Advertising and the certified public accountant in Kenya

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Abstract:

This study sought to establish various issues related to advertising for the professional accountant. These were: (1) What constitutes advertising for the accountant? (2) What are the members' views to advertise or not to advertise? (3) What are the reasons behind these views? For the research, data was gathered from auditing firms in Kenya and from members of the Institute of Certified Public Accountants of Kenya (ICPAK). The Chi-square test was used to test whether there is any relationship between opinion of a firm and firm size, firm age and firm location. It was also used to test whether there is a relationship between an individual's opinion and his age and his profession. Kendall's coefficient of concordance and Spearman's rank correlation Coefficient were used to test for similarities between opinions of firms and individuals. It was found that the only variables that have a statistically significant relationship are: (1) Firm size and the action that a firm would take if advertising was allowed and (2) Individual's age and decision on relaxation of advertising rules. (Hi) Firms and Individuals were found to be in accord in their rankings of what constitutes advertising and in reasons why advertising should not be relaxed. They, however, differed on reasons why advertising rules should be relaxed. Evidence gathered from the study suggests that there is no unanimous opinion on whether or not advertising rules should be relaxed. This may indicate that time is not yet ripe for a relaxation or that members are not adequately aware of the advantages and disadvantages of such relaxation. Finally, the findings of this research should be understood and evaluated in light of the limitations of the study. These were mainly three. First, there was a time constraint hence not all variables relevant to the study were included. A serious omission was the general public. Second, data tended to favour some categories of classification and there was need to redefine the classes. The results could thus be biased. Third, the statistical tool used, namely, the Chi-square may be inappropriate for the data as some cells were rather small.