From the Editor: Albert J. Mills,

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Earlier this year it became clear that, after almost 20 years of publication, the *Workplace Review* had run out of institutional support. In the process it was decided to go out with a bang featuring a Special Issue on 50 Years of the Atlantic Schools of Business (ASB) (https://www.smu.ca/webfiles/FullIssue.pdf).

More recently we discovered that a peer reviewed and accepted paper for a previous issue of the *Workplace Review* had slipped through the net. For that we sincerely apologize to the authors and we have undertaken to publish the article in a final issue of the journal.

Our final paper focuses on 'Member Compliance in the Unified Normative Regime for the Accounting Profession in Ontario.' It is co-authored by Cape Breton University (Shannon School of Business) professors - Felix Odartey-Wellington; Leslie J. Wardley; and Derrick Hayes.

Member Compliance in the Unified Normative Regime for the Accounting Profession in Ontario

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Member Compliance in the Unified Normative Regime for the Accounting Profession in Ontario

Abstract

Following the recent unification of accounting professional designations in Canada, this paper examines with member compliance in the new common normative or disciplinary regime for the accounting profession, using Ontario as case in point. Using publicly available data from current and legacy designations, this study reveals that the number of offenders and the number of disciplinary charges in Ontario sharply decreased post-unification and suggests member adaptation to the unified disciplinary regime, contrary to some expectations. This is in part because all three pre-unification bodies subscribed to a professional ethos, and due to evolving market dynamics, the lines between them were gradually becoming blurred. All three legacy bodies had understood the need to regulate member conduct to ensure public trust and confidence. They all thus subscribed to a Foucauldian governmentalist ethos, irrespective of area specialization. Thus, cultural differences between the three bodies could have been more of a perception for organizational members, than a reality. As the unified professional accounting system is at a nascent stage, this paper contributes both to the literature as well as the practice of accounting in Canada.

1 Introduction

The accounting profession plays a fundamental role in the development of any economy through the creation of regimes of transparency and financial decision-making, seeking to reduce corruption and mismanagement of resources. As with other jurisdictions, in Canada, public policy accepts self-governance for ethical regulation in the accounting profession (Green & Hrab, 2003; Looknauth & Bélanger, 2018). As is true with other professions such as medicine and law (Zelisko et al, 2014), because assessors of accountants must possess accounting skills, the accounting industry in Canada has been a long-standing self-governing structure. However, since the profession plays a key role in the audit of publicly accountable corporations, the public is particularly vulnerable to the accountant's compliance with ethical codes.

Recently, Canada has seen a unification of what had hitherto been its three accounting designations, the Chartered Accountant (CA), Certified Management Accountant (CMA), and Certified General Accountant (CGA) under a single national body, Chartered Professional Accountants of Canada (CPA Canada). However, as with any corporate merger, there are challenges that must be addressed in order to ensure the successful consolidation of the three designations under the CPA Canada banner. More specifically, a decision was to be made with respect to which set of existing professional policies and values would be adopted for the new CPA Canada. This was potentially problematic, as, within the accounting profession, each designation historically performed different functions and was regulated according to different regimes based on the dynamics of the respective area of practice. Thus, the nature and scope of standards have varied between designations. The matter was further complicated by the increased public scrutiny on ethical standards within the accounting profession (Wardley et al, 2018). Ethical standards constitute an existential value for the profession that goes beyond superficial organizational-bonding importance (Flanagan & Clarke, 2007). Member compliance with the unified ethical code or normative regime is, therefore, a key criterion for the success of the merger. This paper engages with member compliance with the new common disciplinary or normative regime for the accounting profession, using Ontario as case in point. As the unified professional accounting system is at a nascent stage (Tessier & Sponem, 2018), this paper contributes both to the literature as well as the practice of accounting in Canada.

2 Background and Focus of the Study

In order to explain the significance of the accounting merger, it is important to first describe what hitherto existed as the three accounting professions: CAs, CMAs and CGAs. In Canada, professions and education are regulated at the provincial level and accounting professional institutions were mapped onto provincial jurisdictions, with an overarching national association (Tessier & Sponem, 2018). The evolution of the different accounting professional bodies took shape with the incorporation of a body for CAs at the federal level in 1902 following provincial incorporations, the formation of the CGA in Montreal in 1908, and in 1920, the infancy of a body for Management Accountants (Tessier & Sponem 2018, p.24). As has been noted by other scholars (e.g. Guo 2012; Leonard, Bélanger, & Wardley, 2016), in the past, CAs were held to higher standards than the other two accounting professions given the fact that in some provinces (e.g., Ontario) CAs were the only accounting professionals who could audit the financial statements of publicly traded companies. CAs were regarded as holding the public's trust and were bound by a more rigid code of ethics consistent with generally accepted accounting principles. Hence, CAs conducted audits in accordance with these accepted accounting standards. The Canadian Institute of Chartered Accountants (CICA) handbook became the key reference for accepted accounting principles relied on by the *Canadian Business Corporation Act* and the Securities Exchange Commission. In contrast to CAs, CMAs specialized in managerial and cost accounting tasks and performed internal controls that helped support decisions regarding corporate finance and investments, while CGAs were general accountants who could perform accounting services in the public and private (including government and financial) as well as not-for-profit sectors. While each professional designation had a specific place in the Canadian corporate ecosystem, there was a considerable amount of overlap in the services provided by professionals under each accounting designation. This situation, paired with the lack of public knowledge of the profession, led to a general confusion as to what differences existed between the three accounting designations.

With these three professions brought together, it is of utmost importance to determine how they will continue to self-govern. In order to achieve a high level of synergy, and a strong, credible accounting profession, it was essential to establish a common disciplinary system that regulates the behaviors of accountants and that defines the standard accounting principles and policies that must be followed by industry professionals. While it may make sense to hold all three former designations to the same standard as CAs (which was higher given their audit privileges), attempting to bring up the CGAs and CMAs to that level in a short period of time was a potentially challenging process.

3 Review of Literature

3.1 Governmentality of the Accounting Profession

Foucault's concept of governmentality (2008) is an important lens through which the merger of the different professional bodies can be refracted for the purposes of this paper.

Governmentality, which is not novel in accounting research (McKinlay et al, 2012) speaks to a constant need of the modern state to professionalize and regulate trades as means of "normalization" for the citizen-subject. In this case, it is a matter of the professional body, in turn, creating a harmonized regime to normalize/discipline members. Richardson (2017, p.2) suggests that the professionalization of the accounting profession, as with all other modernist professions, is as a strategy to gain advantage in the marketplace (material rewards) and in society (legitimacy). However, he also points out that traditionally, professions are defined as "a distinct class of occupations recognizable by their traits (e.g. use of codes of ethics, self-regulation, systems of education and credentialing) and their reliance on specialized and arcane knowledge" (2017, p. 2). He also points out that historically, pioneers of the accounting profession sought, through a governmentalist regime, to secure a hegemonic closure around the concept of who could be defined as an accountant (Richardson, 2017). Thus, to the extent that contemporary organizations draw legitimacy from the state, they would also seek to reproduce the authority and legitimacy of the state. And, there will be an interest in creating/enforcing a disciplinary regime. In this case, we also add, this authority and legitimization has symbolic properties that create symbolic exchange value for the accounting profession, translating into, for example, fees that can be charged by leveraging membership in an elite professional body. Hence, there is a need to focus on what the new regime means for the privileging of certain norms or codes of behavior for members. As well, governmentality motivates a focus on member adherence to the normative regime. Governmentality therefore, speaks to the social construction of the CPAs as "Canada's pre-eminent accounting and business professionals – no matter what the business" (CPA Canada, 2018). This is a social construction that has been historically serviced by public communications deployed especially by CICA for its members (Guo, 2012).

The submission of the individual to the new normative regime, therefore, is what marks the transformation of the citizen-subject as a professional-certified accountant, with attendant privileges.

The governmentality of a disciplinary regime for the accounting profession is arguably greater today given the scrutiny it is under following business scandals that have dominated the popular imaginary since 1998. In general, the public has the viewpoint that accounting scandals are on the rise and that the accounting profession is failing with respect to trustworthiness (Wardley et al, 2018; Leonard et al, 2016). A report published by Chartered Professional Accountants (CPA), Canada (2015) titled the "10 worst corporate accounting scandals of all time," discussed notorious accounting scandals that happened in the last fifteen years which included: Waste Management reported $ 1.7 billion in fake earnings in 1998; ENRON caused shareholders' $74 billion loss and mass unemployment in 2001; the earning numbers of HealthSouth were allegedly inflated $1.4 billion to meet the expectations of its stockholders in 2003, etc. This has proven true not only in the North America, but in other Western jurisdictions. For example, the "Parmalat scandal" resulted in the misappropriation of billions of euros, and it was also discovered that "about one-fourth of the oil and gas reserves which have been reported in Royal Dutch Shell's books, have existed only in the fantasy of the members of the board" (Komp, 2004, p.54). As a result, the public trust in both financial information reports and earnings quality has been significantly eroded and thus, accountants as the relevant subject-matter experts are suffering from a loss of credibility (Atkin, 2003). Leung and Cooper (2005, p.79) noted that "misleading audit reports, providing unbalanced advice, disguising transactions, withholding information and abuse of trust" are strong signs of accounting professionals' failures in acting ethically. In contrast, the accountant's responsibility requires them to deliberate and disclose both material and non-material falsifications, misstatements, and illegal acts. Such discordance between accountants' professional ethics and real performance has called into doubt the profession's social legitimacy. Therefore, transparency and ethics have never been more vital to the survival and reputation of the status of professional accountants.

The literature suggests that while accountants may be no less ethical than other professionals, they experience tensions between employer/client loyalties and ethical norms, leading to ethical dilemmas, professional misconduct, and unethical conduct generally (Leung & Cooper, 2005; Buchan, 2005; Garcia-Fali & Herrbach, 2014; Fitzgerald, 2016).

Cotton (2009) suggests the priority of institutional codes for ethical decision-making by accountants. Accountants' ethical decision-making should adequately reflect their professional qualities, commitment to principles, responsibility to the public and consideration for corporate image. In making choices and pursuing self-interest, how strictly accountants adhere to ethical codes is crucial to both businesses' and the profession's reputation. Therefore, all accountants, regardless of their role, must be subject to the same scrutiny to ensure that the general public will continue to have faith and trust in financial communication (Leonard et al, 2016).

3.2 Ethical Perceptions Held by the General Public

"The perceptions of the general public could negatively affect the image of the entire [accounting] profession, threatening not only its role in the economic system but also its future" (Caglio & Cameran, 2017, p.21). As the end users of the products and services of the corporate world, the general public has its expectations on accountants' consensus in recognizing the significance of their responsibility to society. As a result of the increasing number of corporate scandals and society's increased access to information in the contemporary media ecology, the general public has ethical expectations of companies and their officers; hence, they need to trust that what companies do and report is reliable. Despite the fact that executive officers have the greatest responsibility for ensuring that the corporations they run meet these expectations, accountants play a key role in this ethical environment because “they are entrusted with policing the public companies and signing the audit reports that are relied upon by investors, bankers, and creditors” (Leonard et al., 2016, p.173). Especially when the general public are investors in corporations as well, public trust is of existential value to an organization. An accountant’s actions of judgement in the public interest is the source of sanction which is also conceived as the “essence of their professional status,” provided by the general public (Flanagan & Clarke, 2007). Thus, the expectation gap between the ethical perceptions held by accountants and the general public will undoubtedly lead to a crisis in corporate operations, accountants’ professional status and stability in the financial community.

Hegel (2015) conducted a survey of 1,699 CGMA designation holders in 99 countries and found that 80% of stakeholders cited the views of investors and other stakeholders as one of the major drivers behind ethical decision-making. The public’s higher financial demands appear to have pushed business ethics to the public agenda and enhanced auditors’ commitment to codes of ethics. A study by Rutledge and Karim disclosed that “ethics constrains self-interest-based behavior” (1999, p. 181) and that “managerial self-interest may be constrained by ethical considerations” (1999, p. 182). However, Leung and Cooper (2005, p.80) suggest that “a code of ethics is an important device for convincing the general public that members of a profession are ethical, but does not guarantee public support, nor does it guarantee all members of a profession comply with the code.” As what enshrines a governmentalist ethos in the popular imaginary, the code of ethics requires good institutions to implement, more communication to improve, and professions' concern with social responsibility to ensure ethical compliance.

3.3 Nature and Regulation of the Accounting Professions before Unification

The governmentalist regime for the accounting profession in Canada exists in the realm of statutory self-regulation whereby an organization draws its powers to self-govern (rather than being regulated by the State) from law (Green & Hrab, 2003 pp.39-40). The emergence of the CPA regime therefore, represents a new phase of governmentality for the accounting profession in Canada, even if similarities exist between the old and new. The new regime has its unique norms to which all members would have to adhere to be considered CPAs. Indeed, it is this regime that gives a person the CPA identity, with its attendant rights and privileges. As noted in previous works (Brouard et al, 2017; Looknauth and Bélanger, 2018), prior to unification in 2014, the provincially regulated accounting profession fell under three governing bodies: CICA; the Society of Management Accountants of Canada (CMA Canada); and, Certified General Accountants of Canada (CGA-Canada). Thus, Ontario's professional accounting was administered by three designated accounting bodies: the Institute of Chartered Accountants of Ontario (ICAO); the Society of Management Accountants of Ontario (SMAO); and the Certified General Accountants of Ontario (CGAO), which were nationally affiliated and had their own normative codes.

Standards of accounting practice and judgment are often evaluated within a public interest construct and are also regarded as the "essence of accountants' professional status," enjoyed in comparison to the public (Flanagan & Clarke, 2007, p.492). As the governing body of a self-regulating profession, ICAO had a responsibility to protect the public interest by ensuring that all members, students, and firms observed high professional and ethical standards. This responsibility was met through a program of interrelated activities including: high standards of qualification and professional development; a professional standards regime; and a comprehensive and well-resourced disciplinary process that, through experienced members of the profession and public representatives, timeously dealt with complaints and other matters concerning the professional conduct of members, students and firms (Chartered Professional Accountants of Ontario website; formerly ICAO, 2017).

Following unification, the SMAO and the CGAO merged with the ICAO forming the Chartered Professional Accountants of Ontario (CPAO). Accordingly, their individual websites became defunct and integrated under the CPAO umbrella. Like the CAs, the CMAs were a self-regulated body of highly skilled professionals in the field of management accounting. They provided "strategic direction, business management, and leadership for private, public and not-for-profit sectors, with the majority of members working in senior-management and executive positions" (www. cma-ns.com). They were charged with ensuring that all members and students maintained a set of highly ethical standards and to "develop professionals and resources that led to the advancement and integration of strategy, accounting and management" (www. cma-ns.com). Every member of the Society was to uphold and foster competence and the prestige of the accounting profession.

Similarly, the CGAs had as a top priority "protecting the public interest and the value of the CGA brand" (www.cga-ns.org). Thus, "establishing, promoting and enforcing professional competency and ethical standards" (www.cga-ns.org) was of utmost importance. Like its sister certifications, the internationally recognized CGA had a prescribed education and professional development program, as well as standards and disciplinary regimes. The comprehensive disciplinary process dealt on a timely basis with complaints and other matters concerning the professional conduct of members.

Merging three professional accounting bodies on the surface looks like a simple task. After all, they were three regulatory bodies of the same profession and they had similar priorities, that boiled down to protecting and acting in the public's best interest, developing highly qualified professionals, and promoting ethical behavior through bylaws and rules of professional conduct. Each body had an inherent ethical culture, which was reflected in its mission and vision statements. For instance, today, the CPAO (2017, p.13) states that "protecting the public is at the heart of CPA Ontario's mission" and that in order to achieve this mission, the organization monitors "the profession with rigor and vigilance, managing an active program of practice inspections and investigations, and exercising discipline where necessary". In its 2014 Annual Report, the Certified Management Accountants of Ontario (CMAO, 2014) espoused a similar ethos and discourse, stating "to see our vision and mission statement reflected in those of the Chartered Professional Accountants of Ontario is assurance that our work and values will continue on our shared path forward," while the CGAO stated in their 2014 Annual Report that "the mission of the Certified General Accountants of Ontario is to ensure its members merit the confidence and trust of all who rely upon their professional knowledge, skills, judgment and integrity, while advocating the use of their professional expertise in the public interest."

However, looks can be deceiving. Moving from three bodies on a national and provincial basis was all but simple: it required countless hours of negotiation and compromise. Each of the three accounting bodies had its unique culture or different ways of achieving these goals and objectives as stated in their different bylaws and professional codes of ethics (including disciplinary processes), as well as having different stakeholder groups. To complicate matters even further, in Ontario only the CAs had the right to audit financial statements which would hold their practices to a higher standard, whereas in some provinces the CAs, CMAs and CGAs could all complete audit assignments (Bédard, 2001). It is therefore, not surprising that in Ontario, legacy accountants have recorded dissatisfaction with the merger (Looknauth & Bélanger, 2018).

Although each organization's bylaws and code of ethics were grounded in fundamental pillars of the accounting profession, deciding on which is the best and/or a combination of the stated items was complex. There was a need to ensure that the highest standards continue to be met so that accounting professionals continue to give assurance that business is operating to the highest standards of accounting, ethics and governance.

The recent unification was preceded in 2004 by an attempt to merge the CA and the CMA designations. This proved to be difficult and failed. One reason was that this process seemed at first glance to be a take-over rather than merger, given that the end designation was a CA. The professionals of both bodies had great pride in their institutions and the educational processes required to achieve the respective designations. As noted by Guo (2012, p.128), throughout the years the CICA had represented that "all accounting designations are not equal. As in all professions, there is a level of achievement and recognition in accounting that is reserved for the best. In Canada, that level is Chartered Accountant- the international standard for excellence." Even post-merger, it has been suggested that "CAs may still see themselves as belonging to a special 'caste' and culture" (Looknauth & Bélanger, 2018, p.268). Accordingly, CAs did not want to give away their designation to professional cousins who did not complete what they saw as their rigorous educational process that culminated in the passing of the

Uniformed Final Exam (UFE). Similarly, CMAs did want to give up a designation of which they were very proud, one which culminated with the Strategic Leadership Program.

3.4 After Unification: What lies ahead?

Beyond formal unification, the reality of bringing three bodies together in a single region like Ontario was challenging and as Looknauth and Bélanger (2018) suggest based on their study, is a work in progress requiring the evolution of the new designation, while retaining members' history through incorporating the traditions of legacy designations. The conclusion was the establishment of the new CPA Ontario with a new set of bylaws and a professional code of conduct, as well as a new legislation: the *Chartered Professional Accountants of Ontario Act* of 2017. In addition, a new national and provincial education system to train the new diverse group of students was developed.

4. Methodology and Approach

While negotiation culminated in the establishment of a unified designation for professional accountants in Ontario, there was a concern that members would not adapt to the new governmental regime as it could constitute an alien normative culture (Looknauth & Bélanger, 2018). We therefore sought to study how well members were adapting to the new disciplinary regime. This research was based on the publicly available data posted by the former ICAO, SMAO, and CGAO on their respective websites (now linked through the CPAO website). Disciplinary notices have been kept in a database by each of the accounting professions and the data is available to the public. Demographic information is available for each member, and all this data was obtained and tabulated to form the sample for analysis. The three samples will review disciplinary notices for as far back as is available. As well, this research benefitted from autoethnographic knowledge, as one of the authors has had a long association with the accounting profession as a member of both the Institute of Chartered Accountants and the Society of Management Accountants since 1989. In addition, as a past chair of the Atlantic School of Chartered Accountancy and a past member of Council for the Institute of Chartered Accountants of Nova Scotia during the merger process in Nova Scotia and Canada, they had intimate knowledge of the process and its driving forces. Based on this, the authors are aware that the negotiation process for the merger was completed by taking the regulations of all three bodies and combining them to make a solid set of bylaws and codes that would be used going forward to best protect the profession and the public. However, that cannot be guaranteed without assessing member conformity to the new normative system.

5. Study

Prior to unification, the discipline process started with a written complaint filed with the Institute for all three legacy bodies. This would be sent to a committee of the respective Institute that would review and investigate the allegations. They would make recommendations as to the next step in the process that could vary from closing the file, performing certain actions (such as counselling, cautioning or reprimanding) or prepare a formal report of professional misconduct to trigger a disciplinary hearing.

At this stage, they would request additional written/oral information, supporting documentation and other warranted information. In addition, they may appoint an investigator to obtain more detailed information and documentation. This would lead to a report for the discipline committee with recommendations to close the file, provide guidance, perform certain actions, or convene a formal hearing of the discipline committee.

The outcome of the formal hearing of the discipline committee was to render a decision and a notice on the website (if a member is charged), which was also kept on the Institute's database. Potential decisions included closing a file, counseling, cautioning, reprimanding, suspending, expelling, or even an agreement of remedial action (such as completion of courses and program or exam) or issuing a fine. Members had the option to appeal. If no charge was laid, then no information was made available to public.

The *CPA Code of Professional Conduct* came into effect for CPA Ontario on February 26, 2016 and is derived from five fundamental principles of ethics: Professional behavior; Integrity and Due Care; Objectivity; Professional Competence; and Confidentiality, which reflect the "unification of the requirements of the three legacy bodies" (CPAO, 2016, p.1). Within the context of governmentality, the code sets the normative boundaries of the profession. The committee entrusted with drafting the CPA Code was "directed to start with the harmonized Rules and Council Interpretations (CIs) of the legacy CA provincial bodies, then to compare these requirements to those of the legacy CMA and CGAs bodies as well as the International Ethics Standards Board or IESBA and select the most stringent requirements" (CPAO, 2016, p.1). Since all three legacy bodies had similar requirements, the modification of the rules selected from each one was very limited (CPAO, 2016, p.4). Similarly, under the merged body, the CPAO Standards Enforcement and Disciplinary Procedures are very similar to what obtained under the three legacy bodies. After a complaint is received, "staff will obtain full details and supporting documents from the complainant and the responding member" (CPAO, n.d., p.3). The Professional Conduct Committee, which "is comprised of experienced volunteer members of the profession and public representatives appointed by council" (CPAO, n.d., para.3) is responsible for the thorough investigation of matters related to the possible breach of the CPA Code of Professional Conduct, bylaws, regulations, or the *Chartered Professional Accountants of Ontario Act*, 2017, which includes interviewing the responding member based on the investigation findings and the information provided by both parties (CPAO, n.d.). Based on the information gathered during the investigation and interviews, the Committee may decide to refer the matter to the Discipline Committee for prosecution, propose a settlement with the member, provide guidance and admonishment to the member, or close the file (CPAO, n.d.). Table 1 provides an outline of how the respective Rules overlapped and where they converge in the new CPA Rules of Professional Conduct.

	CA	***CGA***	***CMA***
CPA Rules of Professional Conduct	**Number**	**Number**	**Number**
100 Professional Governance			
101 Compliance with governing legislation, bylaws and regulations and the CPA Code	101	601	2.2(b)/1.2(b)
		606/606(a)	
104 Requirement to Co-operate	104	610	2.2(e)/1.2(e)
		611	7(1)
		509/509(a)	22
		514	31
		515	
		516	
200 Public Protection			
201 Maintenance of the good reputation of the profession	201.1	101	3.1(a)/2.1(a)/21(a)(i)
		102	3.1(b)/2.1(b)
		108	3.4(b)/2(4)(b)/4(b)
		201	
203 Professional Competence			
Sustaining professional competence	203.1	302	3.1(c)/2.1(c) /21(a)(ii)
Rules of Professional Conduct	203.2b		
Required to maintain professional competence	203.1		
204 Independence	204		3.3(d)/2(3)(c)/3(c)
Specific to Public Accounting only:			
204.1 Assurance and specified auditing procedures engagements	204.1		
204 Independence during engagements	204		
202 Integrity and due care and objectivity	202		

202.1 Conduct services with integrity and due care	202.1		
202.2 Objectivity	202.2		
205 False or misleading documents and oral representations	205		
206 Compliance with professional standards	206		
218 Retention of documentation and working papers	218		
Relations with fellow members (public accounting)			
302 Communication with predecessor	303		

Table 1: Rules of Professional Conduct CA, CGA and CMA

The total number of members in good standing of the three legacy bodies in Ontario as at 2013 are illustrated in Table 2 below (CGAO, 2014; CMAO, 2014; Leonard et al., 2016) with no available sector or gender data for the CMA and CGA, while as at 2017 when this study commenced, there were 89,007 CPA members in good standing in Ontario (CPAO, 2017).

	CA		**CMA**		**CGA**		**Grand Total**
	Total	**%**	**Total**	**%**	**Total**	**%**	
Total number of members	36,465	100%	17,968	100%	22,874	100%	**77,307**
In public practice	10,531	28.9%					
In industry	15,220	41.7%					
In government and academia	2,338	6.4%					
Others	8,326	23.0%					
Males		68.0%					
Females		32.0%					

Table 2: Total number of accountants per accounting body pre-merger

The following tables (Table 3 to 8) illustrate the disciplinary charges for the three legacy bodies prior to the merger in 2014. Since the available pre-merger data for each of the three legacy bodies is unevenly distributed across the years, we adjusted the available data to facilitate comparison to the post-merger data on an equal basis. To achieve this, we calculated the simple average number of disciplinary charges per year for each professional designation by dividing the total number of cases by the years of available data, and then multiplied the annual average by 4.5, which is the number of years of post-merger information available (2014 – May

2018).We also determined the total number of cases in the preceding 4 ½ years to see if the simple average was reasonable to compare with the post-merger cases. The pre-merger data available included 30 years for the CA legacy body (1984 – 2013), 6 years for the CMA legacy body (2008 – 2013), and 9 years for the CGA legacy body (1995 – 2013) (Leonard et al., 2016). The adjusted totals and last 4 ½ years pre-merger below are for comparison purposes only.

	CA (30 years)		**CMA (6 years)**		**CGA (9 years)**		**Total Pre-Merger**
	Total	**% of total members**	**Total**	**% of total members**	**Total**	**% of total members**	
Number of individuals	417	1.14%	113	0.6%	239	1.0%	**769**
Total number of cases	1040		126		255		**1421**
Charges per individual	2.50		1.12		1.07		**1.85**
Gender of known offenders:							
Males	95.0%	68.0%	69.3%		81.9%		**87.1%**
Females	5.0%	32.0%	30.7%		18.1%		**12.9%**

Table 3: Accounting bodies and disciplinary offences pre-merger

	CA (30 years)		**CMA (6 years)**		**CGA (9 years)**		**Adjusted Pre-Merger**	
	Total	**Adjusted**	**Total**	**Adjusted**	**Total**	**Adjusted**		**Last 4 ½ years pre-merger**
Number of individuals	417	63	113	85	239	57	**205**	
Total number of cases Last 4 ½ years pre-merger	1040 135	156	126 123	95	255 125	61	**312**	 **383**
Charges per individual	2.5	2.5	1.12	1.12	1.07	1.07	**1.52**	

Gender of known offenders:								
Males	95.0%		69.3%		81.9%		**87.1%**	
Females	5.0%		30.7%		18.1%		**12.9%**	

Table 4: Accounting bodies and disciplinary offences adjusted pre-merger

For comparison purposes to see if there was a correlation, we accumulated the data for the 4 ½ years prior to the merger as well to see if it changed our analysis. In fact, it only increased the trend recognized by the simple average, thereby further supporting our conclusions. Accordingly, we continued using for comparison purposes the adjusted pre-merger disciplinary charges of 312 cases instead of the last 4 ½ year's pre-merger cases totaling of 383 as shown in the table below:

	Total Pre-Merger	**Adjusted Pre-Merger**	**Total Post-Merger**
Number of individuals	769	205	46
Number of cases	1,421	312	61
Charges per individual	1.85	1.52	1.33
Sex of known offenders:			
Male	87.1%	87.1%	97.8%
Female	12.9%	12.9%	2.2%

Table 5: Disciplinary offences pre-merger and post-merger from the combined data of the past three designations

The expectation was that the total numbers would see an upward trend given the fact the number of members more than doubled over the CAs in public practice, as well as the fact that the rules for public practice under the CPA Ontario Rules of Professional Conduct Section 200 "Standards of Conduct Affecting the Public Interest" are similar to those used by the ICAO (for CAs) prior to the merger. The available data reveals that both the number of offenders and the number of disciplinary charges in Ontario have sharply decreased following the unification of the three legacy bodies under the CPA banner. Although the proportion of male offenders is significantly higher than the proportion of female offenders before and after the merger, there is an increase in the proportion of male offenders and a decrease in the proportion of female offenders since 2014. Despite the fact that CAs were subject to more rigorous standards of professional conduct, the greatest number of adjusted disciplinary actions and charges per individual prior to the merger are associated with professionals who held a CA designation, whereas the lowest number of adjusted cases and charges per individual prior to the merger are associated with members of the legacy CGA body. The CPA Code of Professional Conduct is mostly influenced by the rules and Council Interpretations (CIs) (i.e., the normative interpretations) of the legacy CA body, while the extent to which it is influenced by the rules and CIs of the CMA and CGA legacy bodies and the International Ethics Standards Board for Accountants is undisclosed. The three legacy bodies followed virtually the same disciplinary process which remained unchanged after the merger. Hence, it is not possible to associate the effectiveness of the unified rules of professional conduct and disciplinary process with the ethical and practice regulations of a particular legacy body.

Rule	Charge	Number of cases Pre-Merger CA	% of Total
201	Failing to maintain the good reputation of the profession	299	35.7%
206	Failing to comply with standards of practice	222	26.5%
202	Failing to conduct services with integrity and due care	151	18.0%
205	Providing false/misleading docs or oral representations	128	15.3%
218	Failing to provide documentation and working papers	18	2.2%
101	Failing to comply with bylaws, regulations and rules	10	1.2%
303	Failing to co-operate with successor accountants	9	1.1%
	Total number of cases	**1040**	**100%**

Table 6: Rules for the most common charges and cases pre-merger from CA data

Rule	Charge	Number of Cases Post-Merger CPA	% of Total
201	Failing to maintain the good reputation of the profession	23	46.9%
206	Failing to comply with standards of practice	10	20.4%
202	Failing to conduct services with integrity and due care	5	10.2%
205	Providing false/misleading docs or oral representations	5	10.2%
104.1	Failing to co-operate cooperate with the regulatory processes of the Institute	3	6.1%
204.1	Failing to be objective in audit engagements	2	4.1%
218	Failing to provide documentation and working papers	1	2.1%
	Total number of cases	**61**	**100%**

Table 7: Rules for the most common charges and cases post-merger from CPA data

Rule	Charge	Number of cases Pre-Merger CA	% of Total Charges	Number of cases Post-Merger CPA	% of Total Charges	Number of cases Pre-Merger CA Last 4 ½ years	% of Total Charges
201	Failing to maintain the good reputation of the profession	299	21.04	23	37.70	50	13.05
206	Failing to comply with standards of practice	222	15.62	10	16.39	21	5.48
202	Failing to conduct services with integrity and due care	151	10.63	5	8.20	16	4.18
205	Providing false/misleading documents or oral representations	128	9.01	5	8.20	18	4.70

Table 8: Combined top four most common charges pre/post-merger as a % of total charges

Most offences are under the “Public Protection” category, which deals with violations of the Professional Behavior principle and relates to conduct that adversely impacts the public interest.

The most frequent charges both before and after the merger are for "Failing to Maintain the Good Reputation of the Profession."

The post-merger charges when compared to just the total CA charges for "Failing to Maintain the Good Reputation of the Profession" are up 16.66 (a 79% increase) with "Failing to Comply with Standards of Practice" up 0.77 (a 4.9% increase). Both "Failing to Conduct Services With Integrity and Due Care" and "Providing False/Misleading Documents Or Oral Representations" are down 2.73 and 0.81 (a 25.7% and 9.0% decrease respectively). If compared to the last 4 ½ years of CA charges all four standards have witnessed an upward trend. The increases could be due the more stringent CPA code of ethics versus what obtained in the three legacy bodies.

6. Conclusion

The timing of this paper is significant. First, the global economy is contending with the new normal of a COVID 19 pandemic. Global losses from this pandemic are projected to reach between USD 5.8 trillion and USD 8.8 trillion, which is equivalent to 6.4 per cent to 9.7 per cent of the global GDP (BBC, 2020**)**. The significance is enhanced when combined with the losses suffered from the large scandals that occurred between 1998 and 2011 just prior to when merger talks began in Ontario. The responsibilities on accountants in terms of stewardship within this context, are enormous. Second, the CPA body is at a nascent stage of its growth and our work will help assess the progress of the new normal of accounting governance in Canada. According to Looknauth and Bélanger (2018, p.251):

> The unification of the Ontario accounting professions aimed to bring harmony among existing accountants, to build a stronger profession and to position the

profession better in representing its members and business community in today's global competitive economy.

This study revealed that both the number of offenders and the number of disciplinary charges in Ontario sharply decreased post-unification and suggests that member adaptation to the unified disciplinary regime has not been problematic, contrary to what some popular expectations would have been. This is in part because all three pre-unification bodies subscribed to a professional ethos, and indeed, due to evolving market dynamics, the lines between them were gradually becoming blurred (Tessier & Sponem 2018, p. 32) or as Looknauth and Bélanger (2018) put it, convergence in practice "diminished the unique idiosyncrasies of the three Canadian accounting designated bodies (p. 251). This is illustrated by Table 1 which shows rule overlaps among the previous designations and how these converge in the new normative system, which thus would not be alien to members irrespective of previous designation. As well, in the almost four years leading up to the merger on October 1, 2014 the three professional bodies were provided regularly with information; education; surveys and the expectations for the new CPA body and the new CPA Rules of Ethics. With the increasing focus on business ethics in the training of accountants due to increased public sensitivities, all three legacy bodies had understood that "Any negligence or oversight of professional judgment by accountants could have a negative impact on public trust and confidence in the accounting profession and/or its regulating bodies" (Looknauth & Bélanger 2018, p.253). They all thus subscribed to a Foucauldian governmentalist ethos irrespective of area specialization. Thus, cultural differences between the three bodies could have been more of a perception for organizational members than a reality. In addition, there is the potential effect of peer-pressure on members, in that they did not to be the ones breaching the new rules adopted by CPA Ontario given the past focus on the three bodies and their pride in their legacy designation.

Another factor could be the governmentalist requirement by the Code that "All firms engaged in the practice of public accounting or in "providing accounting services to the public" must have professional liability insurance. These terms are defined in CPA Ontario's By-law." (https://www.cpaontario.ca/cpa-members/public-practice/professional-liability-insurance) "If a firm practices public accounting or provides accounting services to the public without proof of insurance in accordance with Regulation 14-1, the Registrar shall suspend the firm and its firm representative." (https://www.cpaontario.ca/cpa-members/public-practice/professional-liability-insurance). In addition, confirmation of coverage must be reported to the Institute. Prior to the merger, only CA's were obligated to acquire liability coverage from AICA Services Inc., which changed its name in 2016 to CPA Professional Liability Plan Inc. and is required coverage for all CPA designated accountants post-merger. This increased institutional oversight as well as administrative costs for members, thus increasing pressures for compliance as the potential exists for higher premiums or loss of coverage due to malpractice, given that the insurer now has a stake in a member being governable. In instances, therefore, based on a cost-benefit analysis by a member and an aggrieved client, potential cases may be settled prior to getting to the Institute level and going through the disciplinary process, a factor that might skew the data (Bédard, 2001). Going forward, it remains to be seen the extent to which the CPA will continue to socialize its members to its ethical regime, as well as create more opportunities for public scrutiny of its members.

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