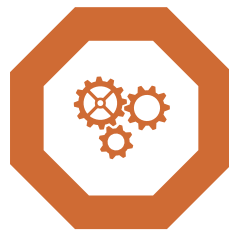
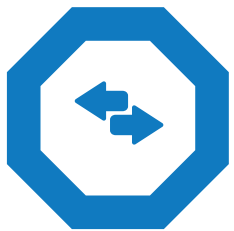


# IMA MANAGEMENT ACCOUNTING COMPETENCY FRAMEWORK



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# IMA MANAGEMENT ACCOUNTING COMPETENCY FRAMEWORK

Management accounting, like many other fields, is being impacted by a large number of disruptive new technologies, including artificial intelligence (AI), blockchain, cognitive computing, and machine learning. To keep pace with the changing business environment and advancements in technology, IMA has analyzed the emerging competencies needed by management accountants and updated the IMA Management Accounting Competency Framework.

The enhanced Framework identifies six domains of core skills that finance and accounting professionals need to remain relevant in the digital age and perform their current and future roles effectively. This Framework is offered as guidance for career development and talent management within the profession.

The following Framework has been released for public exposure. We welcome your feedback. Professionals, organizations, and academics may forward comments now through September 17, 2018. Send comments to [framework@imanet.org](mailto:framework@imanet.org).



# DOMAIN SUMMARY

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The competencies required to envision the future, lead the strategic planning process, guide decisions, manage risk, and monitor performance.



The competencies required to contribute as a cross-functional business partner to transform company-wide operations.



The competencies required to measure and report an organization's performance in compliance with relevant standards and regulations.



The competencies required to collaborate with others and inspire teams to achieve organizational goals.

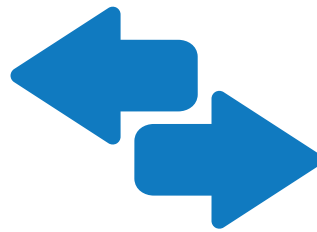


The competencies required to manage technology and analyze data to enhance organizational success.



The competences required to demonstrate the professional values, ethical behavior, and legal compliance essential to a sustainable business model.

# IMA MANAGEMENT ACCOUNTING COMPETENCY FRAMEWORK



## STRATEGIC MANAGEMENT



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Assess key business factors, and drive value through strategy and operating plan development and execution

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>Limited knowledge, skills, and/or experience with strategic and tactical planning</li> </ul>	<ul style="list-style-type: none"> <li>Demonstrate an understanding of how individual goals support organizational strategy</li> <li>Perform analyses that support the strategic planning process</li> <li>Recognize the value and importance of thinking long term for the organization</li> <li>Demonstrate an understanding of the importance of pursuing strategies aligned with organizational mission, vision, and core values</li> </ul>	<ul style="list-style-type: none"> <li>Implement annual and/or short-term departmental goals linked to strategy</li> <li>Explain how tactical plans link to organization-wide strategy</li> <li>Identify critical success factors (CSFs) and related key performance indicators (KPIs) necessary for successful strategy implementation</li> <li>Communicate organizational strategy effectively</li> <li>Consider limited resources and necessary trade-offs when recommending business decisions</li> </ul>	<ul style="list-style-type: none"> <li>Assess strengths, weaknesses, opportunities, and threats (SWOT) facing the organization (e.g., PESTEL (political, economic, social, technological, environmental, legal)) analysis</li> <li>Identify strategic issues and drivers of competitive advantage by employing industry analysis techniques, such as Porter's Five Forces and scenario planning</li> <li>Introduce innovative programs and processes that enhance organizational corporate social responsibility (CSR) and environmental objectives</li> <li>Utilize business intelligence resources to identify strategic opportunities</li> <li>Oversee implementation of strategic initiatives, including allocation of resources, while balancing long-term strategy and short-term objectives</li> <li>Communicate perceived strategy/organizational gaps and alignment issues</li> <li>Evaluate the impact of strategic decisions on the value chain</li> </ul>	<ul style="list-style-type: none"> <li>Leverage strategic planning experience in multiple business environments to identify the key drivers of sustainable competitive advantage in a specific situation</li> <li>Develop strategy governance processes and measures for innovation effectiveness</li> <li>Define the organization's sustainable value-creation model, and drive innovation</li> <li>Synthesize complementary and competing factors in a complex environment to determine trade-offs (e.g., resources, capital, technology, capabilities) when formulating the optimal strategy for the organization</li> <li>Drive corporate social responsibility strategies and environmental sustainability strategies that advance the organization's competitive advantage</li> <li>Anticipate competitors' initiatives, and drive contingency plans</li> <li>Communicate the vision, strategy, and execution plan effectively, internally and externally, to gain support and compliance</li> <li>Recommend new methods and approaches (e.g., scenario planning, war gaming) for strategy development</li> </ul>

Evaluate decision alternatives using analytical techniques and make recommendations

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>▲ Limited knowledge of decision analysis</li> </ul>	<ul style="list-style-type: none"> <li>▲ Demonstrate an understanding of basic types and purpose of decision-support tools (e.g., breakeven analysis, net present value)</li> <li>▲ Demonstrate research skills</li> </ul>	<ul style="list-style-type: none"> <li>▲ Perform cost-volume-profit (breakeven) analysis to support product decisions</li> <li>▲ Evaluate data for decisions such as make or buy, lease or own, and sell or process further</li> <li>▲ Perform scenario analysis</li> <li>▲ Demonstrate critical thinking skills, including objective analysis, synthesis, and evaluation, to form evidence-based decisions</li> </ul>	<ul style="list-style-type: none"> <li>▲ Evaluate nonroutine projects (e.g., special orders, outsourcing, business segments)</li> <li>▲ Identify the most important criteria for selecting the best alternative to support an organization's strategic goals</li> <li>▲ Evaluate potential profitability using external and internal data sets</li> <li>▲ Evaluate and incorporate environmental factors (e.g., political, regulatory, market) when making strategic decisions</li> </ul>	<ul style="list-style-type: none"> <li>▲ Lead complex decisions involving high risk, ambiguity, and significant strategic consequences</li> <li>▲ Develop a framework for decision making (e.g., identify specific decision-support methods to use in given situations)</li> <li>▲ Employ innovative methodologies when approaching complex decisions (e.g., Monte Carlo simulation, real options)</li> </ul>

Identify cost drivers, and perform cost modeling to enhance organizational decision making

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>Limited exposure to strategic cost management concepts</li> </ul>	<ul style="list-style-type: none"> <li>Use capacity planning and inventory control tools</li> </ul>	<ul style="list-style-type: none"> <li>Analyze costs across the supply chain to support cost-effective global sourcing decisions</li> <li>Trace costs to analyze and improve customer profitability</li> <li>Analyze product profitability by tracing costs throughout the value chain</li> <li>Incorporate life-cycle costs in product profitability projections</li> </ul>	<ul style="list-style-type: none"> <li>Implement cost accounting processes (e.g., standard, activity-based, throughput costing)</li> <li>Recommend the appropriate costing approach to use in a given business situation</li> <li>Analyze the optimal level of idle capacity commensurate with the business plan</li> <li>Utilize activity-based management, lean and agile principles, and/or other value chain improvement methodologies to optimize operations</li> <li>Determine optimal sourcing based on analysis of comparative cost elements</li> </ul>	<ul style="list-style-type: none"> <li>Implement sophisticated cost management techniques (e.g., activity-based costing, theory of constraints, resource consumption accounting)</li> <li>Leverage cost accounting techniques to recommend cost reduction strategies/tactics as part of a long-term strategy</li> <li>Manage the supply chain to optimize organizational performance</li> </ul>

Analyze long-term investment alternatives using quantitative and qualitative techniques, and make recommendations

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>▲ Limited exposure to capital investment decisions</li> </ul>	<ul style="list-style-type: none"> <li>▲ Identify basic investment decision terms and techniques and their use in decision support (e.g., net present value, internal rate of return)</li> </ul>	<ul style="list-style-type: none"> <li>▲ Evaluate capital investment projects using common quantitative techniques (e.g., net present value, internal rate of return)</li> <li>▲ Identify nonquantitative factors (e.g., social, safety, moral, aesthetic) that affect investment decisions</li> <li>▲ Evaluate relevant cash flows for capital budgeting decisions, and estimate future return on capital</li> </ul>	<ul style="list-style-type: none"> <li>▲ Evaluate alternative scenarios using sensitivity analysis</li> <li>▲ Analyze quantitative and qualitative data for merger, acquisition, and divestiture opportunities</li> <li>▲ Develop cost-of-capital hurdle rate/weighted average cost of capital</li> <li>▲ Identify and calculate future opportunities and choices (real options)</li> </ul>	<ul style="list-style-type: none"> <li>▲ Recommend potential new business ventures (e.g., new products, new services, new markets) based on quantitative and qualitative factors</li> <li>▲ Conduct M&amp;A analysis for complex transactions, and make recommendations to senior management and the board</li> </ul>



Identify, assess, and minimize risks within an organization

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>▲ Limited knowledge of enterprise risk management</li> </ul>	<ul style="list-style-type: none"> <li>▲ Demonstrate an understanding of the need for organizational risk management and its relationship to internal controls</li> </ul>	<ul style="list-style-type: none"> <li>▲ Identify types of risk within an organization (e.g., financial, competitive, and reputational)</li> <li>▲ Analyze operational risk (e.g., internal processes, people, and systems or external factors such as legal, fraud, security), and implement mitigation strategies</li> <li>▲ Analyze financial risk (e.g., interest rate, credit, foreign exchange, capital structure), and implement mitigation strategies</li> <li>▲ Manage contractual relationships, policies, and coverage for insurable risks</li> </ul>	<ul style="list-style-type: none"> <li>▲ Implement appropriate risk management systems based on a widely recognized framework (e.g., COSO)</li> <li>▲ Recommend financial risk management strategies (e.g., portfolio diversification and hedging, options, and other derivatives)</li> <li>▲ Perform an environmental scan using tools such as PEST (political, economic, societal, technology) analysis</li> <li>▲ Evaluate risk concerning the competitive landscape</li> <li>▲ Prepare risk communications required by regulatory agencies</li> <li>▲ Analyze strategic risk, including competition and reputation/brand</li> </ul>	<ul style="list-style-type: none"> <li>▲ Develop and recommend strategic risk mitigation and risk response strategies (e.g., to address competitive risk, technology risk)</li> <li>▲ Implement enterprise risk management with overall organizational strategic plans and governance</li> <li>▲ Develop advanced industry-specific risk simulation models</li> </ul>

Project financial and operational resources necessary to develop a financial plan aligned with the organization's strategic goals

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>▲ Limited exposure to budgeting and forecasting</li> <li>▲ Perform data collection or data-entry tasks in support of the budget or forecast</li> </ul>	<ul style="list-style-type: none"> <li>▲ Demonstrate an understanding of the basics of the forecasting and budgeting process, including purpose and use</li> <li>▲ Use basic tools and techniques of forecasting, such as moving averages and extrapolation</li> <li>▲ Project short-term sales, cash flows, inventory requirements, or other financial data in support of operations within limited parameters</li> <li>▲ Analyze historical revenues and expenses to determine seasonal patterns and anticipate annual requirements</li> </ul>	<ul style="list-style-type: none"> <li>▲ Identify and analyze the relationship between different resources and requirements of a comprehensive financial or operational forecast</li> <li>▲ Synthesize and interpret data from multiple sources</li> <li>▲ Anticipate capital requirements to support growth initiatives and optimization</li> <li>▲ Demonstrate and understand linkages between budget lines, and perform appropriate planning (ex: if sales go up, commissions should also go up)</li> <li>▲ Validate assumptions made by departments</li> <li>▲ Develop master budget to support goals of a small to midsize organization or department/division of a large organization</li> <li>▲ Prepare projected income statement, balance sheet, and cash flow statement</li> </ul>	<ul style="list-style-type: none"> <li>▲ Forecast in an environment of uncertainty using sensitivity analysis</li> <li>▲ Use statistical techniques such as regression, exponential smoothing, and confidence levels</li> <li>▲ Analyze and synthesize data from external sources to recognize patterns and predict customer behavior</li> <li>▲ Enhance forecasting accuracy through discovery of key and relevant trends by exploring large data sets using data analytics and data mining techniques</li> <li>▲ Recommend an appropriate budgeting methodology (e.g., flexible, continuous, rolling, zero-based) to use in a given business situation</li> <li>▲ Link budgeting process to strategic planning process</li> <li>▲ Integrate and consolidate information from multiple departments</li> </ul>	<ul style="list-style-type: none"> <li>▲ Perform long-term analysis in periods of uncertainty using advanced statistical techniques</li> <li>▲ Lead collaborative forecasting efforts incorporating information from multiple internal and external expert sources and sophisticated modeling techniques</li> <li>▲ Communicate complex forecasts and budgets to others</li> <li>▲ Design and lead budget and financial planning process across multiple business units in a complex organization using advanced software tools</li> </ul>

Manage a company's short-term and long-term financing needs

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>▲ Limited knowledge of corporate finance</li> </ul>	<ul style="list-style-type: none"> <li>▲ Demonstrate an understanding of basic financial instruments</li> <li>▲ Distinguish between short-term and long-term financing needs</li> </ul>	<ul style="list-style-type: none"> <li>▲ Measure performance of financial investments</li> <li>▲ Perform valuation calculations of financial instruments</li> <li>▲ Forecast cash requirements, analyze receivables quality, and perform investment of short-term cash</li> </ul>	<ul style="list-style-type: none"> <li>▲ Evaluate and/or implement specific financing strategies (e.g., funding sources, short-term or long-term uses of surplus cash)</li> <li>▲ Analyze alternative means of raising capital (e.g., common stock, bonds, preferred stock, factoring, venture capital)</li> <li>▲ Develop and implement working capital policies (e.g., cash, accounts payable, accounts receivable, inventory management)</li> <li>▲ Ensure compliance with loan covenants</li> </ul>	<ul style="list-style-type: none"> <li>▲ Recommend alternatives for raising capital</li> <li>▲ Maintain relationships with banks and other sources of funds (e.g., investment banks, venture capitalists)</li> <li>▲ Develop working capital policies in complex situations (e.g., multinational corporations, rolling up multiple divisions, subsidiaries)</li> <li>▲ Recommend dividend and/or stock repurchase policies and plans</li> </ul>

Design performance management systems, evaluate the success of strategic and tactical initiatives, and recommend corrective actions where appropriate

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>▲ Limited exposure to performance management</li> </ul>	<ul style="list-style-type: none"> <li>▲ Demonstrate an understanding of the purpose of performance management processes and their use in supporting the strategy (e.g., achieving goals, incentives, governance)</li> <li>▲ Perform isolated and/or simple variance analysis</li> <li>▲ Calculate performance measures such as return on investment (ROI)</li> <li>▲ Calculate transfer prices under existing methodology</li> </ul>	<ul style="list-style-type: none"> <li>▲ Perform comprehensive variance analysis, and interpret drivers of performance variances</li> <li>▲ Analyze the impact of transfer pricing on business unit performance beyond tax consequences</li> </ul>	<ul style="list-style-type: none"> <li>▲ Develop and implement a performance measurement process aligned with the overall strategic goal-setting process</li> <li>▲ Optimize performance management and financial reporting processes to provide useful and timely management information (e.g., use of key performance indicators, balanced scorecards, and dashboards)</li> <li>▲ Assess robustness, reliability, and rigor of performance measurement systems</li> <li>▲ Transform variance analysis into actionable insights</li> <li>▲ Develop transfer-pricing strategy to optimize organizational performance</li> </ul>	<ul style="list-style-type: none"> <li>▲ Define and communicate an effective performance management system in a complex environment (e.g., public, global, multientities, complicated corporate structures)</li> <li>▲ Ensure that performance measurement processes, compensation programs, and systems are closely aligned with the organization's value-creation model and support the board's decision-making role</li> </ul>

# IMA MANAGEMENT ACCOUNTING COMPETENCY FRAMEWORK



## REPORTING & CONTROL



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Implement procedures and processes that ensure data security, protect an organization's assets, and meet legal and reporting requirements

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>▲ Limited knowledge of internal control processes</li> </ul>	<ul style="list-style-type: none"> <li>▲ Demonstrate an understanding of the purpose of internal controls for use in financial reporting, compliance, and operations</li> <li>▲ Identify basic internal controls (e.g., segregation of duties, physical controls, audit trails, limits of authorization)</li> </ul>	<ul style="list-style-type: none"> <li>▲ Verify accuracy of general ledger and subledgers through various accounting procedures and controls</li> <li>▲ Implement and/or test system of internal controls under management direction</li> <li>▲ Ensure compliance with applicable policies and procedures, including those mandated by the Sarbanes-Oxley Act of 2002</li> </ul>	<ul style="list-style-type: none"> <li>▲ Perform internal control risk assessment using frameworks such as COSO (Committee of Sponsoring Organizations of the Treadway Commission)</li> <li>▲ Design an effective internal control system, including technology controls, that is responsive to the specific risks of the organization</li> <li>▲ Develop processes to monitor the effectiveness of risk management and internal controls processes, and remediate as necessary</li> </ul>	<ul style="list-style-type: none"> <li>▲ Design and implement internal controls in complex environments (e.g., public, global, multientities, complicated corporate structures)</li> <li>▲ Integrate internal controls with enterprise risk management system</li> <li>▲ Provide assurance to management and other stakeholders regarding internal controls (e.g., Sarbanes-Oxley Act compliance)</li> </ul>

Leverage financial accounting skills to record and analyze financial transactions and balances

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"><li>Understanding limited to a specific function (e.g., accounts receivable, accounts payable, or payroll transactions)</li></ul>	<ul style="list-style-type: none"><li>Perform transactional/operational accounting functions, including journal entries, accruals, and reversals</li><li>Perform account reconciliations, and prepare schedules to support the preparation and/or audit of financial statements</li></ul>	<ul style="list-style-type: none"><li>Analyze special accounts (e.g., deferred tax asset/liability), and prepare related journal entries</li><li>Manage fulfillment of internal and external audit requirements including checklists and schedules</li></ul>	<ul style="list-style-type: none"><li>Evaluate efficiency and effectiveness of accounting processes, and make recommendations to optimize them</li></ul>	<ul style="list-style-type: none"><li>Design appropriate record-keeping procedures in complex situations (e.g., derivatives, hedging)</li><li>Design appropriate record-keeping procedures for multinational organizations, including consolidations across segments and industries</li></ul>

Support external financial reporting by compiling and analyzing costs incurred by an organization

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>▲ Limited exposure to costing concepts and methods</li> </ul>	<ul style="list-style-type: none"> <li>▲ Identify basic cost classifications (e.g., fixed, variable, direct, indirect) and their use in costing applications (e.g., new product introduction)</li> <li>▲ Calculate basic product/service costs</li> <li>▲ Coordinate cost collection efforts</li> </ul>	<ul style="list-style-type: none"> <li>▲ Calculate costs using various costing methodologies (e.g., standard, activity-based, throughput costing)</li> <li>▲ Calculate overhead and service department costs, and allocate to products, services, and other departments</li> <li>▲ Prepare cost reports and variance analysis for management</li> <li>▲ Demonstrate an understanding of the difference between absorption costing and variable costing</li> <li>▲ Calculate joint product costs and by-product costs</li> </ul>	<ul style="list-style-type: none"> <li>▲ Implement cost accounting processes (e.g., standard, activity-based, throughput costing)</li> <li>▲ Recommend the appropriate costing approach to use in a given business situation</li> </ul>	<ul style="list-style-type: none"> <li>▲ Project impact on financial statements of business decisions affected by costing methodologies</li> </ul>



Leverage financial accounting skills needed to prepare financial statements for internal and external stakeholders

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>▲ Limited exposure to financial statement preparation</li> </ul>	<ul style="list-style-type: none"> <li>▲ Identify basic financial statements, their purpose, and their elements</li> <li>▲ Understand basic U.S. GAAP, IFRS standards, and/or country-specific reporting frameworks</li> </ul>	<ul style="list-style-type: none"> <li>▲ Apply knowledge of more advanced financial accounting standards (e.g., leases, pensions, deferred taxes)</li> <li>▲ Research appropriate accounting treatments</li> <li>▲ Prepare basic financial statements for both internal and external stakeholders</li> <li>▲ Prepare comprehensive set of footnotes</li> </ul>	<ul style="list-style-type: none"> <li>▲ Analyze the impact of changing accounting standards on the financial statements</li> <li>▲ Prepare Management Discussion &amp; Analysis (MD&amp;A) for public company or similar report for private company</li> <li>▲ Ensure compliance with all applicable regulatory requirements regarding financial reporting</li> </ul>	<ul style="list-style-type: none"> <li>▲ Prepare complex financial statements</li> <li>▲ Reconcile financial statements prepared using various reporting standards (e.g., IFRS and U.S. GAAP)</li> <li>▲ Prepare applicable quarterly and annual regulatory filings</li> </ul>

Analyze a company's financial statements to assess performance

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>▲ Limited exposure beyond understanding basic financial statements</li> </ul>	<ul style="list-style-type: none"> <li>▲ Demonstrate an understanding of the interrelationship among basic financial statements</li> <li>▲ Calculate financial ratios</li> </ul>	<ul style="list-style-type: none"> <li>▲ Analyze financial statements and financial data to guide decision making</li> <li>▲ Interpret the meaning of financial ratios</li> <li>▲ Analyze the impact of changes in reporting standards or accounting methods on the financial statements</li> <li>▲ Analyze loan covenants, and report on compliance</li> </ul>	<ul style="list-style-type: none"> <li>▲ Design a system of financial ratios and other performance indicators appropriate for a specific financial situation</li> <li>▲ Analyze the impact of foreign operations on reported financial results, including foreign exchange transactions</li> <li>▲ Analyze the potential impact of macroeconomic, social, political, and environmental factors on the organization's financial results</li> <li>▲ Coordinate and integrate comparison of financial statement ratios across the organization</li> <li>▲ Perform and interpret business unit and intercompany trend analysis</li> </ul>	<ul style="list-style-type: none"> <li>▲ Analyze the impact on financial ratios from complex financial transactions (e.g., mergers and acquisition (M&amp;A), divestitures, and more)</li> <li>▲ Analyze the financial statements of competitors, customers, and suppliers, and interpret trends to provide input to the planning and forecasting processes</li> </ul>

Implement procedures and processes to ensure accurate and timely tax filings and effective tax strategies

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>▲ Limited exposure to tax compliance and planning</li> </ul>	<ul style="list-style-type: none"> <li>▲ Demonstrate an understanding of business taxation general concepts and rules</li> <li>▲ Demonstrate an understanding of book vs. tax differences in financial statements</li> </ul>	<ul style="list-style-type: none"> <li>▲ Gather data and provide input to the tax returns, and understand the relationship of various tax schedules to each other</li> <li>▲ Ensure the recordkeeping system supports tax reporting and reflects the tax environment of the organization</li> </ul>	<ul style="list-style-type: none"> <li>▲ Prepare accurate and timely tax filings</li> <li>▲ Analyze the tax impact of alternative business decisions</li> <li>▲ Provide tax advice for business decisions</li> <li>▲ Manage fulfillment of government tax auditors' information requests</li> <li>▲ Research and advise on international tax issues</li> </ul>	<ul style="list-style-type: none"> <li>▲ Manage taxation responsibilities in multiple jurisdictions and multiple industries</li> <li>▲ Formulate tax strategy for multinational corporations</li> <li>▲ Evaluate the risk and impact of changes in tax laws, and recommend mitigation strategies</li> <li>▲ Use effective tax strategies to improve cash flows</li> <li>▲ Lead tax strategy and planning for a complex organization</li> <li>▲ Negotiate settlements with taxing authorities</li> </ul>

Report organizational value created over time for stakeholders and society, including financial and nonfinancial information

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>▲ Limited exposure to integrated reporting</li> </ul>	<ul style="list-style-type: none"> <li>▲ Compile and summarize data to measure various forms of capital, for example financial, manufactured, intellectual, human, social and relationship, and natural</li> </ul>	<ul style="list-style-type: none"> <li>▲ Prepare reports to providers of financial capital, regulators, and other stakeholders in response to their multicapital information needs</li> <li>▲ Demonstrate a systems approach to integrated reporting, and identify barriers</li> <li>▲ Design systems to efficiently collect information on relevant capitals over time</li> </ul>	<ul style="list-style-type: none"> <li>▲ Develop a balanced set of leading and lagging performance metrics based on the different forms of capital and other value-relevant frameworks</li> <li>▲ Design reports to present the value the organization creates, recognizing different perspectives and incorporating nonfinancial measures</li> <li>▲ Assess and report on the relationship among the different capitals</li> <li>▲ Ensure integrated reports are prepared in accordance with suitable criteria, including relevance, completeness, reliability, neutrality, and understandability</li> </ul>	<ul style="list-style-type: none"> <li>▲ Develop and communicate an integrated strategy for the organization around the different forms of capital</li> <li>▲ Lead through integrated thinking the development of future-oriented reports to benefit all stakeholders, including employees, customers, suppliers, business partners, communities, governmental bodies, regulators, and policy makers</li> </ul>

# IMA MANAGEMENT ACCOUNTING COMPETENCY FRAMEWORK



## TECHNOLOGY & ANALYTICS



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Use technology to effectively control operational and financial processes, solve problems, analyze data, and enhance business performance

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>Minimal exposure to data and information systems beyond data input</li> </ul>	<ul style="list-style-type: none"> <li>Demonstrate an understanding of processes related to a single module in a financial system (e.g., accounts payable module in an enterprise resource planning (ERP) system)</li> <li>Demonstrate competence in using basic hardware and software tools</li> <li>Identify different types of data (e.g., structured, unstructured, numeric, text, sensor)</li> <li>Prepare business process flowcharts (e.g., inventory control) with information gained from relevant stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Manage the GL module (e.g., chart of accounts, journal entries, trial balance)</li> <li>Control and manage how and when data enters the financial systems from other modules</li> <li>Work closely with Information Technology department to implement solutions to business issues and leverage opportunities</li> <li>Document business requirements for information system design</li> <li>Demonstrate an understanding of elements in relational databases</li> <li>Utilize relational database concepts, including primary and secondary keys, when designing reports</li> <li>Design relational database tables</li> </ul>	<ul style="list-style-type: none"> <li>Design ERP workflows, multi-level charts of accounts, and system integration for sound financial control</li> <li>Manage implementation of emerging technologies to improve financial processes</li> <li>Use and train others in how to use multiple modules within an enterprise-wide system (e.g., material requirements planning (MRP), purchasing, warehouse management, customer relationship management (CRM))</li> <li>Ensure the integration of information and performance management systems</li> <li>Recognize and address the cascading impact of changes in an integrated systems environment</li> <li>Automate data collection, validation, and reporting using software tools</li> <li>Design and implement new data models as the business and environment evolve</li> <li>Identify data flow weaknesses, and recommend potential improvements</li> </ul>	<ul style="list-style-type: none"> <li>Design systems structure to optimize operational and financial performance</li> <li>Evaluate, recommend, and implement the appropriate ERP system in a complex environment</li> <li>Design data marts and data warehouses to provide access to information throughout an organization</li> </ul>

Ensure the availability, utility, integrity, and security of data

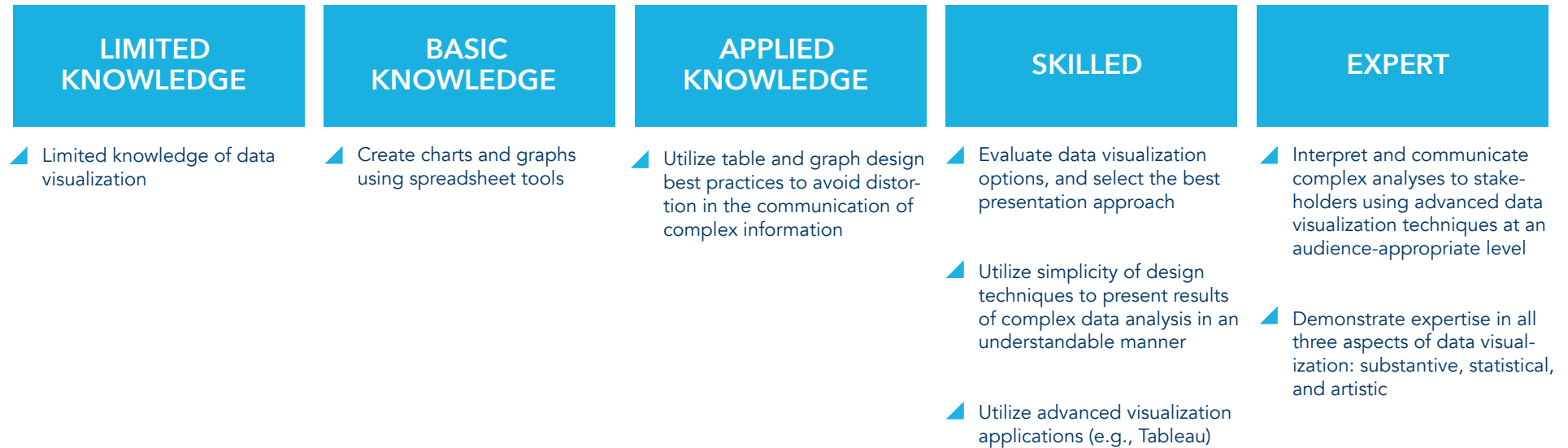
LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>▲ Limited knowledge of data governance</li> <li>▲ Limited knowledge of the life cycle of data (creation, retention, storage, obsolescence, and deletion)</li> </ul>	<ul style="list-style-type: none"> <li>▲ Exercise sound data stewardship by complying with all data policies and documenting procedures followed</li> <li>▲ Comply with data retention and archival policies as part of the data life-cycle process</li> <li>▲ Demonstrate understanding of the business and reputational impact of making decisions with incorrect, poor quality, invalid, and/or incomplete data</li> </ul>	<ul style="list-style-type: none"> <li>▲ Communicate potential data errors and weaknesses in procedures</li> <li>▲ Implement controls such as penetration and vulnerability testing to detect and thwart cyber attacks</li> <li>▲ Implement an effective financial systems environment to support internal controls</li> <li>▲ Demonstrate an understanding of data governance frameworks such as COSO and COBIT</li> <li>▲ Implement processes to protect privacy of stakeholder data</li> <li>▲ Implement and/or audit data risk mitigation controls</li> <li>▲ Implement sound data retention and archival policies</li> <li>▲ Identify and correct incomplete or inaccurate data</li> </ul>	<ul style="list-style-type: none"> <li>▲ Improve processes for preventing and correcting issues with data</li> <li>▲ Balance risk and materiality when determining level of security</li> <li>▲ Evaluate costs/benefits when recommending strategies for data management</li> <li>▲ Develop early warning systems and other risk mitigation data strategies</li> <li>▲ Manage the flow of data throughout its life cycle (e.g., risk of stale data or incomplete emerging data)</li> <li>▲ Participate as part of a cross-functional team to evaluate available technologies and platforms to meet business needs</li> <li>▲ Understand legal requirements, and set policies for data retention and storage process</li> </ul>	<ul style="list-style-type: none"> <li>▲ Design and implement data governance systems in accordance with established frameworks such as COSO (Committee of Sponsoring Organizations of the Treadway Commission) and COBIT (Control Objectives for Information and Related Technologies)</li> <li>▲ Use a script language to automate data cleansing</li> </ul>

Extract, transform, and analyze data using quantitative and qualitative techniques to gain insights, improve predictions, and support decision making

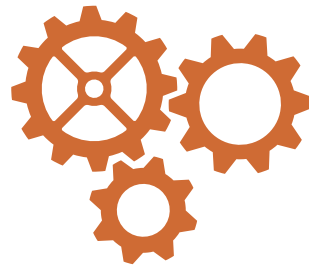
LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>▲ Limited knowledge of data analytics</li> </ul>	<ul style="list-style-type: none"> <li>▲ Create spreadsheets and manipulate data using basic functions and formulas such as graphs, filtering and sorting data, importing data</li> <li>▲ Calculate basic descriptive statistics such as ratios and basic averages to reveal trends</li> <li>▲ Demonstrate an understanding of the importance of using data to make business decisions</li> </ul>	<ul style="list-style-type: none"> <li>▲ Extract, transform, and query data using tools such as SQL</li> <li>▲ Interpret information needs and translate into actionable requests for data analysis</li> <li>▲ Use descriptive analytics to evaluate efficiency and effectiveness of business initiatives</li> <li>▲ Use simple linear regression to predict business outcomes and interpret results</li> <li>▲ Determine and report cause and effect using diagnostic techniques</li> <li>▲ Perform ad hoc exploratory data analysis using query languages</li> </ul>	<ul style="list-style-type: none"> <li>▲ Utilize specialized reporting tools (e.g., XBRL), and interpret results</li> <li>▲ Design organizational templates for use by others</li> <li>▲ Mine large data sets to reveal patterns and provide insights</li> <li>▲ Use predictive analytics techniques to interpret results, draw insights, and make recommendations</li> <li>▲ Apply statistics to a data set using specialized statistical software and/or business intelligence software</li> <li>▲ Use multiple regression for predictive and prescriptive purposes, and interpret results</li> <li>▲ Transform raw, unstructured data into a form more appropriate for analysis (e.g., data wrangling)</li> </ul>	<ul style="list-style-type: none"> <li>▲ Implement solutions using multiple query, scripted, or interpreted languages (e.g., SQL, Python, R)</li> <li>▲ Build prescriptive models to optimize organizational performance (e.g., goal seeking)</li> <li>▲ Use advanced statistical tools for exploratory data analysis to reveal patterns and discover insights to achieve business outcomes (e.g., cluster analysis, time-series analysis, Monte Carlo analysis)</li> </ul>



Present data visually to better explain key patterns, trends, and correlations



# IMA MANAGEMENT ACCOUNTING COMPETENCY FRAMEWORK



## BUSINESS ACUMEN & OPERATIONS



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Understand and master dynamics and drivers of business success in a specific industry

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>▲ Limited knowledge of the industry in which the company operates</li> </ul>	<ul style="list-style-type: none"> <li>▲ Demonstrate an understanding of the industry based on limited work experience or exposure to reports in the business media</li> </ul>	<ul style="list-style-type: none"> <li>▲ Evaluate the value chain, and identify risks related to specific vendors and customers</li> <li>▲ Keep pace with industry developments proactively</li> <li>▲ Monitor activities of competitors</li> <li>▲ Identify sources of competitive intelligence</li> <li>▲ Perform a financial ratio analysis of competitors</li> </ul>	<ul style="list-style-type: none"> <li>▲ Prepare the discussion of risk for external reporting (e.g., the Management Discussion and Analysis (MD&amp;A) section in the Annual Report)</li> <li>▲ Analyze Annual Reports of customers, competitors, and suppliers</li> <li>▲ Analyze industry competitive structure, including the level of competitive rivalry</li> </ul>	<ul style="list-style-type: none"> <li>▲ Serve as an expert on the specific industry, including value chain, competitive issues, regulatory matters, and customer perspectives</li> <li>▲ Serve as an expert speaker and/or advisor on industry matters</li> <li>▲ Formulate ways to increase competitive advantage and/or identify new sources of value creation</li> <li>▲ Lead an organization's competitive analysis team</li> <li>▲ Evaluate an organization's strategic risk (i.e., is the strategy aligned with market and industry conditions)</li> </ul>

Serve as a valuable business partner to operational units outside the accounting/finance department

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"><li>▲ Limited exposure to business operations beyond the accounting/finance department</li></ul>	<ul style="list-style-type: none"><li>▲ Demonstrate an understanding of the flow of information and materials through the organization</li></ul>	<ul style="list-style-type: none"><li>▲ Work closely with other functions including Procurement, Materials Management, Production, Research, Marketing, Information Technology, Human Resources, Legal, Facilities, Customer Service, and across business units</li><li>▲ Participate in the formulation of solutions to operational issues beyond the finance department</li></ul>	<ul style="list-style-type: none"><li>▲ Work on cross-functional teams as a business partner to implement multidepartment change</li><li>▲ Gain experience in operational functions outside finance/accounting through job rotations and/or participation in cross-functional projects</li></ul>	<ul style="list-style-type: none"><li>▲ Serve as an expert leading manufacturing, production, distribution, or service delivery as a result of experience gained through job rotations or previous career positions</li><li>▲ Develop creative solutions to optimize value across the supply chain</li></ul>

Use quality management and continuous improvement tools and techniques effectively

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>▲ Limited exposure to quality management and/or continuous improvement approaches</li> </ul>	<ul style="list-style-type: none"> <li>▲ Recognize quality improvement tools (e.g., process mapping, Kaizen, fishbone diagrams)</li> <li>▲ Demonstrate an understanding of quality improvement approaches (e.g., Lean, Six Sigma, total quality management (TQM))</li> </ul>	<ul style="list-style-type: none"> <li>▲ Calculate cost of quality and expected savings from improvement efforts</li> <li>▲ Use quality management tools and approaches to improve the accounting/finance operation</li> <li>▲ Represent finance/accounting on operational quality improvement teams</li> </ul>	<ul style="list-style-type: none"> <li>▲ Lead cross-functional and departmental quality improvement efforts</li> <li>▲ Use quality management tools and approaches to improve cross-functional operations</li> </ul>	<ul style="list-style-type: none"> <li>▲ Use quality management tools and approaches to improve the supply chain</li> <li>▲ Sponsor multiple complex quality improvement projects</li> </ul>

Plan and organize resources, both people and financial, in order to complete a major undertaking or event



# IMA MANAGEMENT ACCOUNTING COMPETENCY FRAMEWORK



## LEADERSHIP



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Listen effectively to others, and convey thoughts or ideas through various forms of communication including written, spoken, and nonverbal

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>▲ Limited knowledge, skills, and/or experience communicating in a professional setting</li> </ul>	<ul style="list-style-type: none"> <li>▲ Organize and present thoughts, information, and facts logically</li> <li>▲ Understand verbal and nonverbal cues and their importance</li> </ul>	<ul style="list-style-type: none"> <li>▲ Prepare clear and concise written communications</li> <li>▲ Listen effectively, ask questions, and express concerns</li> </ul>	<ul style="list-style-type: none"> <li>▲ Recognize differences in others' communication styles, and adjust own as appropriate</li> <li>▲ Communicate both positive and negative results effectively with sensitivity to the listener</li> <li>▲ Make effective presentations (i.e., engaging, motivating, concise, well-prepared)</li> <li>▲ Use technology (e.g., social media) tools effectively as a communication vehicle</li> </ul>	<ul style="list-style-type: none"> <li>▲ Develop communication strategies to optimize messaging through tools, tone, and timing</li> <li>▲ Answer difficult questions from key stakeholders (e.g., staff, board members, auditors, investment analysts, and the media) effectively, providing persuasive and credible responses</li> <li>▲ Coach others on how to communicate effectively and build consensus</li> <li>▲ Excel at use of technology tools to expand leadership presence</li> </ul>



Influence, motivate, and gain support of others in order to achieve organizational goals through the use of emotional intelligence, accountability, and setting the “tone at the top”

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>▲ Limited knowledge, skills, and/or experience with motivating and inspiring others</li> </ul>	<ul style="list-style-type: none"> <li>▲ Recognize the importance of motivation</li> </ul>	<ul style="list-style-type: none"> <li>▲ Identify strengths and areas for growth of team members</li> <li>▲ Recognize differences in personality style and preferences when motivating team members</li> <li>▲ Provide effective advice and feedback to enable individual contributors to achieve goals and improve performance</li> <li>▲ Consider the impact of emotions on communication and interactions with others</li> </ul>	<ul style="list-style-type: none"> <li>▲ Identify and adopt appropriate leadership style for a given situation</li> <li>▲ Reward staff as appropriate, and communicate recognition to the team and others</li> <li>▲ Implement innovative ways to motivate team members</li> <li>▲ Anticipate emotional reactions, and respond effectively in guiding and leading others</li> </ul>	<ul style="list-style-type: none"> <li>▲ Inspire others to perform to their full potential and exceed expectations</li> <li>▲ Motivate teams across the organization to overcome challenging situations</li> <li>▲ Coach others on how to motivate individuals/teams effectively</li> <li>▲ Lead managers to inspire and motivate their teams</li> </ul>

# COLLABORATION, TEAMWORK, AND RELATIONSHIP MANAGEMENT INSPIRING

Work effectively with others in order to achieve a trusting relationship that yields positive results

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"><li>▲ Limited knowledge, skills, and/or experience with collaboration and teamwork</li></ul>	<ul style="list-style-type: none"><li>▲ Communicate with team members in a respectful and consistent manner</li><li>▲ Contribute to team achievements by taking responsibility for own efforts and seeking input/assistance when needed</li></ul>	<ul style="list-style-type: none"><li>▲ Work across departmental boundaries, and contribute beyond individual responsibilities to achieve team goals</li><li>▲ Listen proactively to others, encourage collaboration, and help build consensus among team members</li><li>▲ Give credit to members of the team for their contributions</li></ul>	<ul style="list-style-type: none"><li>▲ Collaborate with partners in the value chain to achieve beneficial working relationships and positive outcomes</li><li>▲ Provide constructive feedback and assistance to others in addressing issues or conflicts</li><li>▲ Seize opportunities to team with others to achieve positive results</li></ul>	<ul style="list-style-type: none"><li>▲ Consider the importance of corporate culture when assessing opportunities to enter into partnerships with other organizations</li><li>▲ Serve as a role model in thinking outside the silo/business area to identify opportunities for innovation</li></ul>

Lead an organization, team, or individuals through transition toward a desired vision or goal

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"><li>▲ Limited knowledge, skills, and/or experience with change management</li></ul>	<ul style="list-style-type: none"><li>▲ Understand the importance of change as a critical element of continuous improvement</li><li>▲ Seek to understand the change and to accept implementation</li></ul>	<ul style="list-style-type: none"><li>▲ Participate in change initiatives, and encourage acceptance of change by coaching those who are resistant</li><li>▲ Develop plans to support change initiatives effectively with an appropriate degree of urgency</li><li>▲ Communicate reasons for change and associated plans to make the change</li></ul>	<ul style="list-style-type: none"><li>▲ Collaborate with other leaders in evaluating and executing change initiatives</li><li>▲ Encourage continuous improvement, and coach staff on how to maximize resulting benefits</li><li>▲ Identify barriers or resistance to change initiatives, seek ways to overcome them, and gain commitment</li><li>▲ Discourage functional silos, and encourage an integrated approach to performance management</li><li>▲ Collaborate on innovative products, services, and/or processes that will help the organization succeed</li></ul>	<ul style="list-style-type: none"><li>▲ Champion change by leading the organization through a major transition to achieve strategic goals</li><li>▲ Promote the vision for change, and lead major organizational change efforts effectively</li><li>▲ Create an organizational culture that seeks innovation and embraces change</li><li>▲ Make innovation a clear priority, and communicate that every function has the opportunity and ability to contribute to this goal</li></ul>

Resolve issues using appropriate influencing skills and tools to achieve successful business goals and arrive at the best organizational outcomes

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"><li>▲ Limited knowledge, skills, and/or experience with conflict management</li></ul>	<ul style="list-style-type: none"><li>▲ Understand that conflict is inevitable and that avoidance is not a solution</li></ul>	<ul style="list-style-type: none"><li>▲ Address conflict in a timely manner, and seek appropriate solutions</li><li>▲ Anticipate others' reactions, and consider others' viewpoints to promote mutual understanding</li><li>▲ Analyze the causes and components of conflict, including stakeholder viewpoints, competing priorities, and limited resources</li><li>▲ Raise issues to appropriate management when resolution is not achieved</li></ul>	<ul style="list-style-type: none"><li>▲ Deal effectively with difficult situations by asking clarifying questions, exploring solutions, and establishing boundaries for all parties</li><li>▲ Intervene to defuse tension with tactful and assertive approaches</li><li>▲ Engage in respectful debate regarding issues of importance</li></ul>	<ul style="list-style-type: none"><li>▲ Encourage passionate debate about issues and ideas to move the organization forward</li><li>▲ Create a culture where constructive conflict leads to continuous improvement</li></ul>

Reach agreement between two or more parties to achieve the best outcome for the organization and an acceptable solution to negotiating parties

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>▲ Limited knowledge, skills, and/or experience with negotiation</li> </ul>	<ul style="list-style-type: none"> <li>▲ Recognize the importance of positive business relationships in successful negotiations</li> </ul>	<ul style="list-style-type: none"> <li>▲ Present a clear and concise point of view using relevant data</li> <li>▲ Anticipate probable points of disagreement to be negotiated</li> <li>▲ Follow a defined process for negotiations, ensuring that risks are identified and mitigated and that corporate goals are achieved</li> </ul>	<ul style="list-style-type: none"> <li>▲ Utilize a tactful and creative approach to solving problems, and reach consensus where all parties feel a win was achieved</li> <li>▲ Understand cultural and diversity differences and their impact on negotiations</li> <li>▲ Document contractual terms and decisions about roles and responsibilities to promote lasting agreement and positive outcomes</li> </ul>	<ul style="list-style-type: none"> <li>▲ Achieve timely and positive results through negotiation skills</li> <li>▲ Serve as successful go-to negotiator or arbitrator</li> <li>▲ Gain consensus consistently from all parties in order to achieve win-win organizational solutions</li> </ul>

Select, develop, and reward people effectively to ensure a strong workforce and successful business performance

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>▲ Limited knowledge, skills, and/or experience with performance and talent management</li> </ul>	<ul style="list-style-type: none"> <li>▲ Understand the importance of talent selection and ongoing performance management for organization success</li> </ul>	<ul style="list-style-type: none"> <li>▲ Interview and select team members effectively, aligning skills with responsibilities and assignments</li> </ul>	<ul style="list-style-type: none"> <li>▲ Develop effective staff recruitment and retention practices</li> </ul>	<ul style="list-style-type: none"> <li>▲ Promote talent management and the importance of diversity across the organization</li> </ul>
	<ul style="list-style-type: none"> <li>▲ Recognize the desired levels of performance for self and team</li> </ul>	<ul style="list-style-type: none"> <li>▲ Delegate responsibility, promote independence, and solicit feedback from team</li> </ul>	<ul style="list-style-type: none"> <li>▲ Develop key performance indicators that align with overall business objectives</li> </ul>	<ul style="list-style-type: none"> <li>▲ Establish succession plans for key roles in the organization</li> </ul>
	<ul style="list-style-type: none"> <li>▲ Understand the importance of team dynamics, approaches, and output</li> </ul>	<ul style="list-style-type: none"> <li>▲ Recognize excellent team performance, and reward positive results</li> </ul>	<ul style="list-style-type: none"> <li>▲ Create a trusting environment for team members to ask questions and offer ideas freely</li> </ul>	<ul style="list-style-type: none"> <li>▲ Promote a culture of performance by communicating a clear vision and shared values</li> </ul>
		<ul style="list-style-type: none"> <li>▲ Prepare annual performance appraisals, and use relevant and specific examples to ensure feedback is meaningful to employee regarding goals and performance</li> </ul>	<ul style="list-style-type: none"> <li>▲ Coach and develop staff on achieving performance goals</li> </ul>	<ul style="list-style-type: none"> <li>▲ Inspire others by demonstrating the importance of teaming to achieve successful business results</li> </ul>
		<ul style="list-style-type: none"> <li>▲ Recommend professional development resources for career advancement and closing skills gaps</li> </ul>	<ul style="list-style-type: none"> <li>▲ Engage in career path discussions and succession planning for team</li> </ul>	
			<ul style="list-style-type: none"> <li>▲ Hold managers accountable for the performance of their teams</li> </ul>	

# IMA MANAGEMENT ACCOUNTING COMPETENCY FRAMEWORK



## PROFESSIONAL ETHICS & VALUES



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Comply with a set of guiding principles that govern a person's behavior in the workplace

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"><li>Recognize that professional standards and organizational policies exist</li><li>Act in an ethical manner in accordance with societal norms, values, and laws</li></ul>	<ul style="list-style-type: none"><li>Demonstrate an understanding of the need for professional ethics in business situations (e.g., confidentiality, competence, integrity, and credibility)</li><li>Act in accordance with the standards and principles outlined in the <i>IMA Statement of Ethical Professional Practice</i> or other relevant standards</li></ul>	<ul style="list-style-type: none"><li>Recognize potential ethical conflicts in one's responsibilities based on organizational and/or professional guidelines</li></ul>	<ul style="list-style-type: none"><li>Foster a culture of ethical behavior and accountability within the organization</li><li>Design, implement, and strive to continuously improve a company-wide ethics program</li><li>Advise others on how the organization's ethics code applies to questionable situations they may encounter</li></ul>	<ul style="list-style-type: none"><li>Lead in establishing and maintaining the appropriate ethical tone throughout the organization</li><li>Provide expertise and serve as a role model regarding complex ethical conflicts faced by organizations</li><li>Foster compliance with supply-chain partners by providing relevant organizational policies and ethical standards and ensuring adherence</li></ul>



Identify ethical conflicts and lapses in the workplace, and take appropriate action

LIMITED KNOWLEDGE	BASIC KNOWLEDGE	APPLIED KNOWLEDGE	SKILLED	EXPERT
<ul style="list-style-type: none"> <li>Be aware of the potential existence of unethical behavior or fraudulent activity in the workplace</li> <li>Understand the importance of trustworthy behavior</li> </ul>	<ul style="list-style-type: none"> <li>Recognize ethical conflicts such as conflicts of interest or situations susceptible to fraud</li> </ul>	<ul style="list-style-type: none"> <li>Help identify and resolve business situations that include ethical dilemmas (e.g., sales targets, incentive compensation, travel and entertainment expenses)</li> <li>Apply critical thinking and professional skepticism in business situations</li> <li>Recognize differences in cultural norms that could interfere with ethical decision making</li> <li>Apply organizational policies and the <i>IMA Statement of Ethical Professional Practice</i> to potential ethical conflicts</li> </ul>	<ul style="list-style-type: none"> <li>Train others in the organization's ethics policy, the concepts of the fraud triangle, the <i>IMA Statement of Ethical Professional Practice</i>, and/or other ethical constructs</li> <li>Apply professional judgment, knowledge of strategies, and best practices to resolve complex ethical conflicts</li> <li>Recognize "red flags" and risks in complex situations that may indicate purposeful misrepresentation</li> <li>Assist others to resolve ethical conflicts</li> </ul>	<ul style="list-style-type: none"> <li>Apply internal control expertise to design procedures that reduce the likelihood of fraud and ethical conflicts</li> <li>Design an ethics and compliance program that includes training, supply chain communication, and vendor/customer qualifications</li> <li>Be recognized as an ethics thought leader promoting the management accounting profession and values</li> <li>Champion the spirit of ethical behavior within the organization and across the value chain</li> </ul>

Fulfill the organization's mission with integrity when complying with the law and regulations

## LIMITED KNOWLEDGE

- ▲ Comply with the organization's legal and regulatory environment

## BASIC KNOWLEDGE

- ▲ Understand the necessity for legal requirements and the linkage to protecting the public interest

## APPLIED KNOWLEDGE

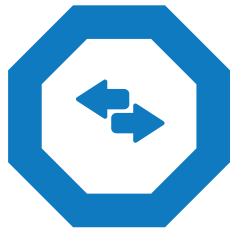
- ▲ Provide guidance to staff on identifying legal and regulatory conflicts

## SKILLED

- ▲ Manage compliance with employment, safety, and other business regulations in the spirit and the letter of the law
- ▲ Recognize the appropriate laws and regulations (via fiduciary duties) needed regarding company and individual rights (confidentiality is critical)

## EXPERT

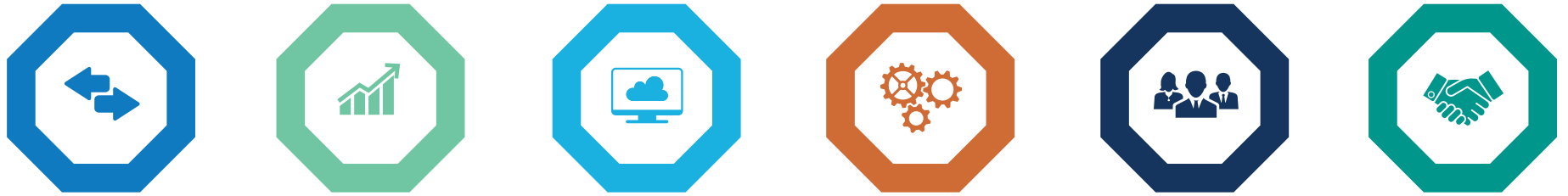
- ▲ Lead compliance efforts with complex and sometimes contradictory business regulations in the spirit of protecting the public interest (e.g., tax codes, U.K. Bribery Act, U.S. Foreign Corrupt Practices Act, E.U. General Data Protection Regulation)



We welcome your feedback.

We encourage you to download the framework online at **[www.imanet.org/framework](http://www.imanet.org/framework)** and share it with your colleagues.

Please send your comments to **[framework@imanet.org](mailto:framework@imanet.org)** by September 17, 2018.



The journey to a greater management accounting career starts with these core competencies.

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