

**FACTORS INFLUENCING THE ROLE OF FINANCE PROFESSIONALS FOR
FIRMS LISTED AT THE NAIROBI SECURITIES EXCHANGE**

BY

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DECLARATION

This research project is my original work which has never been presented to other institutions for the award of any degree, diploma or certificate whatsoever.

Signature

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This research project is being submitted to the University of Nairobi for examination with my approval as the university supervisor.

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DEDICATION

This project is dedicated to my dear wife, Lonicah Mukasia, beloved mother, Elicah Maliro, loving son, Aiden. Their love, support, patience, encouragement and understanding gave me the will and determination to complete my postgraduate studies.

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ABBREVIATIONS

ACCA	Association of Chartered Certified Accountants
CEO	Chief Executive Officer
CFO	Chief Finance Officer
FTSE	Financial Times Stock Exchange
ICPAK	Institute of Certified Public Accountants of Kenya
NSE	Nairobi Securities Exchange
PwC	PricewaterhouseCoopers
UK	United Kingdom

ABSTRACT

The role of finance and accounting professionals is changing rapidly. Finance professionals are taking on greater management and consulting responsibilities as well as advising senior management on financial matters and taking a more active role in analyzing corporate operations. The purpose of the study was to investigate the factors influencing the changing role of finance professionals in the quoted firms in Kenya. The study used descriptive survey design. The population of this study was comprised of all the 60 firms quoted in the NSE. Due to the nature of the population- small and variable, no sampling was done and hence this was a census study. The sample under study was therefore all the 60 firms quoted in the NSE. The study collected primary data through the use of a researcher assisted questionnaire. Administration of the questionnaires was done by the researcher. The collected fully filled questionnaires were first edited then coded to facilitate statistical analysis. The data was analyzed through descriptive and inferential analysis through the help of Statistical Package for Social Science (SPSS) and the findings were then be presented in form of frequency distribution tables, bar charts and pie charts. A regression analysis was conducted to test and establish the form of relationship between variables. The study found out that the need to satisfy greater demand for public accountability and transparency, the pressure from stakeholders and need to manage shareholders relations influenced finance professionals roles. Increased regulations, technical specialized skills, changing information technology and competitive business environment had also influenced the changing roles. The study concludes that stakeholders' scrutiny, technical skills, strategic role, increasing regulation and the competitive business environment influence the changing roles of finance professionals in companies listed in the NSE. There has been greater demand from the public on accountability and transparency and reporting requirements that have created pressure on the finance professionals in a bid to meet the stakeholders' demands as well as increasing the companies' returns. The study recommends that the change in the role of the finance professionals should be supported by a change in required competences;

Accounting and finance bodies also need to make changes on the finance courses curriculum so as to ensure that the skills acquired meets the market demand.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The global financial tsunami is affecting every industry; this is no exception for finance professionals to meet the challenges ahead in their organizations. In the ACCA Managing Human Capital Conference Series 2009 "The high performance finance professional – global challenges and opportunities", speakers representing the top management in finance and human resources shared insights on the important roles of finance professionals in the current economy (ACCA, 2009). Finance, as a function, is reinventing itself. It recognizes the need to evolve alongside a business that has adapted to changing commercial and external pressures. According to KPMG report (2010), 2020 finance leaders will need more than functional finance experience. Their primary role will be to identify and drive value-enhancing opportunities that have impact across the organization. They will understand the risk implications of their decisions in a dynamic business environment and an investment market that does not tolerate mistakes.

The role of finance and accounting professionals is changing rapidly. Today's accountants are performing less auditing work due to liability exposure and lower profitability. Their tax preparation responsibilities have also decreased due to growing competition from specialty tax firms. In turn, they are taking on greater management and consulting responsibilities. More and more, these professionals are advising senior management on financial matters and taking a more active role in analyzing corporate operations (ACCA, 2009).

Global trade, the proliferation of complex financial instruments, and the rapid evolution of technology have combined to change accounting roles and increase the demand for skilled finance and accounting professionals, according to a survey conducted by kforce.com Finance & Accounting. Results from the annual survey published in kforce.com's 1999 Salary Survey and Career Navigator provides a comprehensive look at national salaries and hiring trends. Notable findings include finance and accounting professionals wanting to become more "strategic" and less "transactional" need to enhance their understanding of business environments and their technological sophistication to help their companies take advantage of electronic commerce.

According to the research conducted by ACCA on the CFO's new environment in China and Hong Kong, top management of the finance and accounting industry believes that the roles of the CFOs and the finance function are changing as a result of the global financial tsunami. The research has surveyed CFOs, financial controllers, directors of finance, and chief accountants who revealed that they think that CFO's role in their corporations is more important now compared with one year earlier (ACCA, 2010).

According to Dr. Caesar in his presentation during the 28th ICPAK annual seminar, most organizations are likely to promote finance professionals to business leadership because the finance professional generates and reports on critical business information, they seem to understand business and are proximate to investors. They are prepared for the inevitable role of leadership through a deeper understanding and appreciation of people, exposure in marketing and relationship building and experiencing reality of business through entrepreneurship.

A study by PricewaterhouseCoopers shows that finance functions are moving away from being transactional centres and becoming key strategic business partners, assisting with decision making. Nearly two thirds of participants in PwC's benchmarking work said that their finance function primarily acts as a support group for the CEO and the strategic planning process. PwC's finance effectiveness benchmark study looked at the finance functions of 1700 businesses in over one hundred Financial Times Stock Exchange (FTSE) 200 and international companies. It shows that CFO's have a tough job to do: balancing running an efficient division and providing proactive and insightful information to support business decisions. And of course motivating their teams as we come out of recession, when many of them will have seen colleagues pack up their personal effects in a cardboard box and leave (PricewaterhouseCoopers, 2010).

According to agency theory, "Theory of the Firm: Managerial Behavior, Agency Costs and Ownership Structure," by Jensen and Meckling, an agency relationship is defined simply as "a contract under which one or more persons (the principal) engages another person (the agent) to perform some service on their behalf which involves delegating some decision making authority to the agent." Unfortunately, the dilemma arises over the uncertainty of whether the agent will, in fact, act in accordance with the wishes of the principal, leading to what is known in scholarly literature as "agency problems." According to researchers, this arises due to a combination of the human elements of self-interest, bounded rationality, and risk aversion (Eisenhardt 1989) with ineffective enforcement of contractual arrangements (Fama and Jensen 1983). Scholars' views largely fall into two categories: the Positivist Agency theory and the Principal-Agent theory. Although both address the same concern associated with the contractual

relationship between two self-interested individuals seeking to maximize their individual utility, they differ in approach — the positivist is non-mathematically and empirically inclined, while the principal-agent has greater mathematical rigor but is non-empirically oriented. In resolving this dilemma, the positivist uses the governance structure to mitigate these agency problems. Meanwhile, the principal-agent approach attempts to solve this agency problem through the design of optimal contracts. By combining both approaches, agency theory is concerned with the protection of the principals' interests due to these agency problems, which typically are of two forms: a moral hazard problem that occurs when the principal's objectives are not aligned with the agent's, and second, when asymmetrical information flow from the agent's perspective prevents the principal from monitoring the activities of the agent to ensure that those actions are beneficial.

1.1.1 Changing Role of finance Professionals

As the economy continues to evolve, so does the role of the finance function within an organization. Driven by investments in enterprise resource planning (ERP), shared services and changes in its reporting role, most finance functions are becoming more efficient, requiring fewer resources to manage them and closely aligning with the company's business structure. This is especially true in the area of transaction processing where improved automation of financial transactions has enabled finance staff to expand their role and spend more time supporting decision-making processes, rather than just processing and reconciling transactions.

More and more global organizations are integrating and standardizing their business processes and systems, allowing end users with both finance and non-finance functions to

update and obtain financial information from any geographic location. This has significantly improved decision support within the organization. Consequently, the role of the finance professional has evolved into a "coaching" role responsible for transferring the appropriate analytical tools and methods to decision-makers. Some CFOs have gone so far as to predict that, with time, major parts of the finance function will merge into the business as the role of finance employees continues to extend throughout the enterprise.

In the recent past, the role of the CFO has moved away from financial reporting, in ways that made a broad business training more useful. CFOs became strategic planners, playing a big part in mergers; taking charge of information technology; devising complex financial instruments; and above all, managing relations with investors. The global financial crisis also put the spotlight on the CFO as never before. In addition to responsibilities of corporate governance, he started to involve himself in operational and strategic decisions of the company, moving from supplying financial information to actually providing business advice.

More recently, he has taken on a larger-than-life role within the organization – laying stake to areas that had previously never been considered his domain of expertise. Cases in point are the active role he plays in talent management, contributing to areas beyond finance, and assuming the role of CEO designate. No longer is the CFO only preoccupied in building credibility for the finance function, he has to instill a sense of confidence among employees, customers, partners as the one person who has all the answers. It goes without saying that the CFO's level of understanding of the business has evolved tremendously from what it was three years ago. CFOs from diverse industries have

convened to share their views on the emerging responsibilities of the function, encapsulating the new skills that needed to be developed to meet the growing demands.

The researcher chose the listed companies due to the agency relationship whereby one party (the principal) engages another party (the agent) to perform some service on their behalf. The agents in these companies including the finance professionals have a role to play to ensure accountability, transparency, dividends issuance and financial reporting to the companies' stakeholders.

1.2 Research Problem

With the unprecedented economic uncertainty, the finance profession has become much more than guardians of the organizations. Today, it is imperative they become the custodian of an organisation's entire wellbeing. Not only are they called to navigate the company to safer waters, they are now active business partners, visible across the organisation rather than tucked away in the backroom of accounting and reporting. According to PricewaterhouseCoopers report (2010), times have been tough for finance teams, and they now carry the demands of the wider organisation to steer them along the path to recovery; hence the changing roles.

According to Hudson, (2010), the very survival of the company may well depend on how successfully finance professionals navigate in times of high volatility. The complexity of the role has risen – and so have the stakes. Safe-guarding the financial security of the company has become harder than ever. Not only is revenue shrinking, funding is also limited, with investors far more cautious. To add to the pressure, increased public scrutiny of financial performance has also made it more difficult for finance professionals

to operate. This has forced many finance professionals to step into the glare of media and stakeholder attention.

More leading financial professionals are being asked to communicate results to the public and reassure investors and analysts on the company's behalf. They are also speaking to internal stakeholders such as the board and employees on the company's strategy and financial performance. Not only are they expected to be transparent with information, they are also expected to understand its internal operations and defend business decisions and strategies undertaken by the company with financial projections of future profits (Hudson, 2010).

In Kenya, finance professions also have more tasks than ever and their roles have changed with the turbulent business environment; especially the finance professions in the quoted companies have a task to assure the investors and other stakeholders of the company's survival and sustainability. According to PricewaterhouseCoopers report (2010), the demands of business have changed, and finance functions also need to keep up.

From the researcher's observations, the proposed topic is new phenomenon and most of the literature on this field have been done by consulting firms and finance companies such as PricewaterhouseCoopers, ACCA, Ernst and Young KPMG and no academic study has been conducted in the Kenyan context to ascertain the factors behind the changing roles of finance professionals. It is against this background that this study sort to conduct a study to investigate the factors influencing the changing roles of finance professionals in Kenya firms and specifically in the quoted firms. The finance

professionals in this case included CFOs, Finance managers, auditors, Investment managers, financial accountants, financial analysts, chief accountants, and credit and risk managers. This study sought to determine; have the increased stakeholders' scrutiny, increased technical skills, increased strategic roles and the competitive business environment influenced the changing roles of finance professionals?

1.3 Objectives of the Study

To investigate the factors influencing the changing role of finance professionals in the Kenyan quoted firms.

1.4 Value of the Study

This study will be of importance to the Kenyan quoted firms as it will be useful as a reference and a source of information to help understand the factors behind the changing roles of finance professionals in the Kenya. With this insight the Kenyan firms can benefit from the information to make informed decisions about the finance professionals and their departments especially relating to training and succession planning. Further, it would assist policy makers and professional bodies in the industry such as ACCA, ICPAK e.t.c; when making policies regarding finance profession and the how effective they can perform their duties.

This study will also be of invaluable benefit to researchers and scholars. Being a new phenomenon and with the limited literature in this field of study, it is expected that this study has added more valuable information to the academic field and further opened up new areas for further research. It was helpful in refining and validating the findings.

CHAPTER TWO

LITERATURE REVIEW

2.1 Theoretic Review

This section discusses the theories that are established by other researchers, authors and scholars and are relevant to the study's research problem. The study specifically reviews the institutional theory and the agency theory.

2.1.1 Institutional Theory

The roots of institutional theory run richly through the formative years of the social sciences, enlisting and incorporating the creative insights of scholars ranging from Marx and Weber, Cooley and Mead, to Veblen and Commons. Much of this work, carried out at the end of the nineteenth and beginning of the twentieth century, was submerged under the onslaught of neoclassical theory in economics, behavioralism in political science, and positivism in sociology, but has experienced a remarkable renaissance in our own time (Bill and Hardgrave 1981; Hodgson 1994). This work has further been advanced by Scott (Scott, 2004).

Institutional theory emphasizes the role of social and cultural pressures imposed on organizations that influence organizational practices and structures (Scott, 1992). DiMaggio and Powell (1983) argue that managerial decisions are strongly influenced by three institutional mechanisms – coercive, mimetic and normative isomorphism – that create and diffuse a common set of values, norms and rules to produce similar practices and structures across organizations that share a common organizational field (DiMaggio

and Powell, 1983). An organizational field is defined as ‘those organizations that.....constitute a recognized area of institutional life: key suppliers, resource and product consumers, regulatory agencies and other organizations that produce similar services or products (DiMaggio and Powell, 1983, p. 148).

Hoffman (2001) argues that while organizations do not simply react to the pressures dictated by the organizational field, they also do not act completely autonomously without the influence of external bounds. Institutional and organizational dynamics are tightly linked. This theory therefore best explains how institutional forces/ pressures (both internal and external) determine the changes in practices in an organization including the changing roles of finance professions.

The basic tenet of institutional theory is that organizations adopt practices that are considered acceptable and legitimate in their organizational field. The assumption of the theory is that organizations operate within a social framework of norms, values, and assumptions about what constitutes appropriate behavior. Further, the theory assumes that organizational choice is constrained by multiple external pressures; they face competitive pressures and may depend on impacted by other actors in the environment. Organizations are concerned with building legitimacy and acceptance vis-a-vis external stakeholders (DiMaggio and Powell, 1983, Scott, 1992).

This theory is of relevance to the study since its emphasis on the role of social and cultural pressures imposed on organizations that influence organizational practices and structures would make us understand the reasons behind the changing role of finance

professionals. As this theory theorizes, it would make form a basis to establish whether it is due to internal or external pressures; or due to competitive pressures.

2.1.2 Agency Theory

Jensen and Meckling (1976) define the agency relationship as a contract under which one party (the principal) engages another party (the agent) to perform some service on their behalf. As part of this, the principal will delegate some decision-making authority to the agent. In this relationship, agency problems arise because of the impossibility of perfectly contracting for every possible action of an agent whose decisions affect both his own welfare and the welfare of the principal, Brennan (1995b). Arising from this problem is how to induce the agent to act in the best interests of the principal. Managers bear the entire cost of failing to pursue their own goals, but capture only a fraction of the benefits. Jensen and Meckling (1976) argue that this inefficiency is reduced as managerial incentives to take value maximising decisions are increased.

Agency theory is therefore directed at the ubiquitous agency relationship, in which one party (the principal) delegates work to another (the agent), who performs that work. Agency theory is concerned with resolving two problems that can occur in agency relationships. The first is the agency problem that arises when (a) the desires or goals of the principal and agent conflict and (b) it is difficult or expensive for the principle to verify what the agent is actually doing. The problem here is that the principal cannot verify that the agent has behaved appropriately. The second is the problem of risk sharing that arises when the principal and agent have different attitudes towards risk. The problem here is that the principle and the agent may prefer different actions because of the different risk preferences (Eisenhardt, 1989).

Agency theory is the branch of financial economics that looks at conflicts of interest between people with different interests in the same assets. An agency relationship arises when one or more principals (e.g. an owner) engage another person as their agent (or steward) to perform a service on their behalf. Performance of this service results in the delegation of some decision-making authority to the agent. This delegation of responsibility by the principal and the resulting division of labour are helpful in promoting an efficient and productive economy. However, such delegation also means that the principal needs to place trust in an agent to act in the principal's best interests (Shapiro, 2005).

Agents are likely to have different motives to principals. They may be influenced by factors such as financial rewards, labour market opportunities, and relationships with other parties that are not directly relevant to principals. This can, for example, result in a tendency for agents to be more optimistic about the economic performance of an entity or their performance under a contract than the reality would suggest. Agents may also be more risk averse than principals. As a result of these differing interests, agents may have an incentive to bias information flows. Principals may also express concerns about information asymmetries where agents are in possession of information to which principals do not have access (Walker, 2003).

The tenet of the theory is that principal-agent relationships should reflect efficient organization of information and risk-bearing costs. The assumptions of the theory are that partial goal conflict among participants; efficiency is the effectiveness criterion and existence of information asymmetry between principal and agent (Eisenhardt, 1989).

This theory is relevant to the study since the principal-agent problem is found in most employer/employee relationships, for example, when stockholders hire top executives of corporations. Hence, it will therefore help us understand whether the changing roles of finance professionals is a mechanisms or rather as a result to try and align the interests of the agent with those of the principal, such as piece rates/commissions, profit sharing, efficiency wages, the agent posting a bond, or fear of firing.

2.2 Factors Influencing the Changing Roles of Finance Professional

2.2.1 Increased Technical Specialized Skills

Technically specialised roles are increasingly common, growing in importance and driving the need for technical skills. The growth in technically specialised roles is a direct response to changes in the external environment - primarily increasing regulation and higher business complexity. The top three areas offering the most career opportunities and growing fastest in terms of job opportunities are Public practice, corporate sector and the Public sector. Organisations are advised that the demand for finance professionals is strong, and there will be talent shortages in these specialisms. Recruiting and developing finance professionals into these areas now could alleviate future challenges (ACCA Insight series, 2010).

Across the public and corporate sectors, increasing competition and value-for-money initiatives are driving businesses to a better understanding of increasingly complex financial processes and activities. The scope of financial reporting is becoming much more specialised, covering areas as technically diverse as compliance with financial reporting standards, pensions' solvency, and corporate governance legislation. Regulation

and compliance requirements are increasing, placing increased demand on organisations for internal auditors and experienced risk professionals to satisfy greater demand for public accountability and transparency (The McKinsey Quarterly, 2007).

In public practice, traditional auditing services are expanding into areas as diverse as forensic investigations, due diligence work and environmental accounting. The availability of cheap debt across the world has fuelled corporate finance activity, with external auditors relying increasingly on the services of specialised finance professionals in these areas. The fastest growing area, however, appears to be tax – a reflection of the increasing regulation and complexity of tax planning issues, and the tax implications of increased international trade and cross-border activities in which more organisations are engaged (ACCA Professional Insight Series, 2007).

The growth in technical roles is having a direct effect on the skills and knowledge finance professionals are expected to demonstrate in the workplace both now and over the next five years. Technical knowledge and skills provide the essential grounding for finance professionals to perform competently in their role, and its correct application remains at the centre of the profession's value to business and the economy (ACCA Insight series, 2010).

A study by ACCA found out that nearly all respondents were comfortable with the level of their technical skills in relation to their role. However, the major challenge is how to balance the skills paradox of roles becoming more specialised and more strategic at the same time, while also dealing with the need for management skills. In the past, choices

and compromises have been made with technical skills always winning the lion's share of time and money. The rules are changing (ACCA, 2009).

2.2.2 Increasing Regulation and Competitive Business Environment

The organisational response to external events such as globalisation, increasing regulation and a more competitive business environment are changing the roles that accountants perform and fuelling the demand for new skills. There is also a supply shortage of accountants in many economies. This is creating a wealth of new opportunities for finance professionals, whose career aspirations are increasingly ambitious. This new environment is, however, creating pressure on organisations, because they must develop the skills, knowledge and experience across their finance functions to respond appropriately to the changing demands of the external environment and, at the same time, they must ensure that individuals' career aspirations are met (ACCA Professional Insight Series, 2007).

Increasing regulation is the key reason why roles are becoming more technical and specialised. In a study by the ACCA, over three quarters of all respondents agreed that increasing regulation will drive the need for finance professionals to have greater specialised knowledge in the future. Nonetheless, there is a high degree of confidence across the profession that individuals have sufficient technical skills to respond to these requirements, with 79% of respondents believing other finance professionals within their organisation had the necessary technical skills required to perform their role competently. There is even greater confidence expressed when individuals consider their own technical ability (ACCA Insight series, 2010).

In response to this pressure, organisations must critically examine the learning and development strategies they have in place. In principle this means asking two key questions. First, how successful are the recruitment, development and retention strategies in developing the skills and knowledge that our organisation requires? And secondly, how successful are the recruitment, development and retention strategies in ensuring that the career aspirations of our finance professionals are met? If current learning and development strategies that organisations have in place are not effective, it is likely that organisational performance will suffer and the return on training investment will be unattractive. There will be a pool of finance talent which remains underdeveloped (ACCA Insight series, 2010; ACCA Professional Insight Series, 2007).

Changing business demands are requiring accountants to take a more proactive role in business decision making – it is now not sufficient merely to report what the numbers are – critically, stakeholders expect to be guided as to the implications for their business decision making. This evolution in accounting roles is perhaps most marked in the corporate and public sectors and; their role is emerging from a support function and becoming a central part of strategy and corporate leadership. To facilitate this transition, employers should provide more experience in non-finance areas and invest more in leadership development (KPMG, 2010).

2.2.3 Strategic Role of the Finance Profession

Roles are also becoming much more strategic and central to business performance. Consequently, softer skills and business awareness skills are critically important for finance professionals to develop, as is demonstrating ethical behaviour. This is

particularly important as roles are becoming more pressurized (The McKinsey Quarterly, 2007).

There is a common consensus that roles across the profession are becoming more strategic. The rising importance of financial information in business decision making is elevating the role of finance professionals across organisations, and at senior levels finance professionals are much more actively engaged in strategic decisions. Such roles require much greater levels of commercial instinct and entrepreneurial flair from finance professionals, and it is commonplace for accountants to be seen to be taking roles outside the traditional domain of finance by moving into core business strategy roles, but still using their financial skills (KPMG, 2010).

The emergence of strategic roles across the profession is not incompatible with the expectation that technical specialist roles will also grow. Though some roles will embody both requirements, we can also expect other roles to emerge in parallel fashion, representing a degree of polarisation across the profession, with some accountants primarily pursuing technically specialized roles, and others developing a business-orientated career with high strategic content. This polarisation is reflected in the survey by ACCA which found out that: 50% of respondents claimed that in their organisation, technical skills were currently more important than soft skills, but 32% were unsure and 18% actively disagreed. Similarly, when considering their own roles, only 41% of respondents agreed that technical skills were more important than soft skills in performing their role competently – 35% were unsure and 24% disagreed (ACCA Insight series, 2010).

The belief that roles are becoming more strategic is more prevalent across the corporate and public sectors than in public practice, though the trend is still relevant across all sectors. According to Accenture, (2006), organizations will need to shape their recruitment and development programmes so as to ensure the correct balance in roles is achieved between those with a strategic emphasis, those with a technical emphasis, and those with both. A one size fits all approach for finance professionals is no longer appropriate.

2.3 Empirical Review

According to a report by ACCA Insight series (2010), it is increasingly recognised that finance professionals and the roles that they perform are central to the performance of an organisation. Consequently, a changing external business environment will have a direct impact on the roles accountants undertake and the skills, knowledge and experience of value to employers. Therefore, organizations have a vested interest in ensuring that they are recruiting, developing and retaining the right people with the right skills. Similarly, events in the external environment will directly influence and shape the career aspirations that finance professionals hold and provide opportunities for such aspirations to be realized.

The challenges facing businesses in recruiting, developing and retaining finance professionals are considerable. The external environment is changing. The growing interdependence of economies and businesses worldwide has had a fundamental impact on organisations and how they operate (The Economist, 2007). Continuing development in technology, wider and instantaneous access to information and knowledge, greater

communication ability, wider access to international capital markets, demographic shifts, increased stakeholder scrutiny of organisations and their leaders, stronger regulation and compliance requirements, an increased global competitive business environment and wider organisational reporting, all require businesses to act faster, more decisively, more effectively and with more transparency. They will need to ensure that they have the people strategies in place to achieve this (Deloitte, 2007).

Part of the challenge is that people are changing too. Traditional employment models are shifting as employees become more empowered and have higher career aspirations. Finance professionals are demanding and expecting greater career development opportunities. Work patterns are evolving, supported by technological advancements and changing individual ambitions.

In addressing the pressures created by a changing external environment, and the internal challenges presented by the shifting values and expectations of its employees, the organisation must build an effective strategy to recruit, develop and retain the very best finance professionals to respond to such challenges. In doing so, the organisation must understand the roles, skills, knowledge and experience it needs its finance professionals to demonstrate, both now and in the future. Similarly, ambitious accountants wishing to take advantage of the career development opportunities these changes present must have a clear insight into current trends and those key employability skills that organisations are demanding (Accenture, 2006).

According to Hudson, (2010), based on the changes in job requirements, the profile of a successful finance leader is similar to that of a CEO. The CFO has a strong technical

background and function. However, the competencies required to meet with new demands have closed the gap with those found in a CEO. A CFO has to be able to communicate internally and externally, share the company's vision and set sound strategies. The biggest difference is that a CEO is required to actively lead, and demonstrate an enterprising mindset that is arguably alien to a CFO's instinctive need to manage risk. This remains a barrier to CFOs wishing to become CEOs. For finance leaders to realise their potential, organisations must first adapt their hiring requirements when selecting finance talents to fulfill strategic roles so that they understand the skills they are looking for.

2.4 Summary

A review of the empirical literature showed that various factors have played a role in the changing roles of finance professionals. The factors that have been attributed as contributors to the changing roles include: increased stakeholders scrutiny, the growth in technically specialized roles, the increasing regulation and competitive business environment and nature of finance professionals' roles that are becoming much more strategic and central to business performance. However, a review of the existing literature shows that, no notable study has been conducted in this area in Kenya. The changing role of finance professionals is a new phenomenon even in the global perspective and very little has been done on this area by researchers.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Research Design

The study used descriptive survey design. Descriptive statistics was used to discover and measure relationships among variables including who, what, when and how of a topic (Cooper and Schindler, 2003). Single variables can be summarized by descriptive statistics and so can association among variables.

3.2 Population

A population is defined as the total collection of elements about which we wish to make some inferences (Cooper and Schindler, 2003). The population of this study was comprised of all the 60 firms quoted in the NSE.

3.3. Sample Design

Sampling is the process of selecting a number of individuals for a study in such a way that the individual selected represents the large group from which they are selected Chandran, (2003). Due to the nature of the population- small and variable, no sampling was done and hence this was a census study. When the population is small and variable, any sample drawn may not be representative of the population from which it is drawn (Cooper & Schindler, 2007). The sample under study was therefore be all the 60 firms quoted in the NSE.

3.4 Data Collection Methods

The study collected primary data. The data collection instrument was a researcher assisted questionnaire designed specifically for the study. The questionnaire was organized into four sections. The questionnaire administered included both closed and open- ended questions. To ensure ease and validity of the questions and question type, the questionnaires was pilot tested. Administration of the questionnaires was done by the researcher.

3.5 Research Procedures

Questionnaires for the study was developed and pilot tested on 5 randomly chosen manufacturing companies quoted on the NSE to enable corrections before the final distribution to the sample population. A letter requesting for participation in the study by the selected companies was sent to the companies. The researcher distributed the questionnaires to the respondents and assisted them to complete these questionnaires on the interview date. Evaluation of the data collected was done by the researcher.

3.6 Data Analysis and Presentation

The questionnaires were first edited then coded to facilitate statistical analysis. The data was analyzed through descriptive and inferential analysis. The study applied a quantitative approach through the use of frequency of distribution, mean scores and standard deviations to analyze the data. With the help of Statistical Package for Social Science (SPSS) and the findings were then be presented in form of frequency distribution

tables, bar charts and pie charts. The data was summarized according to the study's specific objectives.

3.6.1 Analytical Model

A regression analysis was conducted to test and establish the nature of the relationship between variables. The regression took the following form:

$$Y = \beta_0 + \beta_1 \chi_1 + \beta_2 \chi_2 + \beta_3 \chi_3 + \dots + \beta_n \chi_n + \epsilon$$

Where: Y = Dependent Variable (Changing Roles of Finance Professionals)

χ_{1-n} = independent variables,

β_0 = the constant

β_{1-n} = the regression coefficient or change included in Y by each χ

ϵ = error term

Therefore, the dependent variable (Changing Roles of Finance Professionals) will be:

Y1 = Strategic Planners/Planning- was measured through noting the operational and strategic decisions of the company made by the finance Professional, business advice provided; devising complex financial instruments

Y2 = Coaching role/ talent management- instilling a sense of confidence among employees, customers, partners, encapsulating the new skills that needed; transferring the appropriate analytical tools and methods to decision-makers

Y3 = Managing investors' relations- Shareholders interests, addressing investors demands

Independent variables will be:

X₁, - Stakeholders' scrutiny- **Indicators:** shareholders' interests/demands, accountability and transparency, dividends issuance

X₂ - Technical skills - **Indicators:** responses to increasing regulation, increasingly complex financial processes and activities, value-for-money initiatives and financial reporting standards

X₃- Strategic Roles- **Indicators:** core business strategy roles, advisory roles to the management, business awareness skills

X₄- Competitive Business Environment- **indicators:** changing demands of the external environment, responses business complexity.

The study conducted an F- test and T-Test to establish the significance and form of relationship between variables while ANOVA was conducted to test the appropriateness of the model as whole.

CHAPTER FOUR

DATA ANALYSIS, INTERPRETATION AND PRESENTATION

4.1 Introduction

This chapter presents the findings of the study based on the data collected from the field. The study sought to investigate the factors influencing the changing role of finance professionals in the Kenyan quoted firms. The responses from the subjects were compiled into frequencies and converted into percentages and presented in charts and tables. This was to facilitate easy analysis. The analysis and interpretations were done on the basis of study objectives.

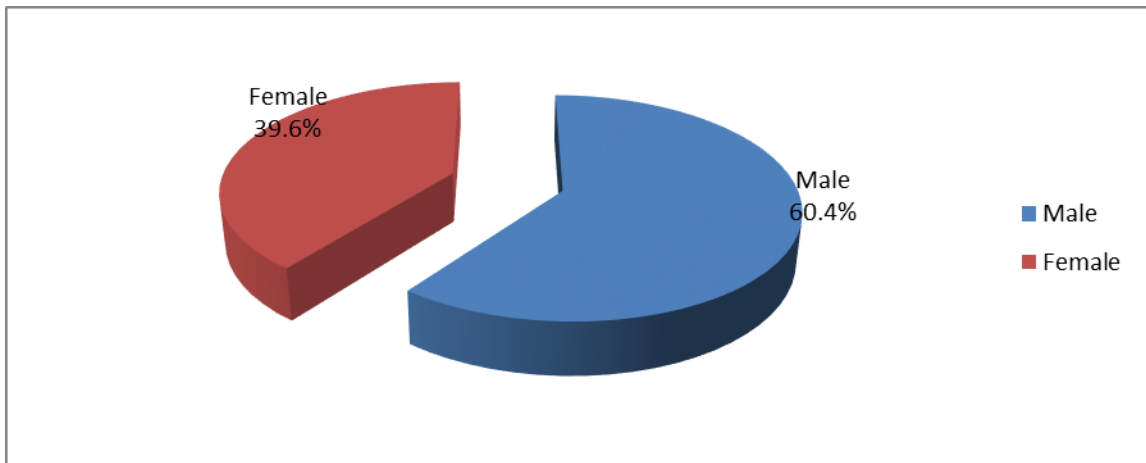
Out of the sample size of 60 respondents, 48 responses were successfully received. The study therefore had a response rate of 80%; according to Mugenda and Mugenda (2003) a 50% response rate is adequate, 60% good and above 70% rated very well. Therefore, the response rate was adequate for the study to proceed.

4.2 Background Information

The researcher found it important to establish the general information of the respondents since it forms the basis under which the study can rightfully access the relevant information. Some of the information captured in this study includes gender of the respondents, age, level of education and duration worked in the organization.

4.2.1 Gender

Figure 4.1 Gender of the Respondents



Source: Firms listed at the NSE

Author: Samuel A, 2013

The study shows that majority of the respondents (60.4%) were male while 39.6% of the respondents were female. This shows that there was gender diversity in finance departments of the companies listed in the NSE.

4.2.2 Age of the Respondents

Table 4.1 Age of the Respondents

Age Bracket	Frequency	Percent
25- 30 Years	10	20.8
31 - 40 Years	38	79.2
41-50 Years	0	0
Over 50 years	0	0
Total	48	100.0

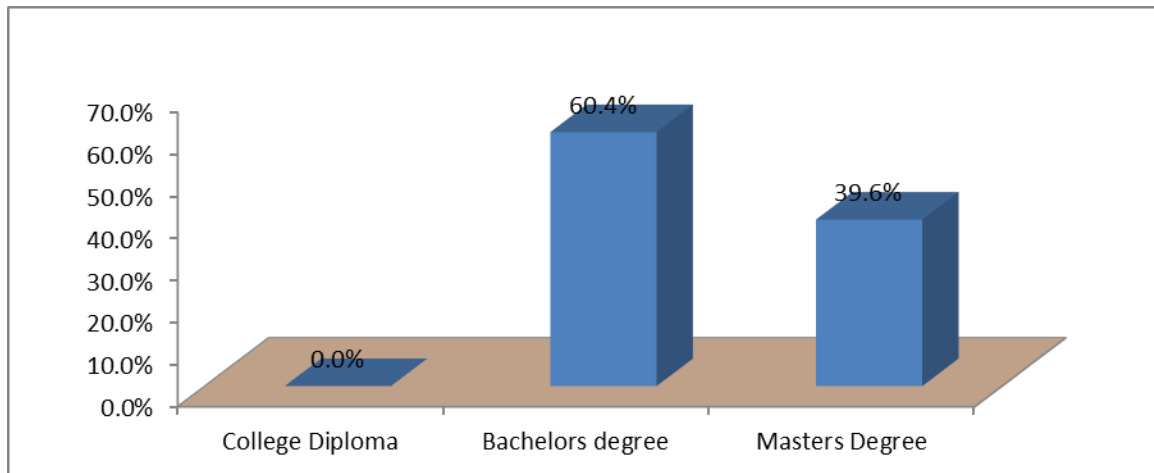
Source: Firms listed at the NSE

Author: Samuel A, 2013

Table 4.1 above shows that majority (79.2%) of the respondents were between 31-40 years of age while 20.8% of the respondents were between 25-30 years of age. None of the respondents were 41 years of age and over.

4.2.3 Level of Education

Figure 4.2 Respondents Level of Education



Source: Firms listed at the NSE

Author: Samuel A, 2013

The study established that majority (60.4%) of the respondents had attained bachelor's degree while 39.6% had attained a master's degree as their highest level of education. None of the respondents had a college diploma; this therefore shows that the respondents in the listed companies who were finance professions were highly education. This also improves the reliability of the information given by these respondents.

4.2.4 Duration Worked

Table 4.2 Duration Worked in the Organization

Duration	Frequency	Percent
1-5 years	18	37.5
6-10 Years	9	18.8
11-15 years	13	27.0
16-20 years	8	16.7
Over 20 Years	0	0
Total	48	100.0

Source: Firms listed at the NSE

Author: Samuel A, 2013

Table 4.2 above shows that 37.5% of the respondents had worked in their respective organization for a duration of 1-5 years, 27% had worked for a duration of a duration of 11-15 years while 18.8% had worked for a duration of 6-10 years. On the other hand, 16.7% of the respondents revealed that they had worked in their respective companies for duration of 16-20 years.

4.3 Stakeholders' Scrutiny

In a bid to establish the extent to which the stakeholders' scrutiny affects the changing roles of finance professionals, a scale of 1-5 was used to interpret the results of the study. The scores "strongly disagree" and "disagree" were represented by mean score, equivalent to 1 to 2.5 on the continuous Likert scale ($1 \leq \text{disagree} \leq 2.5$). The scores of 'Moderately agree' were equivalent to 2.6 to 3.5 on the Likert scale ($2.6 \leq \text{moderately agree} \leq 3.5$). The score of "Agree" and "strongly agree" represented major or great agreement to the statement. This was equivalent to 3.6 to 5.0 on the Likert Scale ($3.6 \leq \text{Agree} \leq 5.0$).

Table 4.3 Stakeholders' scrutiny and Changing Roles of Finance Professionals

	Mean	Std. Deviation
Need to satisfy greater demand for public accountability and transparency has influence finance professional roles	5.00	0.000
Pressure on organizations from Stakeholders is influencing finance professionals roles	4.21	0.743
Need to satisfy shareholders demands and increased returns (dividends) is influencing finance professionals roles	4.02	1.082

Source: Firms listed at the NSE

Author: Samuel A, 2013

The study findings shows that majority of the respondents agreed that need to satisfy greater demand for public accountability and transparency has influenced finance professional roles; this is shown by a mean score of 5.00. On the other hand, the respondents agreed that the pressure from stakeholders and need to satisfy shareholders demands and increased returns (dividends) was influencing finance professionals roles; this is shown by mean scores of 4.21 and 4.02 respectively.

Table 4.4 Stakeholders' Scrutiny and the Changing Roles of Finance Professionals

Extent	Frequency	Percent
To a very great extent	38	79.2
To a great extent	10	20.8
To a moderate extent	0	0
To a little extent	0	0
To No extent	0	0
Total	48	100.0

Source: Firms listed at the NSE

Author: Samuel A, 2013

On overall, 79.2% of the respondents overwhelmingly agreed to a very great extent while 20.8% agreed to a great extent that stakeholders' scrutiny influence the changing roles of finance professionals.

4.4 Technical Skills and Changing

Table 4.5 Whether Finance Profession Become More Technically Specialized

Responses	Frequency	Percent
Yes	48	100.0
No	0	0
Total	48	100.0

Source: Firms listed at the NSE

Author: Samuel A, 2013

All the respondents (100%) overwhelmingly agreed that finance professions have become more technically specialized. They explained that increased reporting and compliance; increased stakeholders awareness and need to comply with financial reporting standards had influenced this. They respondents stated that more and more finance professionals are getting into specialized areas and adopting internal financial standards at work place. For instance taxation, audit and other specialized area with technical specialty. Moreover, changing information technology and globalization had resulted in need for more scrutiny and specialized finance functions like internal audit, risk assurance, financial audits.

Table 4.6 Technical Skills and Changing Roles of Finance Professionals

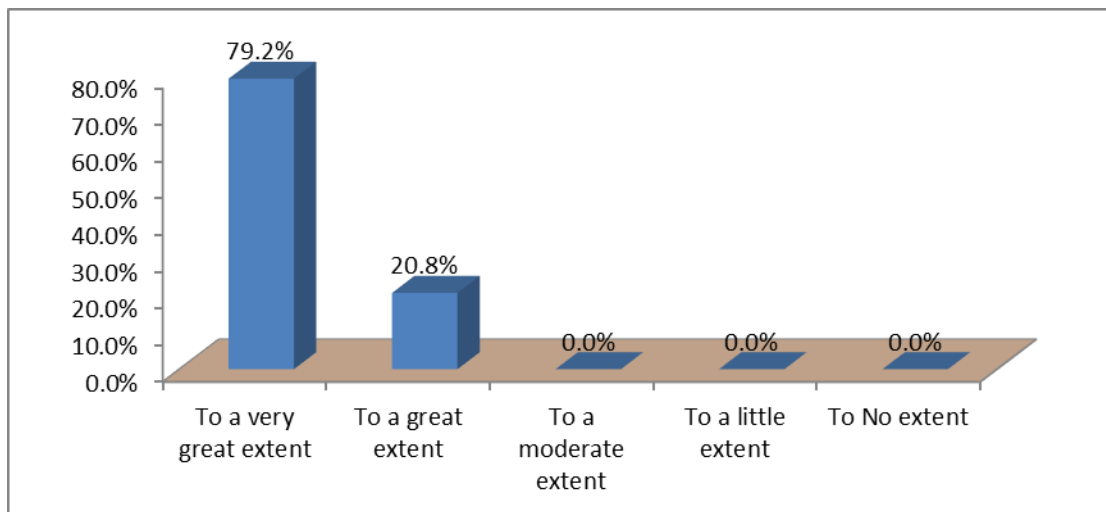
Statements	Mean	Std. Deviation
Need for compliance with financial reporting standards and corporate governance legislation has influenced finance professionals roles	4.58	.498
Complexity of tax planning issues and the tax implications due to increased business activities has influence finance professionals roles	4.44	.796
Value-for-money initiatives are driving businesses to a better understanding of increasingly complex financial processes and activities	4.23	.751

Source: Firms listed at the NSE

Author: Samuel A, 2013

Majority of the respondents agreed that the need for compliance with financial reporting standards and corporate governance legislation had influenced finance professionals roles (4.58); and that complexity of tax planning issues and the tax implications due to increased business activities had influence finance professionals roles (4.44). Moreover, the respondents agreed that value-for-money initiatives were driving businesses to a better understanding of increasingly complex financial processes and activities; this is by a mean score of 4.23.

Figure 4.3 Increase in Technically Specialized Roles and the Changing Roles



Source: Firms listed at the NSE

Author: Samuel A, 2013

Figure 4.3 above shows that 79.2% of the respondents revealed that the demand and growth for technically specialized roles influence the changing roles of finance professionals to a very great extent while 20.8% agreed to a great extent.

4.5 Strategic Role and Changing Roles of Finance Professionals

Table 4.7 Whether the Roles Across Finance Profession are Becoming Strategic

Responses	Frequency	Percent
Yes	48	100.0
No	0	0
Total	48	100.0

Source: Firms listed at the NSE

Author: Samuel A, 2013

Table 4.7 above shows that all the respondents (100%) were in agreement that the roles across finance profession are becoming more strategic. They explained that the finance professions were becoming drivers of organizations hence becoming more strategic than before and that one had to contribute to the organization mission and vision as finance profession. They further stated that finance profession is continuously offering solutions based on the problem and in line with organizational strategy.

4.5.2 Extent strategic Roles influence the Changing Roles of Finance Professionals

A scale of 1-5 was used to interpret the results of the study. The scores “very great extent” and “great extent” were represented by mean score, equivalent to 1 to 2.5 on the continuous Likert scale ($1 \leq \text{great extent} \leq 2.5$). The scores of ‘average’ were equivalent to 2.6 to 3.5 on the Likert scale ($2.6 \leq \text{average} \leq 3.5$). The score of “Low extent” and “not at all” represented a low/ little influence. This was equivalent to 3.6 to 5.0 on the Likert Scale ($3.6 \leq \text{Low extent} \leq 5.0$).

Table 4.8 Extent strategic Roles influence the Changing Roles

Statements	Mean	Std. Deviation
Mission, vision and organization's ambitious	2.79	1.501
Talent shortages	2.94	1.262
Complex financial processes and activities	2.96	1.821
Instinctive need to manage risk in the organization	3.33	1.993
Regulation and compliance requirements	3.35	1.657

Source: Firms listed at the NSE

Author: Samuel A, 2013

The respondents indicated that mission; vision and organizations ambitions, talent shortages, complex financial processes and activities, instinctive need to manage risk in the organization, and regulation and compliance requirements only influenced the changing roles of finance professionals to an average extent. This is shown by 2.79, 2.94, 2.96, 3.33 and 3.35 respectively.

Table 4.9 Strategic Role and the Changing Roles of Finance Professionals

Extent	Frequency	Percent
To a very great extent	28	58.3
To a great extent	20	41.7
To a moderate extent	0	0
To a little extent	0	0
To No extent	0	0
Total	48	100.0

Source: Firms listed at the NSE

Author: Samuel A, 2013

Majority (58.3%) of the respondents revealed that the strategic roles across finance profession influenced the changing roles to a very great extent while 41.7% agreed that it influenced to a great extent.

4.6 Regulations and Competitive Business Environment

Table 4.10 Regulations and Competitive Business Environment and Changing Roles

Responses	Frequency	Percent
Yes	48	100.0
No	0	0
Total	48	100.0

Source: Firms listed at the NSE

Author: Samuel A, 2013

All the respondents (100%) overwhelmingly agreed that the increased regulations and competitive business environment had influenced the changing roles of finance professionals. The respondents explained that regulations such as CMA and NSE requirements had resulted in additional reporting and compliance requirements putting more pressure on finance professionals to meet those demands thus affecting their former roles. Other regulations include international accounting standards; international financial reporting standards; Basel II and the CBK regulations. They also stated that issues such as taxation and competitive business environment due to the free market had created additional roles for the finance professionals.

Table 4.11 Regulations and Competitive Business Environment on Changing Roles

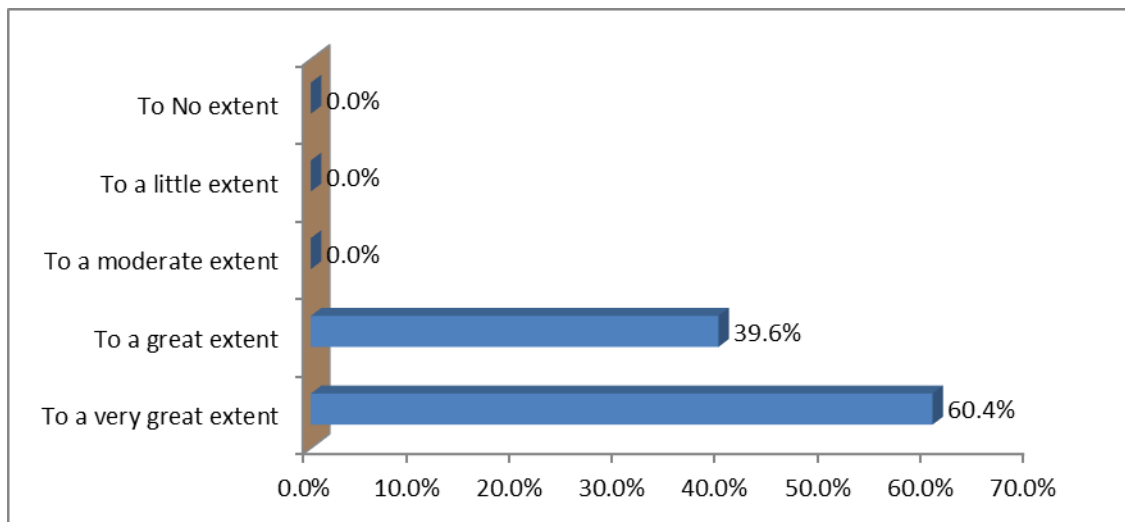
Statements	Mean	Std. Deviation
Regulation and compliance requirements are increasing, placing increased demand on organizations finance professionals	4.81	0.394
Competitive business environment/High Business complexity influence the changing roles	4.19	0.762
Changing business/ sector demands	4.00	0.652

Source: Firms listed at the NSE

Author: Samuel A, 2013

Table 4.11 above shows that majority of the respondents agreed That Regulation and compliance requirements were increasing, placing increased demand on organizations finance professionals; and that competitive business environment/high business complexity influenced the changing roles; this is shown by mean scores of 4.81 and 4.19 respectively. The respondents were also in agreement that there are changing business and sectoral demands that influenced change of roles among finance professionals.

Figure 4.4 Influence of Increased Regulations and Business Environment



Source: Firms listed at the NSE

Author: Samuel A, 2013

Majority of the respondents (60.4%) were of the opinion that the increased regulations and competitive business environment influenced the changing roles of finance professionals to a very great extent; 39.6% also revealed that it influenced to a great extent.

4.7 Changing Roles

In this section, the study sought to find out the new roles that had been assumed by the finance professionals in companies listed in the NSE. A scale of 1-5 was used to interpret the results of the study. The scores “very great extent” and “great extent” were represented by mean score, equivalent to 1 to 2.5 on the continuous Likert scale ($1 \leq \text{great extent} \leq 2.5$). The scores of ‘average’ were equivalent to 2.6 to 3.5 on the Likert scale ($2.6 \leq \text{average} \leq 3.5$). The score of “Low extent” and “not at all” represented a low/little influence. This was equivalent to 3.6 to 5.0 on the Likert Scale ($3.6 \leq \text{Low extent} \leq 5.0$).

Table 4.12 New Roles Assumed By the Finance Professionals

Roles	Mean	Std. Deviation
Coaching role/ talent management	3.81	1.197
Strategic Planners/Planning in the organization	3.98	1.591
Managing investors' relations	3.98	1.120

Source: Firms listed at the NSE

Author: Samuel A, 2013

The results in table 4.12 shows that the respondents had assumed new roles coaching role/ talent management, strategic planners in the organization and managing investors' relations but to a low extent. As shown by means score 3.81 and 3.98 respectively.

4.7.2 Other Factors Influencing the Changing Roles of Finance Professions

The study further sought to establish the other factors that influenced the change of roles to the finance professions; the respondents gave factors such as: company values

competitive business environment hence diversification; investment requirements of the organization; changes in technology (information); country's economy; increasing demand from the market; deepening of financial markets; derivatives, futures and contracts; IT integration; business performance management; remuneration package and other HR motivating factor; industry dynamics and changes in environment; and lastly organizational structure and culture.

4.8 Regression Analysis

A regression model was applied to establish the form of relationship between the changing roles of the finance professionals and the predictor factors-

Table 4.13 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.801(a)	0.642	0.617	0.984

a Predictors: (Constant), stakeholders' scrutiny, regulations and competitive business environment, strategic role/nature

Source: Firms listed at the NSE

Author: Samuel A, 2013

Adjusted R^2 is called the coefficient of determination and tells us how close the data are to the fitted regression line. In this case, the R^2 will tell us the variability between stakeholders' scrutiny, regulations and competitive business environment, strategic role/nature (independent variables) and the changing Role of finance professionals (dependent variable). The value of adjusted R^2 is 0.617. This implies that, there was a variation of 61.7%. It therefore means that the regression line accounts for 61.7% of the total observations.

Table 4.14 ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	76.348	3	25.449	26.266	.000(a)
	Residual	42.632	44	.969		
	Total	118.979	47			

a Predictors: (Constant), stakeholders' scrutiny, regulations and competitive business environment, strategic role/nature

b Dependent Variable: Changing Role of finance professionals

Source: Firms listed at the NSE

Author: Samuel A, 2013

The study used ANOVA to establish the significance of the regression model from which an f-significance value of $p < 0.05$ was established. This shows that the regression model has a less than 0.05 likelihood (probability) of giving a wrong prediction. This therefore means that the regression model has a confidence level of above 95% hence high reliability of the results.

Table 4.15 Coefficients Results

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.737	.815		3.360	0.002
Stakeholders' scrutiny	0.579	.594	0.665	4.344	0.000
Strategic nature/role	0.845	.452	0.032	0.418	0.000
Regulations and competitive business environment	0.539	.398	0.801	6.475	0.000

a Dependent Variable: Changing Role of finance professionals

Source: Firms listed at the NSE

Author: Samuel A, 2013

Table 4.15 shows that there is a positive relationship between changing role of finance professionals and the variables stakeholders' scrutiny, strategic nature/role and regulations and competitive business environment. This is to imply that a unit increase in stakeholders' scrutiny, strategic roles and regulations and competitive business environment would lead to an increase in change of finance roles at a unit of 0.579, 0.845 and 0.539 respectively.

Moreover, the study shows that there is a significant relationship between changing roles of finance professionals and the three variables as shown: stakeholders' scrutiny ($p=0.000<0.05$), strategic roles ($p=0.000<0.05$) and regulations and competitive business environment ($p=0.000<0.05$).

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter is a synthesis of the entire report and contains summary of findings, conclusions arrived at, the recommendations and the suggestions for further study.

5.2 Summary of Findings

On the influence of stakeholders' scrutiny to the changing roles of finance professionals, majority of the respondents agreed that need to satisfy greater demand for public accountability and transparency has influence finance professional roles; the pressure from stakeholders and need to satisfy shareholders demands and increased returns influenced finance professionals roles. On overall, majority of the respondents agreed to a very great extent that stakeholders' scrutiny influence the changing roles of finance professionals.

On the influence of technical skills and changing roles of finance professionals, the respondents acknowledged that that the finance professions have become more technically specialized. They stated that increased reporting and compliance; increased stakeholders awareness and need to comply with financial reporting standards, changing information technology and globalization had resulted in need for more scrutiny which influenced the roles.

The respondents were in agreement that the need for compliance with financial reporting standards and corporate governance legislation; complexity of tax planning issues and the

tax implications due to increased business activities had a great influence finance professionals roles. On overall, majority of the respondents revealed that the demand and growth for technically specialized roles influence the changing roles of finance professionals to a very great extent.

The study also established that all the respondents were in agreement that the roles across finance profession are becoming more strategic. They stated that the finance professions were becoming drivers of organizations hence becoming more strategic than before and that one had to contribute to the organization mission and vision as finance profession. However, majority of the respondents revealed that mission; vision and organizations ambitions, talent shortages, complex financial processes and activities, instinctive need to manage risk in the organization, and regulation and compliance requirements only influenced the changing roles of finance professionals to an average extent.

Moreover, the respondents overwhelmingly agreed that the increased regulations and competitive business environment had influenced the changing roles of finance professionals. They cited regulations such as CMA and NSE requirements, international accounting standards; international financial reporting standards; Basel II and the CBK regulations; and also the competitive business environment. On overall, majority of the respondents agreed that the increased regulations and competitive business environment influenced the changing roles of finance professionals to a very great extent.

On the changing roles, the study established that the finance professionals in the companies listed in the NSE had assumed new roles such as coaching role/ talent management, strategic planners in the organization and managing investors' relations but

to a low extent. The respondents further stated that factors such as: company values competitive business environment hence diversification; investment requirements of the organization; changes in technology (information); country's economy; increasing demand from the market; deepening of financial markets; industry dynamics and changes in environment; and organizational structure and culture influenced the changing roles in their organizations.

5.3 Conclusions

The study concludes that stakeholders' scrutiny influence the changing roles of finance professionals in companies listed in the NSE. There has been greater demand from the public on accountability and transparency and reporting requirements that have created pressure on the finance professionals in a bid to meet the stakeholders' demands as well as increasing the companies' returns. The pressure is also as a result of deepening of financial markets and public increased awareness and interest in financial markets.

The study also concludes that the roles across finance profession are becoming more strategic since finance professions were becoming drivers of organizations hence becoming more strategic than before. They are seen as the ones who should offer solutions to organizational problems in a bid to achieve the best performance. This strategic nature of finance roles such as risk management roles has influenced the changes.

It can also be concluded that increased regulations and competitive business environment have influenced the changing roles of finance professionals to great extent. The study

established that regulations such as Capital Market Authority and NSE requirements had put more pressure on the finance professionals to ensure that they comply with the requirements. The ever changing international accounting standards; international financial reporting standards; Basel II and the CBK regulations as well as globalization have greatly influenced the change of roles of finance professionals.

5.4 Recommendations

In view of the findings, the following recommendations were made:

The change in the role of the finance professionals should be supported by a change in required competences. This has an impact on the knowledge, skills and behavior required. Apart from knowledge and analytical skills and attitude, finance professionals will need to be sufficiently talented staff compared with other staffs outside finance to enhance competence in the new roles acquired.

To the policy makers and accounting bodies such as ACCA, KASNEB, there is need to have some changes on the finance courses curriculum so as to ensure that the skills acquired agrees or ensure are consistent with the evolution of accounting roles, skills and career aspirations. This way, the finance professions will not be caught off guard when assuming the new roles in the organization.

From the findings, it's evident that the finance professionals have assumed the most strategic roles such as risk management roles and strategic management/ planning roles which are lifeline to the organizations. Hence there is need for the finance professionals to be well remunerated so that they carry out their work efficiently without jeopardizing the organizations future.

5.5 Limitations of the Study

In conducting the study, the researcher encountered a number of challenges. One of the challenges was lack of cooperation from the respondents who were unwilling to give information. However, the researcher explained to the respondents that the sought information was just for academic purposes and would not be released to third party.

The second challenge was limitation of information given by the respondents. Some respondents were secretive or rather limited the information they gave out. Some of this information was crucial for the study to make a formidable conclusion

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APPENDICES

Appendix 1: Questionnaire

Section A: Demographic Information

1. Please indicate your Gender.

Male () Female ()

2. What is your age bracket?

25- 30 Years () 31 – 40 Years () 41 – 50 years () Over 50 years ()

3. What is your highest level of education?

College diploma () Bachelors degree ()

Masters Degree () Others (please state).....

4. Designation

5. How many years have you worked in this institution?

1-5 years () 6-10 years () 11-15years ()

16-20 years () Over 20years ()

Section B: Stakeholders Scrutiny and Changing Roles

6. To what extent do you agree with the following statements on stakeholders' scrutiny and changing roles of finance professionals? Use a scale of 1-5 where. **5-** Strongly agree, **4-** Agree, **3-** Moderately agree, **2-**Disagree, **1-** Strongly Disagree

	1	2	3	4	5
Need to satisfy greater demand for public accountability and transparency has influence finance professionals roles					

Pressure on organizations from Stakeholders is influencing finance professionals roles					
Need to satisfy shareholders demands and increased returns (dividends) is influencing finance professionals roles					

7. On overall, to what extent does the stakeholders' scrutiny influence the changing roles of finance professionals in your organization?

To a very great extent () To a very great extent () To a moderate extent ()

To a Little extent () To a No extent ()

Section C: Technical skills and Changing Roles

8a). Has the finance profession become more technically specialized?

Yes () No ()

b). If yes, explain

.....

.....

.....

9. To what extent do you agree with the following statements on technical skills and changing roles of finance professionals? Use a scale of 1-5 where. **5-** Strongly agree, **4-** Agree, **3-** Moderately agree, **2-** Disagree, **1-** Strongly Disagree

	1	2	3	4	5
Need for compliance with financial reporting standards and corporate					

governance legislation has influenced finance professionals roles					
Value-for-money initiatives are driving businesses to a better understanding of increasingly complex financial processes and activities					
Complexity of tax planning issues and the tax implications due to increased business activities has influence finance professionals roles					

10. To what extent does the demand and growth for increased technically specialized roles influence the changing roles of finance professionals?

To a very great extent () To a very great extent () To a moderate extent ()

To a Little extent () To a No extent ()

Section D: Strategic Role and Changing Roles

11. Are the roles across the finance profession becoming more strategic?

Yes () No ()

Explain your answer

.....

.....

.....

12. To what extent do the following influence the changing role of Finance Professionals? Use a scale of 1-5 where 1 is Very great extent 2-Great extent 3- Average, 4- Low extent, 5- Not at all

	1	2	3	4	5
Mission, vision and organization's ambitious					
Talent shortages					
Complex financial processes and activities					
Regulation and compliance requirements					
Instinctive need to manage risk in the organization					

13. To what extent does the strategic role across the finance profession influence the changing roles of finance professionals?

To a very great extent () To a very great extent () To a moderate extent ()
 To a Little extent () To a No extent ()

Section E: Increasing Regulation, Competitive Business Environment and Changing Roles

14. Have the increased regulations and competitive business environment influence the changing roles of finance professionals in your organization?

Yes () No ()

b).If yes, what regulations have affected the finance professionals most in your organization.....

.....

15. To what extent do you agree with the following statements on increasing regulation, competitive business environment and changing roles of finance professionals? Use a scale of 1-5 where. **5-** Strongly agree, **4-** Agree, **3-** Moderately agree, **2-**Disagree, **1-** Strongly Disagree

	1	2	3	4	5
Regulation and compliance requirements are increasing, placing increased demand on organisations finance professionals					
Competitive business environment/High Business complexity influence the changing roles					
Changing business/ sector demands					

16. On overall, to what extent has the increased regulations and competitive business environment influenced the changing roles of finance professionals?

To a very great extent () To a very great extent () To a moderate extent ()
 To a Little extent () To a No extent ()

Section F: Changing Roles

17. To what extent has the finance professionals in your organization adopted or assumed these new roles? Use a scale of 1-5 where 1 is Very great extent 2-Great extent 3-Average, 4- Low extent, 5- Not at all

Roles	1	2	3	4	5
Strategic Planners/Planning in the organization					

Coaching role/ talent management					
Managing investors' relations					
Others:					

18. What other factors do you think are influencing the changing roles of finance professions?

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THANK YOU FOR YOUR PARTICIPATION