,1	39,7	2,9
12,2	51,2	12,2	22,0	2,4

The profession should become more commercialised.

8,8	26,5	20,0	38,9	5,9
1,5	22,1	19,1	47,1	10,3
2,4	14,6	9,8	56,1	17,1

The profession should strive to become more professional.

11,8	53,6	26,5	8,1	0,0
7,4	64,7	16,2	11,8	0,0
17,1	61,0	7,3	14,6	0,0

Advertising can be used tastefully by the accounting profession.

20,6	47,8	23,5	8,1	0,0
11,8	63,2	13,2	8,8	2,9
14,6	29,3	19,5	29,3	7,3

There will always be a few firms who will use advertising in a distasteful manner.

5,9	64,7	21,3	8,1	0,0
7,4	67,6	17,6	5,9	1,5
22,0	58,5	17,1	2,4	0,0

Advertising and professionalism are not compatible.

0,0	20,0	17,6	44,8	17,6
10,3	27,9	16,2	45,6	0,0
24,4	39,0	14,6	19,5	2,4

ISSUE: Image of profession.
Professionalism

Category: Language A E O

The traditional view, that a professional man or woman places service to his/her clients above profit making, still holds.

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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5,8	36,5	23,1	32,7	1,9
8,9	33,3	15,6	34,4	7,8
0,0	50,0	50,0	0,0	0,0

The profession should become more commercialised.

0,0	9,6	17,3	61,5	11,5
5,6	27,8	15,6	40,0	11,1
0,0	0,0	50,0	50,0	0,0

The profession should strive to become more professional.

11,5	59,6	17,3	11,5	0,0
11,1	62,2	14,4	12,2	0,0
0,0	50,0	50,0	0,0	0,0

Advertising can be used tastefully by the accounting profession.

11,5	38,5	28,8	19,2	1,9
16,7	55,6	11,1	12,2	4,4
0,0	100,0	0,0	0,0	0,0

There will always be a few firms who will use advertising in a distasteful manner.

3,8	61,5	21,2	11,5	1,9
15,6	64,4	17,8	2,2	0,0
0,0	100,0	0,0	0,0	0,0

Advertising and professionalism are not compatible.

15,4	34,6	15,4	34,6	0,0
10,0	26,7	16,7	38,9	7,8
0,0	0,0	0,0	100,0	0,0

ISSUE: Image of profession
Traditional users

Category: TOTAL

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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Traditional users do not need to become more aware of the availability of accounting services.

2,0	29,2	8,3	50,7	9,0
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Traditional users will become more aware of the availability of accounting services if advertising is allowed.

6,2	54,9	13,2	22,2	3,5
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The relationship between the professional accountant and his client is built up over time.

20,1	75,0	4,0	0,7	0,0
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This relationship would be altered if unrestricted advertising were allowed because clients would simply go for the best "deal" available from year to year.

8,3	31,9	11,8	41,0	6,9
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ISSUE: Image of profession
Traditional users

Category: Size L M S

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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Traditional users do not need to become more aware of the availability of accounting services.

2,0	10,0	2,0	68,0	18,0
9,1	45,5	4,5	40,9	0,0
1,4	37,5	13,9	41,7	5,6

Traditional users will become more aware of the availability of accounting services if advertising is allowed.

10,0	74,0	6,0	8,0	2,0
4,5	31,8	22,7	31,8	9,1
4,2	48,6	15,3	29,2	2,8

The relationship between the professional accountant and his client is built up over time.

12,0	84,0	4,0	0,0	0,0
27,3	72,7	0,0	0,0	0,0
23,6	69,4	5,6	1,4	0,0

This relationship would be altered if unrestricted advertising were allowed because clients would simply go for the best "deal" available from year to year.

4,0	20,0	8,0	54,0	14,0
9,1	36,4	18,2	31,8	4,5
11,1	38,9	12,5	34,7	2,8

ISSUE: Image of profession
Traditional users

Category: Age A B C

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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Traditional users do not need to become more aware of the availability of accounting services.

0,0	10,8	13,5	56,8	18,9
3,6	35,7	6,0	48,8	6,0
4,3	34,8	8,7	47,8	4,3

Traditional users will become more aware of the availability of accounting services if advertising is allowed.

13,5	70,3	8,1	8,1	0,0
3,6	51,2	13,1	28,6	3,6
4,3	43,5	21,7	21,7	8,7

The relationship between the professional accountant and his client is built up over time.

16,2	70,3	10,8	2,7	0,0
22,6	75,0	2,4	0,0	0,0
17,4	82,6	0,0	0,0	0,0

This relationship would be altered if unrestricted advertising were allowed because clients would simply go for the best "deal" available from year to year.

2,7	21,6	21,6	43,2	10,8
10,7	28,6	10,7	44,0	6,0
8,7	60,9	0,0	26,1	4,3

ISSUE: Image of profession
Traditional users

Category: Experience D E F

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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Traditional users do not need to become more aware of the availability of accounting services.

0,0	14,0	8,8	53,6	23,5
1,5	27,9	8,8	57,4	4,4
7,3	43,9	7,3	36,6	4,9

Traditional users will become more aware of the availability of accounting services if advertising is allowed.

14,7	59,5	8,1	17,6	0,0
2,9	66,2	8,8	20,6	1,5
4,9	31,7	24,4	29,3	9,8

The relationship between the professional accountant and his client is built up over time.

20,6	68,3	11,1	0,0	0,0
16,2	79,4	2,9	1,5	0,0
26,8	73,2	0,0	0,0	0,0

This relationship would be altered if unrestricted advertising were allowed because clients would simply go for the best "deal" available from year to year.

5,9	11,1	23,5	44,8	14,7
10,3	29,4	8,8	47,1	4,4
7,3	53,7	7,3	26,8	4,9

ISSUE: Image of profession
Traditional users

Category: Language A E O

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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Traditional users do not need to become more aware of the availability of accounting services.

1,9	32,7	11,5	48,1	5,8
3,3	27,8	6,7	51,1	11,1
0,0	0,0	0,0	100,0	0,0

Traditional users will become more aware of the availability of accounting services if advertising is allowed.

1,9	48,1	17,3	28,8	3,8
8,9	57,8	11,1	18,9	3,3
0,0	100,0	0,0	0,0	0,0

The relationship between the professional accountant and his client is built up over time.

19,2	73,1	7,7	0,0	0,0
21,1	75,6	2,2	1,1	0,0
0,0	100,0	0,0	0,0	0,0

This relationship would be altered if unrestricted advertising were allowed because clients would simply go for the best "deal" available from year to year.

7,7	42,3	13,5	32,7	3,8
8,9	26,7	11,1	44,4	8,9
0,0	0,0	0,0	100,0	0,0

ISSUE: Image of profession
Public awareness

Category: TOTAL

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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The public's view of the profession
is vitally important.

54,9	41,0	3,5	0,7	0,0
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The public understands that the
auditor's opinion is an independent
opinion.

13,9	54,6	11,1	8,3	2,1
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The general public need to be aware of
what accounting services are available
to them.

16,7	59,7	12,5	9,0	2,1
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The general public will become more
aware of what accounting services are
available to them.

12,5	72,9	10,4	3,5	0,7
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The general public represents an
untapped market.

8,3	55,6	22,9	11,8	1,4
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If the general public represents a
market it is the profession's job to
service that market.

9,7	76,4	10,4	2,8	0,7
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ISSUE: Image of profession
Public awareness

Category: Size L M S

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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The public's view of the profession
is vitally important.

62,0	36,0	2,0	0,0	0,0
54,5	40,9	0,0	4,5	0,0
50,0	44,4	5,6	0,0	0,0

The public understands that the
auditor's opinion is an independent
opinion.

4,0	68,0	14,0	10,0	4,0
18,2	68,2	4,5	4,5	4,5
19,4	61,1	11,1	8,3	0,0

The general public need to be aware of
what accounting services are available
to them.

24,0	56,0	8,0	10,0	2,0
4,5	45,5	27,3	13,6	9,1
15,3	66,7	11,1	6,9	0,0

The general public will become more
aware of what accounting services are
available to them if advertising is
allowed.

20,0	72,0	4,0	4,0	0,0
9,1	72,7	13,6	0,0	4,5
8,3	73,6	13,9	4,2	0,0

The general public represents an
untapped market.

12,0	58,0	20,0	8,0	2,0
4,5	54,5	22,7	13,6	4,5
6,9	54,2	25,0	13,9	0,0

If the general public represents a
market it is the profession's job to
service that market.

14,0	78,0	8,0	0,0	0,0
13,6	72,7	9,1	0,0	4,5
5,6	76,4	12,5	5,6	0,0

ISSUE: Image of profession
Public awareness

Category: Age A B C

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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The public's view of the profession
is vitally important.

51,4	35,1	13,5	0,0	0,0
54,8	44,0	0,0	1,2	0,0
60,9	39,1	0,0	0,0	0,0

The public understands that the
auditor's opinion is an independent
opinion.

13,5	51,4	24,3	8,1	2,7
16,7	67,9	3,6	9,5	2,4
4,3	73,9	17,4	4,3	0,0

The general public need to be aware of
what accounting services are available
to them.

21,6	62,2	10,8	2,7	2,7
16,7	57,1	13,1	10,7	2,4
8,7	65,2	13,0	13,0	0,0

The general public will become more
aware of what accounting services are
available to them if advertising is
allowed.

18,9	70,3	8,1	2,7	0,0
10,7	73,8	11,9	2,4	1,2
8,7	73,9	8,7	8,7	0,0

The general public represents an
untapped market.

10,8	62,2	18,9	5,4	2,7
8,3	52,4	25,0	13,1	1,2
4,3	56,6	21,7	17,4	0,0

If the general public represents a
market it is the profession's job to
service that market.

13,5	73,0	10,8	2,7	0,0
8,3	78,6	10,7	1,2	1,2
8,7	73,9	8,7	8,7	0,0

ISSUE: Image of profession
Public awareness

Category: Experience D E F

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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The public's view of the profession is vitally important.

59,5	29,4	11,1	0,0	0,0
48,5	48,5	1,5	1,5	0,0
61,0	39,0	0,0	0,0	0,0

The public understands that the auditor's opinion is an independent opinion.

14,7	50,7	23,5	8,1	2,9
14,7	70,6	2,9	10,3	1,5
12,2	65,9	14,6	4,9	2,4

The general public need to be aware of what accounting services are available to them.

23,5	59,5	11,1	2,9	2,9
17,6	61,8	10,3	8,8	1,5
9,8	56,1	17,1	14,6	2,4

The general public will become more aware of what accounting services are available to them if advertising is allowed.

20,6	68,3	8,1	2,9	0,0
10,3	77,9	7,4	2,9	1,5
9,8	68,3	17,1	4,9	0,0

The general public represents an untapped market.

11,8	56,6	23,5	5,1	2,9
10,3	55,9	23,5	10,3	0,0
2,4	53,7	22,0	19,5	2,4

If the general public represents a market it is the profession's job to service that market.

8,8	80,1	8,1	2,9	0,0
10,3	75,0	13,2	1,5	0,0
9,8	75,6	7,3	4,9	2,4

ISSUE: Image of profession
Public awareness

Category: Language A E O

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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The public's view of the profession is vitally important.

50,0	42,3	7,7	0,0	0,0
57,8	40,0	1,1	1,1	0,0
50,0	50,0	0,0	0,0	0,0

The public understands that the auditor's opinion is an independent opinion.

11,5	71,2	13,5	1,9	1,9
15,6	60,0	10,0	12,2	2,2
0,0	100,0	0,0	0,0	0,0

The general public need to be aware of what accounting services are available to them.

7,7	61,5	19,2	9,6	1,9
21,1	58,9	8,9	8,9	2,2
50,0	50,0	0,0	0,0	0,0

The general public will become more aware of what accounting services are available to them if advertising is allowed.

5,8	69,2	21,2	1,9	1,9
15,6	75,6	4,4	4,4	0,0
50,0	50,0	0,0	0,0	0,0

The general public represents an untapped market.

7,7	55,8	25,0	11,5	0,0
7,8	55,6	22,2	12,2	2,2
50,0	50,0	0,0	0,0	0,0

If the general public represents a market it is the profession's job to service that market.

3,8	75,0	17,3	3,8	0,0
13,3	76,7	6,7	2,2	1,1
0,0	100,0	0,0	0,0	0,0

ISSUE: Image of profession
Abuse of advertising

Category: TOTAL

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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Advertising will create unrealistic
user expectations which will lead to a
tarnishing of the profession's image.

6,2	34,7	18,7	34,7	5,6
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Advertising would encourage wide-
spread deception by professional
accountants seeking business.

6,2	20,8	22,2	44,5	6,2
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ISSUE: Image of profession
Abuse of advertising

Category: Size L M S

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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Advertising will create unrealistic user expectations which will lead to a tarnishing of the profession's image.

0,0	28,0	12,0	50,0	10,0
9,1	31,8	22,7	31,8	4,5
9,7	40,3	22,2	25,0	2,8

Advertising would encourage widespread deception by professional accountants seeking business.

2,0	16,0	12,0	60,0	10,0
9,1	31,8	22,7	31,8	4,5
8,3	20,8	31,9	34,7	4,2

Category: Experience D E F

Advertising will create unrealistic user expectations which will lead to a tarnishing of the profession's image.

0,0	29,4	23,0	36,0	11,8
5,9	33,8	17,6	39,7	2,9
12,2	41,5	17,1	24,4	4,9

Advertising would encourage widespread deception by professional accountants seeking business.

0,0	14,0	21,3	50,0	14,7
5,9	20,6	20,6	48,5	4,4
12,2	26,8	29,3	29,3	2,4

ISSUE: Image of profession
Abuse of advertising

Category: Age A B C

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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Advertising will create unrealistic user expectations which will lead to a tarnishing of the profession's image.

0,0	24,3	24,3	43,2	8,1
10,7	38,1	15,5	31,0	4,8
0,0	39,1	21,7	34,8	4,3

Advertising would encourage widespread deception by professional accountants seeking business.

0,0	21,6	16,2	51,4	10,8
7,1	20,2	26,2	41,7	4,8
13,0	21,7	26,1	34,8	4,3

Category: Language A E O

Advertising will create unrealistic user expectations which will lead to a tarnishing of the profession's image.

5,8	40,4	21,2	26,9	5,8
6,7	32,2	17,8	37,8	5,6
0,0	0,0	0,0	100,0	0,0

Advertising would encourage widespread deception by professional accountants seeking business.

3,8	30,8	28,8	34,6	1,9
7,8	15,6	21,1	46,7	8,9
0,0	0,0	0,0	100,0	0,0

ISSUE: Large firm vs small firm

Category: TOTAL

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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Small firms (i.e. ten partners or less) would benefit more than large firms for advertising.

1,4	9,7	29,2	52,8	6,9
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Large firms advertising would place small firms at a disadvantage.

8,3	47,2	18,7	25,7	0,0
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Large firms advertising would force small firms to accentuate the "personal service aspect" of their practice.

7,6	68,7	18,1	5,6	0,0
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ISSUE: Large firm vs small firm

Category: Size L H S

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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Small firms (i.e. ten partners or less) would benefit more than large firms for advertising.

2,0	2,0	34,0	60,0	2,0
4,5	9,1	27,3	50,0	9,1
0,0	15,3	26,4	48,6	9,7

Large firms advertising would place small firms at a disadvantage.

6,0	38,0	22,0	34,0	0,0
4,5	59,1	18,2	18,2	0,0
11,1	50,0	16,7	22,0	0,0

Large firms advertising would force small firms to accentuate the "personal service aspect" of their practice.

8,0	68,0	18,0	6,0	0,0
4,5	72,7	18,2	4,5	0,0
8,3	68,1	18,1	5,6	0,0

Category: Experience D E F

Small firms (i.e. ten partners or less) would benefit more than large firms for advertising.

2,9	14,0	38,9	41,2	2,9
0,0	10,3	29,4	52,9	7,4
2,4	4,9	19,5	63,4	9,8

Large firms advertising would place small firms at a disadvantage.

0,0	47,1	17,0	36,0	0,0
10,3	45,6	19,1	25,0	0,0
12,2	51,2	19,5	17,1	0,0

Large firms advertising would force small firms to accentuate the "personal service aspect" of their practice.

11,8	67,6	22,6	0,0	0,0
7,4	70,6	16,2	5,9	0,0
4,9	68,3	17,1	9,8	0,0

ISSUE: Large firm vs small firm

Category: Age A B C

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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Small firms (i.e. ten partners or less) would benefit more than large firms for advertising.

0,0	21,6	43,2	32,4	2,7
2,4	6,0	27,4	56,0	8,3
0,0	4,3	13,0	73,9	8,7

Large firms advertising would place small firms at a disadvantage.

2,7	43,2	24,3	29,7	0,0
10,7	46,4	19,0	23,8	0,0
8,7	56,5	8,7	26,1	0,0

Large firms advertising would force small firms to accentuate the "personal service aspect" of their practice.

10,8	64,9	24,3	0,0	0,0
6,0	73,8	14,3	6,0	0,0
8,7	56,5	21,7	13,0	0,0

Category: Language A E O

Small firms (i.e. ten partners or less) would benefit more than large firms for advertising.

1,9	0,0	30,8	63,5	3,8
1,1	15,6	26,7	47,8	8,9
0,0	0,0	100,0	0,0	0,0

Large firms advertising would place small firms at a disadvantage.

9,6	51,9	23,1	15,4	0,0
7,8	44,4	15,6	32,2	0,0
0,0	50,0	50,0	0,0	0,0

Large firms advertising would force small firms to accentuate the "personal service aspect" of their practice.

7,7	73,1	15,4	3,8	0,0
7,8	66,7	18,9	6,7	0,0
0,0	50,0	50,0	0,0	0,0

ISSUE: Cost of Service

Category: TOTAL

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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Advertising will cause a decline in costs to the users of accounting services.

0,0	9,7	18,7	63,9	7,6
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Advertising, because it is expensive, will ultimately add to the cost of accounting services.

3,5	52,8	26,4	16,0	1,4
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ISSUE: Cost of Service

Category: Size L M S

Advertising will cause a decline in costs to the users of accounting services.

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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0,0	8,0	20,0	68,0	4,0
0,0	18,2	9,1	59,1	13,6
0,0	8,3	20,8	62,5	8,3

Advertising, because it is expensive, will ultimately add to the cost of accounting services.

2,0	36,0	38,0	24,0	0,0
9,1	63,6	13,6	13,6	0,0
2,8	61,1	22,2	11,1	2,8

Category: Experience D E F

Advertising will cause a decline in costs to the users of accounting services.

0,0	8,1	23,5	68,3	0,0
0,0	10,3	23,5	57,4	8,8
0,0	9,8	7,3	70,7	12,2

Advertising, because it is expensive, will ultimately add to the cost of accounting services.

0,0	38,3	38,2	23,5	0,0
2,9	50,0	30,9	14,7	1,5
7,3	68,3	9,8	12,2	2,4

ISSUE: Cost of Service

Category: Age A B C

Advertising will cause a decline in costs to the users of accounting services.

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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0,0	8,1	27,0	62,2	2,7
0,0	11,9	16,7	63,1	8,3
0,0	4,3	13,0	69,6	13,0

Advertising, because it is expensive, will ultimately add to the cost of accounting services.

0,0	32,4	40,5	24,3	2,7
4,8	59,5	23,8	11,9	0,0
4,3	60,9	13,0	17,4	4,3

Category: Language A E O

Advertising will cause a decline in costs to the users of accounting services.

0,0	7,7	19,2	71,2	1,9
0,0	11,1	17,8	60,0	11,1
0,0	0,0	50,0	50,0	0,0

Advertising, because it is expensive, will ultimately add to the cost of accounting services.

1,9	57,7	26,9	11,5	1,9
4,4	50,0	25,6	18,9	1,1
0,0	50,0	50,0	0,0	0,0

ISSUE: Quality of service

Category: TOTAL

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS- AGREE	DIS- AGREE	STRONGLY DIS- AGREE
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No matter how effective the firm's advertising is, quality of service will in the end be the criteria used when appointing an auditor.

14,6	45,8	11,1	24,3	4,2
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Advertising will improve the quality of accounting services.

0,0	20,8	25,7	47,2	6,2
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The quality of accounting services will decline if advertising is allowed

2,8	13,2	29,2	50,0	4,9
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ISSUE: Quality of service

Category: Size L M S

No matter how effective the firm's advertising is, quality of service will in the end be the criteria used when appointing an auditor.

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
----------------	-------	-----------------------------	-----------	--------------------

22,0	62,0	4,0	12,0	0,0
4,5	27,3	18,2	31,8	18,2
12,5	40,0	13,9	30,6	2,8

Advertising will improve the quality of accounting services.

0,0	34,0	30,0	34,0	2,0
0,0	13,6	9,1	68,2	9,1
0,0	13,9	27,8	50,0	8,3

The quality of accounting services will decline if advertising is allowed.

0,0	8,0	16,0	68,0	8,0
9,1	9,1	31,8	50,0	0,0
2,8	18,1	37,5	37,5	4,2

Category: Experience D E F

No matter how effective the firm's advertising is, quality of service will in the end be the criteria used when appointing an auditor.

20,6	53,6	5,9	20,0	0,0
11,8	52,9	8,8	23,5	2,9
14,6	26,8	19,5	29,3	9,8

Advertising will improve the quality of accounting services.

0,0	36,0	20,0	44,1	0,0
0,0	20,6	32,4	41,2	5,9
0,0	7,3	19,5	61,0	12,2

The quality of accounting services will decline if advertising is allowed.

0,0	5,2	32,4	53,6	8,8
2,9	11,8	20,6	60,3	4,4
4,9	22,0	41,5	29,3	2,4

ISSUE: Quality of service

Category: Age A B C

No matter how effective the firm's advertising is, quality of service will in the end be the criteria used when appointing an auditor.

STRONGLY AGREE	AGREE	NEITHER AGREE NOR DIS-AGREE	DIS-AGREE	STRONGLY DIS-AGREE
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18,9	54,1	5,4	21,6	0,0
11,9	46,4	13,1	21,4	7,1
17,4	30,4	13,0	39,1	0,0

Advertising will improve the quality of accounting services.

0,0	32,4	24,3	43,2	0,0
0,0	17,9	28,6	45,2	8,3
0,0	13,0	17,4	60,9	8,7

The quality of accounting services will decline if advertising is allowed.

0,0	5,4	27,0	59,5	8,1
4,8	15,5	25,0	51,2	3,6
0,0	17,4	47,8	30,4	4,3

Category: Language A E O

No matter how effective the firm's advertising is, quality of service will in the end be the criteria used when appointing an auditor.

17,3	40,4	17,3	19,2	5,8
13,3	47,8	7,8	27,8	3,3
0,0	100,0	0,0	0,0	0,0

Advertising will improve the quality of accounting services.

0,0	21,2	19,2	57,7	1,9
0,0	20,0	30,0	41,1	8,9
0,0	50,0	0,0	50,0	0,0

The quality of accounting services will decline if advertising is allowed.

1,9	19,2	38,5	38,5	1,9
3,3	10,0	24,4	55,6	6,7
0,0	0,0	0,0	100,0	0,0

APPENDIX B. Responses to questions designed to test partners' opinions in respect of the placing, means and method of advertising.

CONTENTS

The appendices under the above heading were not broken down into separate issues as this was not applicable. The responses to each question posed were analysed in total, by size of firm, age, experience and language of respondents. The index for the relevant appendices appears below.

	<u>Pages</u>
Category : total	292-293
size	294-298
age	299-303
experience	304-308
language	309-313

CATEGORY : TOTAL

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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1. A firm being able to advertise on radio

1.1 Audit services

0,0	6,9	9,7	29,2	54,2
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1.2 M.A.S.

2,8	15,3	12,5	31,3	38,2
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1.3 Taxation & Estate Planning Services

2,1	17,4	11,8	32,6	36,1
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2. A firm being able to advertise on TV

2.1 Audit services

0,0	5,6	11,8	28,5	54,2
-----	-----	------	------	------

2.2 M.A.S.

2,8	16,0	11,8	29,9	39,6
-----	------	------	------	------

2.3 Taxation & Estate Planning Services

2,1	17,4	11,1	30,6	38,9
-----	------	------	------	------

3. A firm being allowed to place advertisements for audit services in

3.1 Non-financial sections of newspapers

1,4	15,3	12,5	30,6	40,3
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3.2 Any financial publication

7,6	34,0	10,4	18,1	29,9
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3.3 Any professional journal e.g. legal

6,9	36,1	11,1	18,1	27,8
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3.4 Non-financial, non-professional journals (from S A Sport to Scope)

0,7	8,3	9,7	34,0	47,2
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4. A firm being allowed to place advertisements for M.A.S. in

4.1 Non-financial sections of newspapers

2,8	25,7	13,9	36,8	20,8
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4.2 Any financial publication

9,7	51,4	11,1	14,6	13,2
-----	------	------	------	------

4.3 Any professional journal e.g. legal

9,7	51,4	11,1	14,6	13,2
-----	------	------	------	------

4.4 Non-financial non-professional journals (from S A Sport to Scope)

1,4	12,5	13,2	39,6	33,3
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CATEGORY : TOTAL

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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5. A firm being allowed to place advertisements for Taxation & Estate Planning

5.1 Non-financial sections of newspaper

4,2	31,9	13,2	30,6	20,1
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5.2 Any financial publication

10,4	50,0	11,8	13,9	13,9
------	------	------	------	------

5.3 Any professional journal e.g. legal

9,7	52,1	11,8	13,2	13,2
-----	------	------	------	------

5.4 Non-financial, non-professional journals (from S A Sport to Scope)

1,4	16,0	15,3	34,7	32,6
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6. A firm being allowed to display at their offices the services they offer in respect of

6.1 Audit

16,7	51,4	16,0	9,0	6,9
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6.2 M.A.S.

17,4	58,3	16,0	4,9	3,5
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6.3 Taxation & Estate Planning

18,1	57,6	16,0	4,9	3,5
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7. A firm publically sponsoring the following types of event

7.1 A financial quiz/game

2,8	26,4	19,4	31,9	19,4
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7.2 A lecture tour by a well known personality in the business world

5,6	33,3	16,0	25,7	19,4
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7.3 A sports tournament

7.3.1 As major sponsor

0,7	9,7	12,5	41,0	36,1
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7.3.2 As partial sponsor

0,7	11,8	15,3	38,9	33,3
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8. A firm being allowed to display on their stationery the services they offer in respect of

8.1 Audit

11,8	45,8	18,7	15,3	8,3
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8.2 M.A.S.

11,8	52,8	18,1	11,1	6,2
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8.3 Taxation & Estate Planning

11,8	52,8	18,1	11,1	6,2
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CATEGORY : TOTAL

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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9. A firm being allowed to display on their publications and bulletins which are sent to clients the services they offer in respect of

20,8	54,9	11,8	8,3	4,2
21,5	61,8	9,0	4,9	2,8
21,5	61,8	9,0	4,9	2,8

9.1 Audit services

9.2 M.A.S.

9.3 Taxation & Estate Planning

10. A firm being able to release under the firm's name, articles/bulletins/booklets on topics related to the services they offer (e.g. a tax guide)

22,2	47,2	8,3	13,2	9,0
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11. A firm being allowed to display on the articles/bulletins/booklets mentioned in Question 10. the services they offer in respect of

14,6	38,9	10,4	21,5	14,6
16,0	44,4	12,5	14,6	12,5
16,7	45,1	11,1	14,6	12,5

11.1 Audit

11.2 M.A.S.

11.3 Taxation & Estate Planning

12. A firm being allowed to display their full name on items such as ties, cuff-links, casual shirts

6,9	22,9	21,5	25,7	22,9
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13. A firm being allowed to advertise on billboards, bus stops and similar types of space

0,7	3,5	6,9	32,6	56,2
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14. Partners of a firm being allowed to distribute business cards on which some form of advertising the firm's services appears.

7,6	42,4	17,4	19,4	13,2
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CATEGORY : TOTAL

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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15. A firm being allowed to put its name to press articles written by one of its members.

11,8	56,2	13,9	11,1	6,9
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16. A firm being allowed to advertise their services when placing advertisements recruiting staff for their own purposes

5,6	45,8	19,4	19,4	9,7
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17. A firm being allowed to advertise their services when placing advertisements recruiting staff on behalf of a client

1,4	12,5	13,9	50,0	22,2
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18. A firm being allowed to advertise bursaries offered for study at a recognised educational institution.

7,6	47,2	20,1	18,1	6,9
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19. A firm being allowed publically to sponsor a post in an educational institution e.g. Jones & Jones Chair of Accounting

7,6	32,6	20,8	28,5	10,4
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20. A firm being able to use direct mail advertising

2,1	6,9	13,2	43,1	34,7
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21. A firm being allowed to approach the client of another auditor in an attempt to solicit business

0,7	6,2	4,9	29,9	58,3
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22. A partner of a firm being allowed to solicit business in a social atmosphere.

0,7	20,8	25,7	28,5	24,3
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Category: Size L M S

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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1. A firm being able to advertise on radio

1.1 Audit services

0,0	10,0	16,0	38,0	36,0
0,0	4,5	0,0	31,8	63,6
0,0	5,6	8,3	22,2	63,9

1.2 M A S

4,0	20,0	16,0	32,0	28,0
4,5	13,6	13,6	31,8	36,4
1,4	12,5	9,7	30,5	45,8

1.3 Taxation & Estate Planning
Services

4,0	22,0	14,0	32,0	28,0
0,0	18,2	9,1	40,9	31,8
1,4	13,9	11,1	30,6	43,1

2. A firm being able to advertise on TV

2.1 Audit services

0,0	10,0	16,0	38,0	36,0
0,0	0,0	9,1	22,7	68,2
0,0	4,2	9,7	23,6	62,5

2.2 M A S

4,0	22,0	14,0	32,0	28,0
4,5	13,6	18,2	22,7	40,9
1,4	12,5	8,3	30,6	47,2

2.3 Taxation & Estate Planning Services

4,0	24,0	12,0	32,0	28,0
0,0	13,6	13,6	36,4	36,4
1,4	13,9	8,7	27,8	47,2

Category: Size L M S

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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3. A firm being allowed to place advertise-
ments for audit services in

3.1 Non-financial sections of news-
papers

2,0	26,0	16,0	32,0	24,0
4,5	9,1	9,1	36,4	40,9
0,0	9,7	11,1	27,8	51,4

3.2 Any financial publication

16,0	42,0	8,0	20,0	14,0
4,5	36,4	13,6	13,6	31,8
2,8	27,8	11,1	18,1	40,3

3.3 Any professional journal e.g. legal

14,0	44,0	10,0	20,0	12,0
4,5	40,9	9,1	18,2	27,3
2,8	29,2	12,5	16,7	38,9

3.4 Non-financial, non-professional
journals (from S A Sport to Scope)

2,0	16,0	14,0	36,0	32,0
0,0	4,5	4,5	36,4	54,5
0,0	4,2	8,3	31,9	55,6

Category: Size L M S

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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4. A firm being allowed to place advertisements for M A S in

4,0	36,0	16,0	38,0	6,0
4,5	22,7	13,6	31,8	27,3
1,4	19,4	12,5	37,5	29,2

4.1 Non-financial sections of newspapers

20,0	62,0	4,0	10,0	4,0
4,5	45,5	13,6	18,2	18,2
4,2	45,8	15,3	16,7	18,1

4.2 Any financial publication

20,0	62,0	4,0	10,0	4,0
4,5	45,5	13,6	18,2	18,2
4,2	45,8	15,3	16,7	18,1

4.3 Any professional journal e.g. legal

4,0	18,0	20,0	38,0	20,0
0,0	18,2	4,5	36,4	40,9
0,0	6,9	11,1	41,7	40,3

4.4 Non-financial non-professional journals (from S A Sport to Scope)

Category: Size L M S

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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5. A firm being allowed to place advertisements for Taxation & Estate Planning

6,0	40,0	14,0	34,0	6,0
4,5	31,8	9,1	31,8	22,7
2,8	26,4	13,9	27,8	29,2

5.1 Non-financial sections of newspaper

22,0	60,0	4,0	10,0	4,0
4,5	36,4	22,7	18,2	18,2
4,2	47,2	13,9	15,3	19,4

5.2 Any financial publication

20,0	62,0	4,0	10,0	4,0
4,5	45,5	13,6	18,2	18,2
4,2	47,2	16,7	13,9	18,1

5.3 Any professional journal e.g. legal

4,0	22,0	20,0	36,0	18,0
0,0	22,7	4,5	27,3	45,5
0,0	9,7	15,3	36,1	38,9

5.4 Non-financial, non-professional journals (from S A Sport to Scope)

Category: Size L M S

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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6. A firm being allowed to display at their offices the services they offer in respect of

26,0	60,0	8,0	4,0	2,0
22,7	45,5	13,6	13,6	4,5
8,3	47,2	22,2	11,1	11,1

6.1 Audit

26,0	62,0	8,0	2,0	2,0
22,7	54,5	13,6	9,1	0,0
9,7	56,9	22,2	5,6	5,6

6.2 M A S

26,0	62,0	8,0	2,0	2,0
22,7	54,5	13,6	9,1	0,0
11,1	55,6	22,2	5,6	5,6

6.3 Taxation & Estate Planning

Category: Size L M S

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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7. A firm publically sponsoring the following types of event

4,0	36,0	22,0	26,0	12,0
0,0	22,7	18,2	31,8	27,3
2,8	20,8	18,1	36,1	22,2

7.1 A financial quiz/game

10,0	50,0	14,0	14,0	12,0
4,5	22,7	18,2	31,8	22,7
2,8	25,0	16,7	31,9	23,6

7.2 A lecture tour by a well known personality in the business world

0,0	12,0	16,0	44,0	28,0
0,0	4,5	0,0	40,9	54,5
1,4	9,7	13,9	38,9	36,1

7.3 A sports tournament as major sponsor

0,0	14,0	22,0	36,0	28,0
0,0	0,0	13,6	40,9	45,5
1,4	13,9	11,1	40,3	33,3

7.4 A sports tournament as partial sponsor

Category: Size L M S

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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8. A firm being allowed to display on their stationery the services they offer in respect of

8.1 Audit

18,0	42,2	24,0	12,0	4,0
18,2	54,5	4,5	9,1	13,6
5,6	45,8	19,4	19,4	9,7

8.2 M A S

18,0	46,0	22,0	10,0	4,0
13,6	59,1	4,5	9,1	13,6
6,9	55,6	19,4	12,5	5,6

8.3 Taxation & Estate Planning

18,0	46,0	22,0	10,0	4,0
13,6	59,1	4,5	9,1	13,6
6,9	55,6	19,4	12,5	5,6

9. A firm being allowed to display on their publications and bulletins which are sent to clients the services they offer in respect of

9.1 Audit services

36,0	52,0	2,0	8,0	2,0
22,7	59,1	4,5	4,5	9,1
9,7	55,6	20,8	9,7	4,2

9.2 M A S

36,0	54,0	4,0	4,0	2,0
22,7	63,6	4,5	4,5	4,5
11,1	66,7	13,9	5,6	2,8

9.3 Taxation & Estate Planning

36,0	54,0	4,0	4,0	2,0
22,7	63,6	4,5	4,5	4,5
11,1	66,7	13,9	5,6	2,8

Category: Size L M S

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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10. A firm being able to release under the firm's name, articles/bulletins/booklets on topics related to the services they offer (e.g. a tax guide)

42,0	46,0	6,0	4,0	2,0
22,7	50,0	9,1	13,6	4,5
8,3	47,2	9,7	19,4	15,3

11. A firm being allowed to display on the articles/bulletins/booklets mentioned in Question 10. the services they offer in respect of

11.1 Audit

30,0	48,0	2,0	16,0	4,0
13,6	31,8	13,6	22,7	18,2
4,2	34,7	15,3	25,0	20,8

11.2 M A S

30,0	54,0	6,0	8,0	2,0
13,6	31,8	18,2	18,2	18,2
6,9	41,7	15,3	18,1	18,1

11.3 Taxation & Estate Planning

32,0	54,0	4,0	8,0	2,0
13,6	36,4	13,6	18,2	18,2
6,9	41,7	15,3	18,1	18,1

12. A firm being allowed to display their full name on items such as ties, cuff-links, casual shirts

18,0	40,0	18,0	14,0	10,0
0,0	18,2	27,3	22,7	31,8
1,4	12,5	22,2	34,7	29,2

13. A firm being allowed to advertise on bill boards, bus stops and similar types of space.

2,0	8,0	4,0	50,0	36,0
0,0	0,0	9,1	13,6	77,3
0,0	1,4	8,3	26,4	63,9

Category: Size L M S

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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14. Partners of a firm being allowed to distribute business cards on which some form of advertising the firm's services appears.

18,0	48,0	18,0	12,0	4,0
4,5	31,8	13,6	31,8	18,2
1,4	41,7	18,1	20,8	18,1

15. A firm being allowed to put its name to press articles written by one of its members.

28,8	58,0	8,0	4,0	2,0
9,1	63,6	4,5	13,6	9,1
1,4	52,8	20,8	15,3	9,7

16. A firm being allowed to advertise their services when placing advertisements recruiting staff for their own purposes

14,0	60,0	14,0	12,0	0,0
0,0	59,1	13,6	9,1	18,2
1,4	31,9	25,0	27,8	13,9

17. A firm being allowed to advertise their services when placing advertisements recruiting staff on behalf of a client

4,0	20,0	10,0	54,0	12,0
0,0	9,1	18,2	50,0	22,7
0,0	8,3	15,3	47,2	29,2

18. A firm being allowed to advertise bursaries offered for study at a recognised educational institution

20,0	60,0	10,0	10,0	0,0
4,5	40,9	22,7	18,2	13,6
0,0	40,3	26,4	23,6	9,7

19. A firm being allowed publically to sponsor a post in an educational institution e.g. Jones & Jones Chair of Accounting

18,0	44,0	14,0	22,0	2,0
0,0	27,3	22,7	27,3	22,7
2,8	26,4	25,0	33,3	12,5

Category: Size L M S

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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20. A firm being able to use direct mail advertising

4,0	12,0	20,0	46,0	18,0
4,5	4,5	4,5	40,9	45,5
0,0	4,2	11,1	41,7	43,1

21. A firm being allowed to approach the client of another auditor in an attempt to solicit business

2,0	10,0	6,0	44,0	38,0
0,0	9,1	0,0	31,8	59,1
0,0	2,8	5,6	19,4	72,2

22. A partner of a firm being allowed to solicit business in a social atmosphere.

2,0	38,0	24,0	32,0	4,0
0,0	27,3	13,6	36,4	22,7
0,0	6,9	30,6	23,6	38,9

Category: Age A B C

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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1. A firm being able to advertise on radio

1.1 Audit services

0,0	2,7	24,3	29,7	43,2
0,0	9,5	6,0	31,0	53,6
0,0	4,3	0,0	21,7	73,9

1.2 M A S

2,7	16,2	21,6	29,7	29,7
3,6	15,5	8,3	33,3	39,3
0,0	13,0	13,0	26,1	47,8

1.3 Taxation & Estate Planning
Services

2,7	18,9	21,6	32,4	24,3
2,4	16,7	8,3	34,5	38,1
0,0	17,4	8,7	26,1	47,8

2. A firm being able to advertise on TV

2.1 Audit services

0,0	2,7	24,3	29,7	43,2
0,0	7,1	9,5	29,8	53,6
0,0	4,3	0,0	21,7	73,9

2.2 M A S

2,7	18,9	18,9	29,7	29,7
3,6	15,5	8,3	31,0	41,7
0,0	13,0	13,0	26,1	47,8

2.3 Taxation & Estate Planning Services

2,7	21,6	18,9	29,7	27,0
2,4	15,5	8,3	32,1	41,7
0,0	17,4	8,7	26,1	47,8

Category: Age A B C

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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3. A firm being allowed to place advertise-
ments for audit services in

3.1 Non-financial sections of news-
papers

2,7	18,9	29,7	21,6	27,0
1,2	16,7	8,3	33,3	40,5
0,0	4,3	0,0	34,8	60,9

3.2 Any financial publication

13,5	43,2	13,5	8,1	21,6
7,1	33,3	9,5	21,4	28,6
0,0	21,7	8,7	21,7	47,8

3.3 Any professional journal e.g. legal

10,8	45,9	13,5	8,1	21,6
7,1	34,5	8,3	21,4	28,6
0,0	26,1	17,4	21,7	34,8

3.4 Non-financial, non-professional
journals (from S A Sport to Scope)

2,7	2,7	21,6	35,1	37,8
0,0	11,9	6,0	34,5	47,6
0,0	4,3	4,3	30,4	60,9

Category: Age A B C

4. A firm being allowed to place advertisements for M A S in

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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4.1 Non-financial sections of newspapers

5,4	29,7	29,7	29,7	5,4
2,4	25,0	8,3	39,3	25,0
0,0	21,7	8,7	39,1	30,4

4.2 Any financial publication

18,9	48,6	16,2	10,8	5,4
8,3	52,4	8,3	15,5	15,5
0,0	52,2	13,0	17,4	17,4

4.3 Any professional journal e.g. legal

16,2	51,4	18,9	8,1	5,4
8,3	52,4	7,1	16,7	15,5
4,3	47,8	13,0	17,4	17,4

4.4 Non-financial non-professional journals (from S A Sport to Scope)

2,7	10,8	29,7	35,1	21,6
1,2	13,1	7,1	40,5	38,1
0,0	13,0	8,7	43,5	34,8

Category: Age A B C

5. A firm being allowed to place advertisements for Taxation & Estate Planning

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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5.1 Non-financial sections of newspaper

5,4	35,1	32,4	24,3	2,7
4,8	31,0	7,1	32,1	25,0
0,0	30,4	4,3	34,8	30,4

5.2 Any financial publication

18,9	51,4	16,2	10,8	2,7
8,3	50,0	10,7	15,5	15,5
4,3	47,8	8,7	13,0	26,1

5.3 Any professional journal e.g. legal

16,2	54,1	18,9	8,1	2,7
8,3	52,4	8,3	15,5	15,5
4,3	47,8	13,0	13,0	21,7

5.4 Non-financial, non-professional journals (from S A Sport to Scope)

2,7	13,5	29,7	29,7	24,3
1,2	16,7	9,5	36,9	35,7
0,0	17,4	13,0	34,8	34,8

Category: Age A B C

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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6. A firm being allowed to display at their offices the services they offer in respect of

27,0	40,5	21,6	10,8	0,0
13,1	59,5	10,7	8,3	8,3
13,0	39,1	26,1	8,7	13,0

6.1 Audit

27,0	48,6	21,6	2,7	0,0
13,1	65,5	10,7	4,8	6,0
17,4	47,8	26,1	8,7	0,0

6.2 M A S

27,0	48,6	21,6	2,7	0,0
14,3	64,3	10,7	4,8	6,0
17,4	47,8	26,1	8,7	0,0

6.3 Taxation & Estate Planning

Category: Age A B C

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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7. A firm publically sponsoring the following types of event

5,4	35,1	40,5	13,5	5,4
2,4	25,0	14,3	36,9	21,4
0,0	17,4	4,3	43,5	34,8

7.1 A financial quiz/game

10,8	43,2	29,7	10,8	5,4
4,8	32,1	10,7	32,1	20,2
0,0	21,7	13,0	26,1	39,1

7.2 A lecture tour by a well known personality in the business world

0,0	13,5	35,1	35,1	16,2
1,2	9,5	3,6	47,6	38,1
0,0	4,3	8,7	26,1	60,9

7.3 A sports tournament as major sponsor

0,0	21,6	35,1	29,7	13,5
1,2	9,5	8,3	45,2	35,7
0,0	4,3	8,7	30,4	56,5

7.4 A sports tournament as partial sponsor

Category: Age A B C

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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8. A firm being allowed to display on their stationery the services they offer in respect of

16,2	48,6	18,9	13,5	2,7
11,9	47,6	17,9	13,1	9,5
4,3	34,8	21,7	26,1	13,0

8.1 Audit

18,9	51,4	21,6	8,1	0,0
10,7	53,6	16,7	9,5	9,5
4,3	52,2	17,4	21,7	4,3

8.2 M A S

18,9	51,4	21,6	8,1	0,0
10,7	53,6	16,7	9,5	9,5
4,3	52,2	17,4	21,7	4,3

8.3 Taxation & Estate Planning

9. A firm being allowed to display on their publications and bulletins which are sent to clients the services they offer in respect of

27,0	51,4	16,2	5,4	0,0
19,0	60,7	11,9	4,8	3,6
17,4	39,1	4,3	26,1	13,0

9.1 Audit services

27,0	56,8	16,2	0,0	0,0
20,2	66,7	7,1	3,6	2,4
17,4	52,2	4,3	17,4	8,7

9.2 M A S

27,0	56,8	16,2	0,0	0,0
20,2	66,7	7,1	3,6	2,4
17,4	52,2	4,3	17,4	8,7

9.3 Taxation & Estate Planning

Category: Age A B C

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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10. A firm being able to release under the firm's name, articles/bulletins/booklets on topics related to the services they offer (e.g. a tax guide)

27,0	48,6	16,2	8,1	0,0
21,4	45,2	6,0	15,5	11,9
17,4	52,2	4,3	13,0	13,0

11. A firm being allowed to display on the articles/bulletins/booklets mentioned in question 10. the services they offer in respect of

21,6	37,8	21,6	16,2	2,7
13,1	40,5	7,1	25,0	14,3
8,7	34,8	4,3	17,4	34,8

11.1 Audit

21,6	51,4	18,9	5,4	2,7
15,5	39,3	10,7	20,2	14,3
8,7	52,2	8,7	8,7	21,7

11.2 M A S

21,6	51,4	18,9	5,4	2,7
15,5	40,5	9,5	20,2	14,3
13,0	52,2	4,3	8,7	21,7

11.3 Taxation & Estate Planning

12. A firm being allowed to display their full name on items such as ties, cuff-links, casual shirts

13,5	29,7	27,0	21,6	8,1
6,0	21,4	20,2	27,4	25,0
0,0	17,4	17,4	26,1	39,1

13. A firm being allowed to advertise on bill boards, bus stops and similar types of space.

2,7	2,7	18,9	29,7	45,9
0,0	3,6	3,6	36,9	56,0
0,0	4,3	0,0	21,7	73,9

Category: Age A B C

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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14. Partners of a firm being allowed to distribute business cards on which some form of advertising the firm's services appears.

13,5	48,6	27,0	8,1	2,7
7,1	44,0	14,3	20,2	14,3
0,0	26,1	13,0	34,8	26,1

15. A firm being allowed to put its name to press articles written by one of its members.

16,2	59,5	24,3	0,0	0,0
10,7	54,8	10,7	14,3	9,5
8,7	56,5	8,7	17,4	8,7

16. A firm being allowed to advertise their services when placing advertisements recruiting staff for their own purposes

10,8	54,1	21,6	13,5	0,0
4,8	42,9	20,2	20,2	11,9
0,0	43,5	13,0	26,1	17,4

17. A firm being allowed to advertise their services when placing advertisements recruiting staff on behalf of a client

2,7	8,1	27,0	48,6	13,5
1,2	13,1	9,5	47,6	28,6
0,0	17,4	8,7	60,9	13,0

18. A firm being allowed to advertise bursaries offered for study at a recognised educational institution

16,2	45,9	29,7	8,1	0,0
4,8	45,2	19,0	22,6	8,3
4,3	56,5	8,7	17,4	13,0

19. A firm being allowed publically to sponsor a post in an educational institution e.g. Jones & Jones Chair of Accounting

16,2	29,7	32,4	18,9	2,7
4,8	34,5	17,9	29,8	13,1
4,3	30,4	13,0	39,1	13,0

Category: Age A B C

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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20. A firm being able to use direct mail advertising

2,7	2,7	27,0	37,8	29,7
2,4	9,5	8,3	45,2	34,5
0,0	4,3	8,7	43,5	43,5

21. A firm being allowed to approach the client of another auditor in an attempt to solicit business

2,7	2,7	13,5	32,4	48,6
0,0	8,3	2,4	29,8	59,5
0,0	4,3	0,0	26,1	69,6

22. A partner of a firm being allowed to solicit business in a social atmosphere.

2,7	21,6	35,1	27,0	13,5
0,0	20,2	27,4	27,4	25,0
0,0	21,7	4,3	34,8	39,1

Category: Experience D E F

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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1. A firm being able to advertise on radio

1.1 Audit services

0,0	8,1	21,3	29,4	41,2
0,0	8,8	8,8	33,8	48,5
0,0	2,4	0,0	22,0	75,6

1.2 M A S

5,9	17,0	21,3	26,5	29,4
1,5	16,2	10,3	36,8	35,3
2,4	12,2	7,3	26,8	51,2

1.3 Taxation & Estate Planning Services

5,9	17,0	21,3	32,4	23,5
1,5	17,6	10,3	36,8	33,8
0,0	17,1	4,9	26,8	51,2

2. A firm being able to advertise on TV

2.1 Audit services

0,0	8,1	21,3	29,4	41,2
0,0	5,9	13,2	30,9	50,0
0,0	2,4	0,0	24,4	73,2

2.2 M A S

5,9	20,0	18,3	26,5	29,4
1,5	16,2	10,3	33,8	38,2
2,4	12,2	7,3	26,8	51,2

2.3 Taxation & Estate Planning Services

5,9	20,0	18,3	29,4	26,5
1,5	17,6	10,3	32,4	38,2
0,0	14,6	4,9	29,3	51,2

Category: Experience D E F

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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3. A firm being allowed to place advertisements for audit services in

3.1 Non-financial sections of newspapers

2,4	30,1	23,5	23,5	20,6
0,0	14,7	14,7	32,4	38,2
2,4	2,4	0,0	34,1	61,0

3.2 Any financial publication

20,6	44,8	14,7	8,1	11,8
4,4	38,2	8,8	17,6	30,9
2,4	17,1	9,8	26,8	43,9

3.3 Any professional journal e.g. legal

14,7	50,7	14,7	8,1	11,8
5,9	36,8	10,3	17,6	29,4
2,4	22,0	9,8	26,8	39,0

3.4 Non-financial, non-professional journals (from S A Sport to Scope)

2,9	8,1	18,3	35,3	35,3
0,0	11,8	8,8	32,4	47,1
0,0	2,4	2,4	36,6	58,5

Category: Experience D E F

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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4. A firm being allowed to place advertisements for M A S in

8,8	40,0	26,5	20,6	8,1
0,0	25,0	11,8	44,1	19,1
2,4	17,1	7,3	39,0	34,1

4.1 Non-financial sections of newspapers

23,5	53,6	14,0	2,9	5,9
7,4	54,4	8,8	17,6	11,8
2,4	43,9	12,2	19,5	22,0

4.2 Any financial publication

20,6	56,6	17,0	0,0	5,9
7,4	52,9	8,8	19,1	11,8
4,9	43,9	9,8	19,5	22,0

4.3 Any professional journal e.g. legal

5,2	11,8	27,2	29,4	26,5
0,0	14,7	10,3	41,2	33,8
0,0	9,8	4,9	46,3	39,0

4.4 Non-financial non-professional journals (from S A Sport to Scope)

Category: Experience D E F

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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5. A firm being allowed to place advertisements for Taxation & Estate Planning

8,8	38,9	29,4	20,6	2,2
2,9	30,9	11,8	33,8	20,6
2,4	26,8	2,4	34,1	34,1

5.1 Non-financial sections of newspaper

23,5	56,6	14,7	2,9	2,2
7,4	51,5	10,3	17,6	13,2
4,9	41,5	12,2	17,1	24,4

5.2 Any financial publication

20,6	59,5	17,0	0,0	2,9
7,4	52,9	10,3	17,6	11,8
4,9	43,9	9,8	17,1	24,4

5.3 Any professional journal e.g. legal

5,9	14,0	27,2	29,4	23,5
0,0	17,6	11,8	35,3	35,3
0,0	14,6	9,8	39,0	36,6

5.4 Non-financial, non-professional journals (from S A Sport to Scope)

Category: Experience D E F

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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6. A firm being allowed to display at their offices the services they offer in respect of

6.1 Audit

29,4	41,9	20,0	8,8	0,0
13,2	61,8	8,8	8,8	7,4
12,2	41,5	24,4	9,8	12,2

6.2 M A S

29,4	44,8	23,5	2,0	0,0
14,7	67,6	8,8	4,4	4,4
12,2	53,7	22,0	7,3	4,9

6.3 Taxation & Estate Planning

29,4	44,8	23,5	2,0	0,0
16,2	66,2	8,8	4,4	4,4
12,2	53,7	22,0	7,3	4,9

Category: Experience D E F

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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7. A firm publically sponsoring the following types of event

7.1 A financial quiz/game

5,9	33,1	38,2	17,6	5,2
2,9	27,9	17,6	38,2	13,2
0,0	17,1	7,3	34,1	41,5

7.2 A lecture tour by a well known personality in the business world

11,8	41,9	26,5	14,0	5,9
4,4	32,4	14,7	33,8	14,7
2,4	26,8	9,8	22,0	39,0

7.3 A sports tournament as major sponsor

0,0	11,1	26,5	41,9	20,6
1,5	13,2	8,8	47,1	29,4
0,0	2,4	7,3	29,3	61,0

7.4 A sports tournament as partial sponsor

0,0	17,0	27,2	38,2	17,6
1,5	14,7	11,8	44,1	27,9
0,0	2,4	9,8	31,7	56,1

Category: Experience D E F

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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8. A firm being allowed to display on their stationery the services they offer in respect of

8.1 Audit

23,5	44,8	14,0	17,6	0,0
8,8	48,5	20,6	14,7	7,4
7,3	41,5	19,5	14,6	17,1

8.2 M A S

26,5	44,8	17,0	11,8	0,0
8,8	57,4	19,1	8,8	5,9
4,9	51,2	17,1	14,6	12,2

8.3 Taxation & Estate Planning

26,5	44,8	17,0	11,8	0,0
8,8	57,4	19,1	8,8	5,9
4,9	51,2	17,1	14,6	12,2

9. A firm being allowed to display on their publications and bulletins which are sent to clients the services they offer in respect of

9.1 Audit services

35,3	50,7	11,1	2,9	0,0
17,6	60,3	13,2	5,9	2,9
14,6	48,8	9,8	17,1	9,8

9.2 M A S

35,3	50,7	14,0	0,0	0,0
19,1	67,6	7,4	2,9	2,9
14,6	61,0	7,3	12,2	4,9

9.3 Taxation & Estate Planning

35,3	50,7	14,0	0,0	0,0
19,1	67,6	7,4	2,9	2,9
14,6	61,0	7,3	12,2	4,9

Category: Experience D E F

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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10. A firm being able to release under the firm's name, articles/bulletins/booklets on topics related to the services they offer (e.g. a tax guide)

32,4	44,8	14,0	8,8	0,0
22,1	45,6	5,9	16,2	10,3
14,6	51,2	7,3	12,2	14,6

11. A firm being allowed to display on the articles/bulletins/booklets mentioned in Question 10. the services they offer in respect of

11.1 Audit

26,5	38,9	14,0	20,6	0,0
11,8	39,7	13,2	20,6	14,7
9,8	36,6	2,4	24,4	26,8

11.2 M A S

26,5	47,8	17,0	8,8	0,0
14,7	41,2	13,2	16,2	14,7
9,8	46,3	7,3	17,1	19,5

11.3 Taxation & Estate Planning

26,5	50,7	14,0	8,8	0,0
14,7	41,2	13,2	16,2	14,7
12,2	46,3	4,9	17,1	19,5

12. A firm being allowed to display their full name on items such as ties, cuff-links, casual shirts

17,6	27,2	17,0	26,5	11,8
5,9	27,9	23,5	26,5	16,2
0,0	9,8	22,0	24,4	43,9

13. A firm being allowed to advertise on bill boards, bus stops and similar types of space.

2,9	2,9	14,0	39,5	41,2
0,0	2,9	7,4	35,3	54,4
0,0	4,9	0,0	22,0	73,2

Category: Experience D E F

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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14. Partners of a firm being allowed to distribute business cards on which some form of advertising the firm's services appears.

20,6	44,8	23,5	8,1	2,9
5,9	47,1	17,6	20,6	8,8
0,0	31,7	12,2	26,8	29,3

15. A firm being allowed to put its name to press articles written by one of its members.

20,6	53,6	23,5	2,2	0,0
10,3	63,2	11,8	10,3	4,4
7,3	46,3	9,8	19,5	17,1

16. A firm being allowed to advertise their services when placing advertisements recruiting staff for their own purposes

14,7	50,7	23,5	11,1	0,0
4,4	44,1	19,1	26,5	5,9
0,0	43,9	17,1	14,6	24,4

17. A firm being allowed to advertise their services when placing advertisements recruiting staff on behalf of a client

5,9	11,8	17,0	50,7	14,7
0,0	11,8	14,7	50,0	23,5
0,0	14,6	9,8	48,8	26,8

18. A firm being allowed to advertise bursaries offered for study at a recognised educational institution

20,6	38,9	29,4	11,1	0,0
4,4	52,9	20,6	19,1	2,9
2,4	43,9	12,2	22,0	19,5

19. A firm being allowed publically to sponsor a post in an educational institution e.g. Jones & Jones Chair of Accounting

20,6	30,1	32,4	17,0	0,0
4,4	35,3	19,1	30,9	10,3
2,4	29,3	14,6	34,1	19,5

Category: Experience D E F

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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20. A firm being able to use direct mail advertising

5,2	3,6	20,6	47,1	23,5
0,0	10,3	13,2	44,1	32,4
2,4	2,4	7,3	39,0	48,8

21. A firm being allowed to approach the client of another auditor in an attempt to solicit business

2,9	5,2	11,8	38,9	41,2
0,0	7,4	2,9	29,4	60,3
0,0	4,9	2,4	22,0	70,7

22. A partner of a firm being allowed to solicit business in a social atmosphere.

2,2	26,5	36,0	26,5	8,8
0,0	19,1	27,9	32,4	20,6
0,0	19,5	12,2	24,4	43,9

Category: Language A E O

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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1. A firm being able to advertise on radio

1.1 Audit services

0,0	7,7	9,6	21,2	61,5
0,0	6,7	8,9	34,4	50,0
0,0	0,0	50,0	0,0	50,0

1.2 M A S

1,9	9,6	19,2	23,1	46,2
3,3	18,9	7,8	36,7	33,3
0,0	0,0	50,0	0,0	50,0

1.3 Taxation & Estate Planning
Services

1,9	11,5	15,4	25,0	46,2
2,2	21,1	8,9	37,8	30,0
0,0	0,0	50,0	0,0	50,0

2. A firm being able to advertise on TV

2.1 Audit services

0,0	5,8	11,5	23,1	59,6
0,0	5,6	11,1	32,2	51,1
0,0	0,0	50,0	0,0	50,0

2.2 M A S

1,9	9,6	19,2	23,1	46,2
3,3	20,0	6,7	34,4	35,6
0,0	0,0	50,0	0,0	50,0

2.3 Taxation & Estate Planning Services

1,9	11,5	15,4	25,0	46,2
2,2	21,1	7,8	34,4	34,4
0,0	0,0	50,0	0,0	50,0

Category: Language A E O

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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3. A firm being allowed to place advertisements for audit services in

3.1 Non-financial sections of newspapers

0,0	13,5	13,5	26,9	46,2
2,2	16,7	11,1	32,2	37,8
0,0	0,0	50,0	50,0	0,0

3.2 Any financial publication

3,8	30,8	17,3	9,6	38,5
10,0	35,6	4,6	23,3	26,6
0,0	50,0	50,0	0,0	0,0

3.3 Any professional journal e.g. legal

1,9	34,6	17,3	11,5	34,6
10,0	36,7	6,7	22,2	24,4
0,0	50,0	50,0	0,0	0,0

3.4 Non-financial, non-professional
journals (from S A Sport to Scope)

0,0	7,7	13,5	23,1	55,8
1,1	8,9	6,7	40,0	43,3
0,0	0,0	50,0	50,0	0,0

Category: Language A E O

4. A firm being allowed to place advertisements for M A S in

4.1 Non-financial sections of newspapers

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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0,0	19,2	19,2	36,5	25,0
4,4	30,0	10,0	36,7	18,9
0,0	0,0	50,0	50,0	0,0

4.2 Any financial publication

1,9	48,1	15,4	15,4	19,2
14,4	53,3	7,8	14,4	10,0
0,0	50,0	50,0	0,0	0,0

4.3 Any professional journal e.g. legal

3,8	44,2	15,4	17,3	19,2
13,3	55,6	7,8	13,3	10,0
0,0	50,0	50,0	0,0	0,0

4.4 Non-financial non-professional journals (from S A Sport to Scope)

0,0	9,6	15,4	36,5	38,5
2,2	14,4	11,1	41,1	31,1
0,0	0,0	50,0	50,0	0,0

Category: Language A E O

5. A firm being allowed to place advertisements for Taxation & Estate Planning

5.1 Non-financial sections of newspaper

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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0,0	28,8	15,4	28,8	26,9
6,7	34,4	11,1	31,1	16,7
0,0	0,0	50,0	50,0	0,0

5.2 Any financial publication

3,8	44,2	17,3	15,4	19,2
14,4	53,3	7,8	13,3	11,1
0,0	50,0	50,0	0,0	0,0

5.3 Any professional journal e.g. legal

3,8	46,2	13,5	17,3	19,2
13,3	55,6	10,0	11,1	10,0
0,0	50,0	50,0	0,0	0,0

5.4 Non-financial, non-professional journals (from S A Sport to Scope)

0,0	9,6	21,2	26,9	42,3
2,2	20,0	11,1	38,9	27,8
0,0	0,0	50,0	50,0	0,0

Category: Language A E O

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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6. A firm being allowed to display at their offices the services they offer in respect of

6.1 Audit

11,5	53,8	25,0	7,7	1,9
20,0	48,9	11,1	10,0	10,0
0,0	100,0	0,0	0,0	0,0

6.2 M A S

15,4	55,8	23,1	3,8	1,9
18,9	53,9	12,2	5,6	4,4
0,0	100,0	0,0	0,0	0,0

6.3 Taxation & Estate Planning

15,4	55,8	23,1	3,8	1,9
20,0	57,8	12,2	5,6	4,4
0,0	100,0	0,0	0,0	0,0

Category: Language A E O

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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7. A firm publically sponsoring the following types of event

7.1 A financial quiz/game

0,0	28,8	23,1	30,8	17,3
4,4	24,4	16,7	33,3	21,1
0,0	50,0	50,0	0,0	0,0

7.2 A lecture tour by a well known personality in the business world

0,0	32,7	26,9	25,0	15,4
8,9	33,3	8,9	26,7	22,2
0,0	50,0	50,0	0,0	0,0

7.3 A sports tournament as major sponsor

0,0	7,7	13,5	36,5	42,3
1,1	11,1	11,1	43,3	33,3
0,0	0,0	50,0	50,0	0,0

7.4 A sports tournament as partial sponsor

0,0	7,7	15,4	34,6	42,3
1,1	14,4	14,4	41,1	28,9
0,0	0,0	50,0	50,0	0,0

Category: Language A E O

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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8. A firm being allowed to display on their stationery the services they offer in respect of

8.1 Audit

3,8	48,1	25,0	13,5	9,6
16,7	43,3	15,6	16,7	7,8
0,0	100,0	0,0	0,0	0,0

8.2 M A S

3,8	55,6	21,2	9,6	9,6
16,7	50,0	16,7	12,2	4,4
0,0	100,0	0,0	0,0	0,0

8.3 Taxation & Estate Planning

3,8	55,8	21,2	9,6	9,6
16,7	50,0	16,7	12,2	4,4
0,0	100,0	0,0	0,0	0,0

9. A firm being allowed to display on their publications and bulletins which are sent to clients the services they offer in respect of

9.1 Audit services

13,5	51,9	21,2	9,6	3,8
24,4	56,7	6,7	7,8	4,4
50,0	50,0	0,0	0,0	0,0

9.2 M A S

15,4	57,7	17,3	5,8	3,8
24,4	64,4	4,4	4,4	2,2
50,0	50,0	0,0	0,0	0,0

9.3 Taxation & Estate Planning

15,4	57,7	17,3	5,8	3,8
24,4	64,4	4,4	4,4	2,2
50,0	50,0	0,0	0,0	0,0

Category: Language A E O

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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10. A firm being able to release under the firm's name, articles/bulletins/booklets on topics related to the services they offer (e.g. a tax guide)

9,6	42,3	15,4	19,2	13,5
30,0	48,9	4,4	10,0	6,7
0,0	100,0	0,0	0,0	0,0

11. A firm being allowed to display on the articles/bulletins/booklets mentioned in Question 10. the services they offer in respect of

11.1 Audit

5,8	34,6	19,2	21,2	19,2
20,0	40,0	5,6	22,2	12,2
0,0	100,0	0,0	0,0	0,0

11.2 M A S

7,7	40,4	19,2	15,4	17,3
21,1	45,6	8,9	14,4	10,0
0,0	100,0	0,0	0,0	0,0

11.3 Taxation & Estate Planning

9,6	40,4	17,3	15,4	17,3
21,1	46,7	7,8	14,4	10,0
0,0	100,0	0,0	0,0	0,0

12. A firm being allowed to display their full name on items such as ties, cuff-links, casual shirts

1,9	21,2	42,3	13,5	21,2
10,0	24,4	8,9	32,2	24,4
0,0	0,0	50,0	50,0	0,0

13. A firm being allowed to advertise on bill boards, bus stops and similar types of space.

0,0	3,8	9,6	26,9	59,6
1,1	3,3	4,4	36,7	54,4
0,0	0,0	50,0	0,0	50,0

Category: Language A E O

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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14. Partners of a firm being allowed to distribute business cards on which some form of advertising the firm's services appears.

1,9	38,5	15,4	23,1	21,2
11,1	43,3	18,9	17,8	8,9
0,0	100,0	0,0	0,0	0,0

15. A firm being allowed to put its name to press articles written by one of its members.

5,8	59,6	19,2	7,7	7,7
15,6	53,3	11,1	13,3	6,7
0,0	100,0	0,0	0,0	0,0

16. A firm being allowed to advertise their services when placing advertisements recruiting staff for their own purposes

1,9	44,2	25,0	17,3	11,5
7,8	46,7	15,6	21,1	8,9
0,0	50,0	50,0	0,0	0,0

17. A firm being allowed to advertise their services when placing advertisements recruiting staff on behalf of a client

1,9	7,7	19,2	50,0	21,2
1,1	15,6	10,0	50,0	23,3
0,0	0,0	50,0	50,0	0,0

18. A firm being allowed to advertise bursaries offered for study at a recognised educational institution

7,7	38,5	28,8	17,3	7,7
7,8	52,2	14,4	18,9	6,7
0,0	50,0	50,0	0,0	0,0

19. A firm being allowed publically to sponsor a post in an educational institution e.g. Jones & Jones Chair of Accounting

5,8	23,1	28,8	28,8	13,5
8,9	37,8	15,6	28,9	8,9
0,0	50,0	50,0	0,0	0,0

Category: Language A E O

STRONGLY IN FAVOUR	IN FAVOUR	NEUTRAL	OPPOSED	STRONGLY OPPOSED
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20. A firm being able to use direct mail advertising

1,9	7,7	19,2	34,6	36,5
2,2	6,7	7,8	48,9	34,4
0,0	0,0	100,0	0,0	0,0

21. A firm being allowed to approach the client of another auditor in an attempt to solicit business

0,0	5,8	9,6	30,8	53,8
1,1	6,7	2,2	30,0	60,0
0,0	0,0	0,0	0,0	100,0

22. A partner of a firm being allowed to solicit business in a social atmosphere.

0,0	21,2	21,2	28,8	28,8
1,1	21,1	28,9	26,7	22,2
0,0	0,0	0,0	100,0	0,0

APPENDIX C. Responses to questions designed to test partners' opinions in respect of the overall content of advertisements for professional accounting services.

CONTENTS

The appendices under the above heading were not broken down into separate issues as this was not applicable. The responses to each question posed were analysed in total, by size of firm, age, experience and language of respondents. The index for the relevant appendices appears below.

	<u>Pages</u>
Category : total	315
size	316-318
age	319-321
experience	322-324
language	325-327

CATEGORY : TOTAL

VERY APPRO.	APPRO.	NEUTRAL	IN-APPRO.	VERY IN-APPRO.
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1. SERVICE APPEAL

1.1 Availability of Services

1.1.1 Audit

1.1.2 M.A.S.

1.1.3 Taxation & Estate Planning

1.2 Specialisations

6,2	37,5	20,1	20,8	15,3
9,0	55,6	16,0	11,1	8,3
10,4	54,9	16,0	10,4	8,3
12,5	52,1	16,0	11,1	8,3

2. PROFESSIONAL CREDENTIALS APPEAL

2.1 Number of listed companies as clients

2.2 Number of "Top 100" companies as clients

2.3 Member of "Big 9"

2.4 Details of particular achievement e.g. auditors involved in multi-million merger

2.5 Part of International association

2,8	18,7	20,1	36,8	21,5
2,1	17,4	20,1	38,2	22,2
2,8	23,6	19,4	34,0	20,1
2,8	16,0	20,8	37,5	22,9
4,9	43,7	22,2	18,1	11,1

3. PERSONAL APPEALS

3.1 Photographs of partners

3.2 Qualifications of partners

3.3 Resumé of partners careers

3.4 Specialisations of partners

3.5 Reference to partners well known in society as a result of

3.5.1 performance in business field

3.5.2 performance in other spheres e.g. sport

4,2	11,8	18,1	37,5	28,5
5,8	34,7	22,9	24,3	12,5
2,8	24,3	20,1	36,8	16,0
5,6	40,3	20,8	21,5	11,8
2,8	29,2	19,4	31,9	16,7
2,1	15,3	20,1	39,6	22,9

CATEGORY : TOTAL

VERY APPRO.	APPRO.	NEUTRAL	IN-APPRO.	VERY IN-APPRO.
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4. PRICING OF SERVICES APPEAL

4.1 Offer of lower fees

4.2 Comparison with fees of other firms

4.3 Method of charging

4.4 No mention at all of fees

0,7	0,7	7,6	37,5	53,5
0,7	1,4	8,3	37,5	52,1
2,1	22,2	18,8	34,7	22,2
13,9	42,4	27,8	9,7	6,3

5. QUALITY APPEAL

5.1 Superiority to competitors

5.1.1 within profession

5.1.2 outside profession

5.2 Superiority to other specific firms

5.2.1 implied

5.2.2 mentioned by name

5.3 Large firm superior to small firm or vice versa

0,7	4,2	12,5	36,8	45,8
6,9	24,3	15,3	25,7	27,8
1,4	3,5	11,8	37,5	45,8
0,7	1,4	8,3	31,9	57,6
0,7	5,6	8,3	36,8	48,6

6. GENERAL

6.1 Comparison in any way with competitors

6.1.1 within profession

6.1.2 outside profession

6.2 Provision of personal attention

6.3 Firm captions e.g. Deloitte Haskins + Sells "beyond the bottom line"

6.4 Firm approaches/packages offered e.g. Peat, Marwick & Mitchell's SEADOC Ernst & Whinney's WINPLAN

0,0	4,2	11,1	38,9	45,8
4,9	26,4	16,7	25,0	27,1
4,9	37,5	23,6	19,4	14,6
2,8	20,8	20,8	29,9	25,7
3,5	23,6	22,2	28,5	22,2

Category: Size L M S

1.1 Availability of service

1.1.1 Audit

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
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14,0	50,0	20,0	12,0	4,0
4,5	36,4	18,2	9,1	31,8
1,4	29,2	20,8	30,6	18,1

1.1.2 M A S

18,0	66,0	6,0	8,0	2,0
4,5	50,0	22,7	4,5	18,2
4,2	50,0	20,8	15,3	9,7

1.1.3 Taxation & Estate Planning

20,0	64,0	6,0	8,0	2,0
9,1	45,5	22,7	4,5	18,2
4,2	51,4	20,8	13,9	9,7

1.2 Specialisations

22,0	62,0	4,0	10,0	2,0
4,5	45,5	27,3	4,5	18,2
8,3	47,2	20,8	13,9	9,7

Category: Size L M S

2. Professional Credentials Appeal

2.1 Number of listed companies as clients

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
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6,0	30,0	32,0	26,0	6,0
4,5	13,6	13,6	31,8	36,4
0,0	12,5	13,9	45,8	27,8

2.2 Number of "Top 100" companies as clients

6,0	30,0	30,0	28,0	6,0
0,0	9,1	18,2	31,8	40,9
0,0	11,1	13,9	47,2	27,8

2.3 Member of "Big 9"

6,0	44,0	22,0	22,0	6,0
4,5	13,6	13,6	36,4	31,8
0,0	12,5	19,4	41,7	26,4

2.4 Details of particular achievement e.g. auditors involved in multi-million merger

8,0	22,0	26,0	38,0	6,0
0,0	22,7	18,2	27,3	31,8
0,0	9,7	18,1	40,3	31,9

2.5 Part of International association

8,0	60,0	18,0	10,0	4,0
9,1	36,4	13,6	18,2	22,7
1,4	34,7	27,8	23,6	12,5

Category: Size L M S

3. Personal appeals

3.1 Photographs of partners

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
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10,0	20,0	20,0	38,0	12,0
0,0	13,6	9,1	36,4	40,9
1,4	5,6	19,4	37,5	36,1

3.2 Qualifications of partners

12,0	38,0	20,0	24,0	6,0
4,5	22,7	18,2	31,8	22,7
1,4	36,1	26,4	22,2	13,9

3.3 Resumé of partners careers

8,0	32,0	20,0	32,0	8,0
0,0	18,2	18,2	40,9	22,7
0,0	20,8	20,8	38,9	19,4

3.4 Specialisations of partners

14,0	46,0	14,0	20,0	6,0
4,5	31,8	27,3	18,2	18,2
0,0	38,9	23,6	23,6	13,9

3.5 Reference to partners well known in society as a result of performance in business field

8,0	34,0	24,0	26,0	8,0
0,0	31,8	18,2	27,3	22,7
0,0	25,0	16,7	37,5	20,8

3.6 Reference to partners well known in society as a result of performance in other spheres e.g. sport

6,0	20,0	22,0	38,0	14,0
0,0	13,6	18,2	40,9	27,3
0,0	12,5	19,4	40,3	27,8

Category: Size L M S

4. Pricing of Services Appeal

4.1 Offer of lower fees

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
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0,0	0,0	10,0	52,0	38,0
0,0	0,0	4,5	31,8	63,6
1,4	1,4	6,9	29,2	61,1

4.2 Comparison with fees of other firms

0,0	0,0	14,0	50,0	36,0
0,0	4,5	0,0	27,3	68,2
1,4	1,4	6,9	31,9	58,3

4.3 Method of charging

0,0	30,0	12,0	40,0	18,0
4,5	18,2	9,1	31,8	36,4
2,8	18,1	26,4	31,9	20,8

4.4 No mention at all of fees

14,0	42,0	22,0	16,0	6,0
13,6	31,8	36,4	9,1	9,1
13,9	45,8	29,2	5,6	5,6

Category: Size L M S

5. Quality Appeal

5.1 Superiority to competitors within profession

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
2,0	6,0	14,0	50,0	28,0
0,0	0,0	9,1	22,7	68,2
0,0	4,2	12,5	31,9	51,4

5.2 Superiority to competitors outside profession

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
12,0	26,0	12,0	32,0	18,0
4,5	4,5	13,6	31,8	45,5
4,2	29,2	18,1	19,4	29,2

5.3 Superiority to other specific firms - implied

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
2,0	4,0	18,0	44,0	32,0
0,0	0,0	4,5	22,7	72,7
1,4	4,2	9,7	37,5	47,2

5.4 Superiority to other specific firms mentioned by name

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
0,0	0,0	12,0	42,0	46,0
0,0	0,0	0,0	27,3	72,7
1,4	2,8	8,3	26,4	61,1

5.5 Large firm superior to small firm or vice versa

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
2,0	8,0	10,0	46,0	34,0
0,0	4,5	4,5	27,3	63,6
0,0	4,2	8,3	33,3	54,2

Category: Size L M S

6. General

6.1 Comparison in any way with competitors within profession

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
0,0	8,0	12,0	52,0	28,0
0,0	0,0	9,1	27,3	63,6
0,0	2,8	11,1	33,3	52,8

6.2 Comparison in any way with competitors outside profession

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
8,0	30,0	12,0	32,0	18,0
4,5	13,6	4,5	27,3	50,0
2,8	27,8	23,6	19,4	26,4

6.3 Provision of personal attention

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
10,0	44,0	24,0	16,0	6,0
0,0	31,8	13,6	27,3	27,3
2,8	34,7	26,4	19,4	16,7

6.4 Firm captions e.g. Deloitte Haskins + Sells "beyond the bottom line"

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
8,0	24,0	26,0	28,0	14,0
0,0	22,7	13,6	27,3	36,4
0,0	18,1	19,4	31,9	30,6

6.5 Firm approaches/packages offered e.g. Peat, Marwick & Mitchell's SEADOC, Earnst & Whinney's WINPLAN

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
8,0	34,0	28,0	20,0	10,0
0,0	27,3	9,1	36,4	27,3
1,4	15,3	22,2	31,9	29,2

Category: Age A B C

1.1 Availability of service

1.1.1 Audit

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
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13,5	32,4	27,0	16,2	10,8
4,8	44,0	17,9	19,0	14,3
0,0	21,7	17,4	34,8	26,1

1.1.2 M A S

16,2	56,8	18,9	8,1	0,0
8,3	56,0	16,7	9,5	9,5
0,0	52,2	8,7	21,7	17,4

1.1.3 Taxation & Estate Planning

16,2	56,8	18,9	8,1	0,0
9,5	56,0	16,7	8,3	9,5
4,3	47,8	8,7	21,7	17,4

1.2 Specialisations

21,6	51,4	18,9	8,1	0,0
10,7	54,8	15,5	9,5	9,5
4,3	43,5	13,0	21,7	17,4

Category: Age A B C

2. Professional Credentials Appeal

2.1 Number of listed companies as clients

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
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5,4	29,7	29,7	24,3	10,8
2,4	16,7	19,0	40,5	21,4
0,0	8,7	8,7	43,5	39,1

2.2 Number of "Top 100" companies as clients

5,4	29,7	29,7	24,3	10,8
1,2	14,3	19,0	42,9	22,6
0,0	8,7	8,7	43,5	39,1

2.3 Member of "Big 9"

5,4	37,8	32,4	16,2	8,1
2,4	20,2	16,7	40,5	20,2
0,0	13,0	8,7	39,1	39,1

2.4 Details of particular achievement
e.g. auditors involved in multi-million merger

8,1	18,9	35,1	27,0	10,8
1,2	14,3	19,0	40,5	25,0
0,0	17,4	4,3	43,5	34,8

2.5 Part of International association

10,8	51,4	24,3	5,4	8,1
3,6	41,7	23,8	21,4	9,5
0,0	39,1	13,0	26,1	21,7

Category: Age A B C

3. Personal appeals

3.1 Photographs of partners

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
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8,1	16,2	40,5	16,2	18,9
2,4	10,7	11,9	45,2	29,8
4,3	8,7	4,3	43,5	39,1

3.2 Qualifications of partners

10,8	45,9	27,0	10,8	5,4
4,8	29,8	23,8	28,6	13,1
0,0	34,8	13,0	30,4	21,7

3.3 Resumé of partners careers

8,1	29,7	37,8	18,9	5,4
1,2	22,6	15,5	41,7	19,0
0,0	21,7	8,7	47,8	21,7

3.4 Specialisations of partners

10,8	43,2	35,1	5,4	5,4
3,6	39,3	17,9	27,4	11,9
4,3	39,1	8,7	26,1	21,7

3.5 Reference to partners well known in society as a result of performance in business field

8,1	35,1	35,1	16,2	5,4
1,2	27,4	16,7	35,7	19,0
0,0	26,1	4,3	43,5	26,1

3.6 Reference to partners well known in society as a result of performance in other spheres e.g. sport

5,4	10,8	43,2	18,9	21,6
1,2	16,7	13,1	47,6	21,4
0,0	17,4	8,7	43,5	30,4

Category: Age A B C

4. Pricing of Services Appeal

4.1 Offer of lower fees

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
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2,7	0,0	18,9	45,9	32,4
0,0	0,0	4,8	36,9	58,3
0,0	4,3	0,0	26,1	69,6

4.2 Comparison with fees of other firms

2,7	0,0	18,9	40,5	37,8
0,0	1,2	4,8	38,1	56,0
0,0	4,3	4,3	30,4	60,9

4.3 Method of charging

0,0	16,2	29,7	35,1	18,9
3,6	23,8	16,7	34,5	21,4
0,0	26,1	8,7	34,8	30,4

4.4 No mention at all of fees

16,2	29,7	45,9	5,4	2,7
14,3	48,8	22,6	8,3	6,0
8,7	39,1	17,4	21,7	13,0

Category: Age A B C

5. Quality Appeal

5.1 Superiority to competitors within profession

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
0,0	5,4	18,9	40,5	35,1
1,2	3,6	10,7	36,9	47,6
0,0	4,3	8,7	30,4	56,5

5.2 Superiority to competitors outside profession

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
16,2	16,2	18,9	32,4	16,2
4,8	25,0	15,5	25,0	29,8
0,0	34,8	8,7	17,4	39,1

5.3 Superiority to other specific firms - implied

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
5,4	5,4	24,3	35,1	29,7
0,0	2,4	8,3	40,5	48,8
0,0	4,3	4,3	30,4	60,9

5.4 Superiority to other specific firms mentioned by name

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
2,7	2,7	13,5	32,4	48,6
0,0	0,0	7,1	34,5	58,3
0,0	4,3	4,3	21,7	69,6

5.5 Large firm superior to small firm or vice versa

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
2,7	10,8	16,2	32,4	37,8
0,0	2,4	4,8	42,9	50,0
0,0	8,7	8,7	21,7	60,9

Category: Age A B C

6. General

6.1 Comparison in any way with competitors within profession

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
0,0	8,1	18,9	35,1	37,8
0,0	2,4	10,7	40,5	46,4
0,0	4,3	0,0	39,1	56,5

6.2 Comparison in any way with competitors outside profession

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
10,8	24,3	27,0	18,9	18,9
3,6	26,2	14,3	27,4	28,6
0,0	30,4	8,7	26,1	34,8

6.3 Provision of personal attention

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
16,2	43,2	27,0	13,5	0,0
1,2	36,9	22,6	19,0	20,2
0,0	30,4	21,7	30,4	17,4

6.4 Firm captions e.g. Deloitte Haskins + Sells "beyond the bottom line"

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
8,1	29,7	29,7	18,9	13,5
1,2	19,0	20,2	31,0	28,6
0,0	13,0	8,7	43,5	34,8

6.5 Firm approaches/packages offered e.g. Peat, Marwick & Mitchell's SEADOC, Earnst & Whinney's WINPLAN

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
8,1	29,7	32,4	18,9	10,8
1,2	22,6	21,4	31,0	23,8
4,3	17,4	8,7	34,8	34,8

Category: Experience D E F

1.1 Availability of service

1.1.1 Audit

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
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14,7	41,9	17,6	17,6	8,1
4,4	47,1	22,1	19,1	7,4
2,4	17,1	19,5	26,8	34,1

1.1.2 M A S

17,6	62,5	14,0	5,9	0,0
8,8	58,8	16,2	13,2	2,9
2,4	43,9	17,1	12,2	24,4

1.1.3 Taxation & Estate Planning

20,6	59,5	14,0	5,9	0,0
8,8	60,3	16,2	11,8	2,9
4,9	41,5	17,1	12,2	24,4

1.2 Specialisations

29,4	47,8	14,0	8,8	0,0
8,8	61,8	16,2	10,3	2,9
4,9	39,0	17,1	14,6	24,4

Category: Experience D E F

2. Professional Credentials Appeal

2.1 Number of listed companies as clients

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
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5,9	35,3	22,8	21,3	14,7
1,5	16,2	27,9	42,6	11,8
2,4	9,8	4,9	39,0	43,9

2.2 Number of "Top 100" companies as clients

5,9	35,3	22,8	21,3	14,7
1,5	13,2	27,9	45,6	11,8
0,0	9,8	4,9	39,0	46,3

2.3 Member of "Big 9"

5,9	44,1	20,0	21,3	8,8
1,5	20,6	26,5	38,2	13,2
2,4	12,2	7,3	36,6	41,5

2.4 Details of particular achievement e.g. auditors involved in multi-million merger

8,1	20,6	32,4	27,2	11,8
1,5	17,6	25,0	39,7	16,2
0,0	9,8	4,9	41,5	43,9

2.5 Part of International association

11,8	56,6	20,0	5,9	5,9
2,9	44,1	29,4	19,1	4,4
2,4	31,7	12,2	26,8	26,8

Category: Experience D E F

3. Personal appeals

3.1 Photographs of partners

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
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8,1	11,8	36,0	17,6	26,5
2,9	13,2	17,6	48,5	17,6
2,4	9,8	2,4	36,6	48,8

3.2 Qualifications of partners

14,0	41,9	23,5	14,7	5,9
2,9	33,8	26,5	30,9	5,9
2,4	29,3	17,1	22,0	29,3

3.3 Resumé of partners careers

8,1	26,5	29,4	31,1	5,9
1,5	26,5	23,5	39,7	8,8
0,0	19,5	7,3	36,6	36,6

3.4 Specialisations of partners

14,0	44,8	29,4	8,8	2,9
1,5	42,6	19,1	30,9	5,9
4,9	31,7	17,1	17,1	29,3

3.5 Reference to partners well known in society as a result of performance in business field

8,1	30,1	32,4	23,5	5,9
1,5	30,9	20,6	36,8	10,3
0,0	24,4	7,3	31,7	36,6

3.6 Reference to partners well known in society as a result of performance in other spheres e.g. sport

5,2	3,6	41,2	29,4	20,6
1,5	20,6	17,6	47,1	13,2
0,0	14,6	7,3	36,6	41,5

Category: Experience D E F

4. Pricing of Services Appeal

4.1 Offer of lower fees

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
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2,9	0,0	17,0	41,9	38,2
0,0	0,0	7,4	45,6	47,1
0,0	2,4	0,0	19,5	78,0

4.2 Comparison with fees of other firms

2,9	0,0	17,0	38,9	41,2
0,0	1,5	7,4	45,6	45,6
0,0	2,4	2,4	22,0	73,2

4.3 Method of charging

0,0	17,0	29,4	33,1	20,6
2,9	25,0	20,6	38,2	13,2
2,4	22,0	7,3	29,3	39,0

4.4 No mention at all of fees

17,6	30,1	47,1	5,2	0,0
13,2	51,5	25,0	7,4	2,9
12,2	36,6	17,1	17,1	17,1

Category: Experience D E F

5. Quality Appeal

5.1 Superiority to competitors within profession

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
0,0	5,9	17,0	41,9	35,3
1,5	4,4	16,2	36,8	41,2
0,0	2,4	2,4	31,7	63,4

5.2 Superiority to competitors outside profession

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
17,6	12,5	14,0	35,3	20,6
4,4	29,4	20,6	25,0	20,6
2,4	24,4	7,3	19,5	46,3

5.3 Superiority to other specific firms - implied

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
5,2	5,9	23,5	33,1	32,4
0,0	2,9	13,2	42,6	41,2
0,0	2,4	0,0	31,7	65,9

5.4 Superiority to other specific firms mentioned by name

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
2,9	2,9	11,1	36,0	47,1
0,0	0,0	11,8	33,8	54,4
0,0	2,4	0,0	24,4	73,2

5.5 Large firm superior to small firm or vice versa

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
2,9	11,8	11,1	33,1	41,2
0,0	1,5	10,3	44,1	44,1
0,0	7,3	2,4	26,8	63,4

Category: Experience D E F

6. General

6.1 Comparison in any way with competitors within profession

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
0,0	8,8	14,0	38,9	38,2
0,0	2,9	16,2	42,6	38,2
0,0	2,4	0,0	31,7	65,9

6.2 Comparison in any way with competitors outside profession

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
11,8	21,3	20,0	20,6	26,5
2,9	30,9	19,1	27,9	19,1
2,4	22,0	9,8	24,4	41,5

6.3 Provision of personal attention

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
17,0	33,1	26,5	17,6	5,9
1,5	44,1	26,5	17,6	10,3
0,0	29,3	17,1	24,4	29,3

6.4 Firm captions e.g. Deloitte Haskins + Sells "beyond the bottom line"

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
8,1	23,5	29,4	21,3	17,6
1,5	26,5	23,5	30,9	17,6
0,0	9,8	9,8	34,1	46,3

6.5 Firm approaches/packages offered e.g. Peat, Marwick & Mitchell's SEADOC, Earnst & Whinney's WINPLAN

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
8,1	27,2	26,5	23,5	14,7
1,5	25,0	26,5	33,8	13,2
2,4	17,1	12,2	24,4	43,9

Category: Language A E O

1.1 Availability of service

1.1.1 Audit

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
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3,8	26,9	26,9	23,1	19,2
6,7	43,3	16,7	20,0	13,3
50,0	50,0	0,0	0,0	0,0

1.1.2 M A S

3,8	42,3	25,0	15,4	13,5
11,1	63,3	11,1	8,9	5,6
50,0	50,0	0,0	0,0	0,0

1.1.3 Taxation & Estate Planning

5,8	42,3	25,0	13,5	13,5
12,2	62,2	11,1	8,9	5,6
50,0	50,0	0,0	0,0	0,0

1.2 Specialisations

7,7	38,5	25,0	15,4	13,5
14,4	60,0	11,1	8,9	5,6
50,0	50,0	0,0	0,0	0,0

Category: Language A E O

2. Professional Credentials Appeal

2.1 Number of listed companies as clients

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
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0,0	19,2	21,2	36,5	23,1
4,4	18,9	20,0	35,6	21,1
0,0	0,0	0,0	100,0	0,0

2.2 Number of "Top 100" companies as clients

0,0	17,3	19,2	40,4	23,1
3,3	17,8	21,1	35,6	22,2
0,0	0,0	0,0	100,0	0,0

2.3 Member of "Big 9"

0,0	19,2	21,2	36,5	23,1
4,4	26,7	17,8	32,2	18,9
0,0	0,0	50,0	50,0	0,0

2.4 Details of particular achievement e.g. auditors involved in multi-million merger

0,0	11,5	17,3	46,2	25,0
4,4	18,9	22,0	32,2	22,2
0,0	0,0	50,0	50,0	0,0

2.5 Part of International association

0,0	30,8	23,1	26,9	19,2
7,8	50,0	22,2	13,3	6,7
0,0	100,0	0,0	0,0	0,0

Category: Language A E O

3. Personal appeals

3.1 Photographs of partners

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
0,0	9,6	19,2	38,5	32,7
6,7	13,3	16,7	36,7	26,7
0,0	0,0	50,0	50,0	0,0

3.2 Qualifications of partners

0,0	30,8	28,8	26,9	13,5
8,9	35,6	20,0	23,3	12,2
0,0	100,0	0,0	0,0	0,0

3.3 Resumé of partners careers

0,0	19,2	21,2	40,4	19,2
4,4	27,8	17,8	35,6	14,4
0,0	0,0	100,0	0,0	0,0

3.4 Specialisations of partners

1,9	32,7	26,9	25,0	13,5
7,8	44,4	16,7	20,0	11,1
0,0	50,0	50,0	0,0	0,0

3.5 Reference to partners well known in society as a result of performance in business field

0,0	19,2	25,0	34,6	21,2
4,4	33,3	16,7	31,1	14,4
0,0	100,0	0,0	0,0	0,0

3.6 Reference to partners well known in society as a result of performance in other spheres e.g. sport

0,0	15,4	17,3	40,4	26,9
3,3	15,6	20,0	40,0	21,1
0,0	0,0	100,0	0,0	0,0

Category: Language A E O

4. Pricing of Services Appeal

4.1 Offer of lower fees

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
0,0	1,9	7,7	34,6	55,8
1,1	0,0	7,8	40,0	51,1
0,0	0,0	0,0	0,0	100,0

4.2 Comparison with fees of other firms

0,0	1,9	9,6	38,5	50,0
1,1	1,1	7,8	37,8	52,2
0,0	0,0	0,0	0,0	100,0

4.3 Method of charging

3,8	21,2	21,2	30,8	23,1
1,1	22,2	16,7	37,8	22,2
0,0	50,0	50,0	0,0	0,0

4.4 No mention at all of fees

7,7	34,6	36,5	9,6	11,5
16,7	46,7	23,3	10,0	3,3
50,0	50,0	0,0	0,0	0,0

Category: Language A E O

5. Quality Appeal

5.1 Superiority to competitors within profession

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
0,0	1,9	15,4	28,8	53,8
1,1	5,6	10,0	42,2	41,1
0,0	0,0	50,0	0,0	50,0

5.2 Superiority to competitors outside profession

1,9	17,3	15,4	25,0	40,4
10,0	27,8	14,4	26,7	21,1
0,0	50,0	50,0	0,0	0,0

5.3 Superiority to other specific firms - implied

0,0	1,9	13,5	30,8	53,8
2,2	4,4	10,0	41,1	42,2
0,0	0,0	50,0	50,0	0,0

5.4 Superiority to other specific firms mentioned by name

0,0	1,9	11,5	30,8	55,8
1,1	1,1	6,7	32,2	58,9
0,0	0,0	0,0	50,0	50,0

5.5 Large firm superior to small firm or vice versa

0,0	3,8	13,5	26,9	55,8
1,1	6,7	5,6	42,2	44,4
0,0	0,0	0,0	50,0	50,0

Category: Language A E O

6. General

6.1 Comparison in any way with competitors within profession

VERY APPRO.	APPRO.	NEUTRAL	IN APPRO.	VERY IN APPRO.
0,0	1,9	13,5	36,5	48,1
0,0	5,6	8,9	41,1	44,4
0,0	0,0	50,0	0,0	50,0

6.2 Comparison in any way with competitors outside profession

1,9	15,4	17,3	30,8	34,6
6,7	32,2	15,6	22,2	23,3
0,0	50,0	50,0	0,0	0,0

6.3 Provision of personal attention

1,9	23,1	23,1	26,9	25,0
6,7	45,6	23,3	15,6	8,9
0,0	50,0	50,0	0,0	0,0

6.4 Firm captions e.g. Deloitte Haskins + Sells "beyond the bottom line"

1,9	7,7	19,2	32,7	38,5
3,3	28,9	20,0	28,9	18,9
0,0	0,0	100,0	0,0	0,0

6.5 Firm approaches/packages offered e.g. Peat, Marwick & Mitchell's SEADOC, Earnst & Whinney's WINPLAN

1,9	9,6	21,2	34,6	32,7
4,4	32,2	21,1	25,6	16,7
0,0	0,0	100,0	0,0	0,0

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