
OPTIMIZING ARTICLESHIP TRAINING PERIOD

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INTRODUCTION

Chartered Accountancy is a respected profession and its practitioners should maintain the nobility of the profession. Qualities like *Knowledge, skill, integrity, professional skepticism, professional detachment confidentiality* are fundamental requirements of a good Chartered Accountant. To acquire these basic requirements, the academic training needs to be supplemented by a structured process of Practical training. The objective of Articleship is thus, to lay down the foundation for the career as a Chartered Accountant.

Articleship is 'gurukula' education where the *guru (Principal)* passes on to *the sishya (Articled student)* the wealth of their professional wisdom and experience. The *sishya* should be committed to his objective of aspiring to become a true professional. For the sustenance of this august profession, it is utmost essential for the students to view the Articleship as the foundation on which their professional career is based.

HOW TO APPROACH ARTICLESHIP TRAINING

Before taking up the articleship, obtain a good understanding about the CA profession. Approach the Articleship with a positive frame of mind. Endeavour from day one to make our presence felt. This is not a one step exercise but involves a series of small steps which stems from our attitude. Remember the attitude can make or break our career.

The most important "TRAITS" which should form part of our "ATTITUDE" during Articleship are:

1. **Quest for Knowledge:** - We should strive to do things in the correct and proper manner. This requires knowledge. For example to verify the compliance with AS 15 we should first know the requirements of AS 15.

The Courage and conviction to ask "WHY" and the patient understanding of "HOW" are important components defining the quest for knowledge.

The ability to ask questions till we are convinced is important. We can do an assignment faithfully following the instructions of the senior or on the basis of

the steps given in the program sheet mechanically, without putting our mind into it. This may not serve any purpose. We have to develop an attitude of 'taking pain' to understand the objective of the procedure and asking questions till our understanding of the objective is clear. Remember this additional effort to obtain clarity will go a long way in the making of a successful professional.

Reading books and articles of professional importance, interacting with colleagues, interacting with principal, other professionals and teachers pay rich dividend, helping us to grasp the essence of the process of accounting, audit, taxation and other relevant areas. It is important to develop the skill set to address a variety of practical situations.

2. **Passion for the Profession:** - Chartered accountancy is one of the most demanding professions in the world today. As of today, the CA exams is rated as the most difficult in the country, with a pass percentage less than 5%. There is only one remedy to overcome the overall pressures of work and study. Start loving the work, job and subjects. Understand the beauty of the profession. Make the profession our passion. If we cannot come to terms with the demanding nature of the profession, there is no point in continuing with the studies.
3. **Strive for Continuous Development (Kaizen):-** Have well set targets for each stage of the Articleship. Strive for continuous development. After every practical assignment audit, assess the improvements. Ask ourself:
 - *How helpful was I to the team?*
 - *How much knowledge did I gain?*
 - *How much acceptance did I get for my view points?*
 - *How much of the areas handled by my seniors could be handled by me without compromising the quality of work?*

Such self assessment is very important as the opportunities flow from our performance only. *Take the pain* to study thoroughly and perform the work in the best possible manner. After each assignment, convince the seniors to allot tougher assignments so that we get opportunity to learn more and get trained in newer areas. Work hard (in terms of acquiring knowledge) and it is worth the effort.

4. **Build Confidence:** The Profession of Chartered Accountancy stands tall because of the confidence reposed by the stakeholders in the profession. We have to stand up to the expectation of the stakeholders. We need to be confident to effectively tackle any situation. Develop self confidence by discharging our responsibilities with quality. How is confidence developed? Again the mantra is same. Have sound knowledge base, stick to our values and repeatedly practice what we learn. Confidence increases in proportion to the number of times we get things right. No doubt to get things right, we should put the right effort.
5. **Value** - Chartered accountancy profession is one which is established on values, like independence, objectivity, and integrity. These values should be an integral part of our character. Character is nothing but the cumulative effect of our past / present actions. We should continuously practice these values and cultivate them as our habit. At all times we should adhere to the core values and never ever compromise on fundamentals.
6. **Fear none, Respect all:** We should without any disrespect take all possible actions to pursue our view point till we obtain clarity. We may be able to prevent an error, or else we will emerge wiser and learn something new or learn to look issues in a different manner and get corrected, if our understanding itself was incorrect.
7. **Learning through Observation:** - The Ability to observe and learn from others is virtue. Always keep the eyes open and be receptive to reproduce any good qualities which you have observed in our gurus, seniors, colleagues, junior or even a little kid who just caught your eye on the street .Every person has something to teach. *Remember, Learning through observation is as much effective, if not more than learning from books.*
8. **Learn to take Criticism in your stride:** - No person is ever born perfect. Our seniors may criticize us for our mistakes. If such criticism is just , learn to accept with grace, and ensure that the same mistake is never repeated. Take advantage of the criticism by positively reacting to it. Also do not to take any criticism personal. Because, it destroys relationships and breaks friendship and creates an environment where people will be reluctant to give their true opinion about us and thus hinders our own development.

9. **Professional Skepticism:** - Skepticism is one of the important qualities of an ideal and able chartered accountant. Develop an ability to smell “something wrong” from the smallest of the clues. Frauds or errors are usually revealed / discovered by the alertness of spotting of the slightest of disorderliness / impropriety. To be skeptical means remain alert always and not taking things for granted. The moment something does not fit into our logic, we should go behind it and question it, till the objectivity, authenticity, validity, reliability and propriety conditions are met. Remember that we are bound by the Standards on auditing / Code of Ethics issued by ICAI to go behind / look into inconsistencies observed during the course of audit, failing which we can be liable for professional misconduct, as well for delinquency.

10. **Rational Thinking:** -. The ability to think rationally and apply reason to solve problems can keep us in good stead. The subject of accountancy and auditing is evolved on the basis of rational and logical thinking. For example consider the fundamental conditions governing selection of accounting policies such as prudence, substance over form and materiality or the fundamental accounting assumptions such as going concern, consistency and accrual. All these are simple rational and logical concepts. When we are able to think rationally, we can invoke the inherent creative power of the human mind to develop procedures to validate a particular assertion in the financial statement even if there is no known precedent. This is because, the objective of every audit procedure generally centers around logic and sound common sense. Consider the following examples:

- **Occurrence:** - Has the transaction really occurred?
- **Completeness and Accuracy:** - Was the transaction correctly recorded?
- **Validity:** - Was the transaction properly authorized?
- **Accounting Period:** - Did the transaction pertain to the period of audit?
- **Disclosure:** - Is the transaction properly disclosed?

Remember to get the substance, as it prevails over the form.

11. **Visualization:** - Visualization refers to the ability to visualize things like transactions and control procedures. To understand any transaction or procedure, be it the purchase procedure or sales procedure or authorization procedures with clarity, it would be helpful to mentally visualize the steps involved. Visualization helps us to understand the logic behind each and every

step of the procedure. This not only helps to quickly spot any inconsistencies, but equip us to ask the right questions to the right persons. Ability to visualize is an extremely useful tool while carrying out the procedures specified in SA 315 (Identifying and assessing the risk of material misstatement through understanding the entity and its environment) and SA 330 (Auditors response to assessed risks)

12. Be Up-to-date:- Chartered accountancy is a profession which is dynamic and quick paced, and consequently a chartered accountant is expected to be up-to-date with all the applicable amendments, notifications and like. As I stated earlier, learning is a lifelong process for us. The famous maxim, Ignorance of Law is no excuse at all, holds very dear to the heart of every chartered accountant ,more so because all stake holders tend to presume that we know almost everything. Therefore it is essential that as future chartered accountants we should also learn to keep pace with the dynamic developments. To begin with, become regular “readers” and not remain only as “subscribers” of the CA journal.

13. Professionalism: - A chartered accountant should work with professionalism. Professionalism is the way we conduct ourself as a professional. Some key areas are:

- a. Adherence to Professional standards such as SA 's and Code of ethics issued by ICAI
- b. Develop a habit of completing the assignments or tasks in an orderly , structured and meticulous manner to the best of one's ability and within the time schedule. Never procrastinate.
- c. Be punctual and systematic in day to day activities
- d. Dress and conduct in a manner “expected “ of a professional
- e. Acquaint with and practice corporate etiquette
- f. Be detached, unbiased and objective when forming an opinion, or analyzing situations

14. Work with Team Spirit: - An audit or any other assignment is normally carried out by a team of individuals headed by a team leader. When you work as a team, it is important to understand our role in the team. As an articled assistant, our responsibility is to complete the job allotted to us in time, to the best of our

ability and also to take an extra bit of effort to help our team in all possible ways. Develop the ability to be a good team player.

- 15. Persistence:** - In life, many a times, things may not always go as we have liked or planned. Articleship training gives us the first taste of this truth. As there are ups and downs in one's life, there will be ups and downs during the training period also. There can be times when we feel elevated and also moments when we feel absolutely dejected. But the most important thing is perseverance. When things are not going our way, persevere and try hard. Through hard work and mental strength we will be able to overcome the difficulties. Remember *circumstances do not define our future, but we do.*

BENEFITS OF ARTICLESHIP TRAINING

The advantages of practical training are numerous. It varies depending on our attitude and the kind of exposure to which we are subject to. On a general note, the advantages include :-

- 1. Ability to handle pressure:** - At different points of our Articleship career we will be exposed to various kinds of pressure. For example, during the tax audit and Vat audit seasons or when we prepare for examinations. The ability to handle pressure is essential for the survival as a chartered accountant, both in practice and in service. The articleship training gives us the first lessons of handling pressure and equips us to handle volume, responsibility and the mental strength to meet the high demands of our ensuing career ahead.
- 2. Supplements exam study:** - Practical training helps us to gain better understanding and clarity about the concepts and theory spelt in the text books, particularly so, in the case of subjects like Accountancy, Auditing, law, Income tax and Indirect tax. We will begin to understand the importance of each word of the Accounting standards, Income Tax and other relevant topics, when we apply the principles in actual practice. We will begin to learn and appreciate concepts in the right perspective. It is only when the theory is related with practical application, the true purpose, logic and importance of various subjects, provisions, provisos, case laws could be learned with clarity. The principles so learned will remain forever in our memory.

3. **Communication Skills :-** During the articleship period we get chance to interact people including our gurus , seniors, Audit Mangers , Partners ,Directors , CEO , CFO , Accountants , foreman , supervisors and other staff members of clients, senior professionals etc.. We have to engage ourselves with a number of people belonging to different classes and different sectors within and outside the organization. We gradually acquaint our self with the art of communicating with people. As we proceed with our training we learn on how to effectively communicate to others in a polite but firm manner. This is a bonus gift of the Articleship training.
4. **Develop Self Confidence: -** For those who have always had an inherent feeling of trepidation or inhibition when talking to people , especially with those occupying the high posts , the Articleship training will definitely help you to shed these inhibitions . This is because , during Articleship, more out of circumstances than of choice we will have to interact with a lot of people This will gradually help in doing away our inhibitions and will make us more confident
5. **Ability to Take Responsibility:-**Each and every role which we assume during the Articleship career spanning the whole three or three and a half year teach us a sense of responsibility. We may be criticized for our irresponsibility or there can be times when were we fill our heart with guilt and shame if faced with a situation arising out of our own irresponsibility. Therefore, either the hard way or the pleasant way, we will learn to assume the RESPONSIBILITY for our work.
6. **Character Formation: -** Articleship training has a tremendous influence on our character formation. What we become in the future is, in most cases, a reflection of our initial training during Articleship. We tend to carry forward the confidence, the communication skills, the knowledge, the values, and the professionalism which we have acquired during this period into our future career roles.

CONCLUSION

Articleship training lays the foundation of the making of a Chartered Accountant. An effective tenure of training with a knowledgeable and understanding guru makes a boy or a girl of 18 or 19 years into a *pakka* professional by the time he or she is 21 or 22. We, the students are groomed during this period to take on the huge challenges lying ahead in our career. It is the first and the most important step of becoming a true accounting

professional. So let us not waste this opportunity and try our best to make the most out of the *gurukula* system of training offered by the Articleship, for our own benefit and also for the greater benefit of this august profession of “**Chartered Accountancy**”.