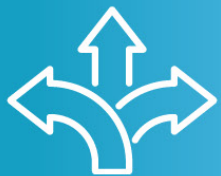


# IMA Management Accounting Competency Framework



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# IMA MANAGEMENT ACCOUNTING COMPETENCY FRAMEWORK

Management accounting is a profession encompassing accountants and financial professionals working inside organizations. Their role involves partnering in management decision making, devising planning and performance management systems, and providing expertise in financial reporting and control to formulate and implement an organization's strategy.

With the management accounting profession undergoing one of the largest transformations in its history, moving away from a primary focus on reporting and control toward one of providing strategic decision support and data-backed insights, IMA developed the IMA Management Accounting Competency Framework to describe the competencies needed by management accountants.

The Framework identifies **six domains** of the core body of knowledge that accountants and financial professionals need to perform their current and future roles effectively. For each domain, **specific competencies** are provided that further specify examples of the knowledge, skills, and abilities (KSAs) associated with "limited knowledge" through "expert" proficiency levels.

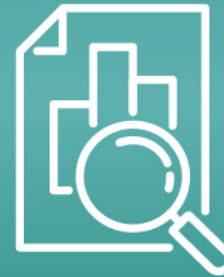
The Framework and associated materials are offered as guidance for skills assessment, career development, and talent management within the profession.



# COMPETENCIES BY DOMAIN



## Strategy, Planning & Performance



## Reporting & Control



## Business Acumen & Operations

### DOMAIN

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

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

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

### COMPETENCIES

- Strategic and Tactical Planning
- Decision Analysis
- Strategic Cost Management
- Capital Investment Decisions
- Enterprise Risk Management
- Budgeting and Forecasting
- Corporate Finance
- Performance Management

- Internal Control
- Financial Recordkeeping
- Cost Accounting
- Financial Statement Preparation
- Financial Statement Analysis
- Tax Compliance and Planning
- Integrated Reporting

- Industry-Specific Knowledge
- Operational Knowledge
- Quality Management and Continuous Improvement
- Project Management

# COMPETENCIES BY DOMAIN



## Technology & Analytics



## Leadership



## Professional Ethics & Values

### DOMAIN

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

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

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

### COMPETENCIES

- Information Systems
- Data Governance
- Data Analytics
- Data Visualization

- Communication Skills
- Motivating and Inspiring Others
- Collaboration, Teamwork, and Relationship Management
- Change Management
- Conflict Management
- Negotiation
- Talent Management

- Professional Ethical Behavior
- Recognizing and Resolving Unethical Behavior
- Legal and Regulatory Requirements

# COMPETENCIES MAPPED TO THE CMA EXAM

This chart illustrates how the CMA exam aligns with the broader body of knowledge specified in IMA's Competency Framework for finance and accounting professionals.

Domain	Competencies	CMA Exam*	Domain	Competencies	CMA Exam*
<b>Strategy, Planning &amp; Performance</b>	<ul style="list-style-type: none"> <li>• Strategic and Tactical Planning..... Part 1</li> <li>• Decision Analysis..... Part 2</li> <li>• Strategic Cost Management..... Part 1</li> <li>• Capital Investment Decisions..... Part 2</li> <li>• Enterprise Risk Management..... Part 2</li> <li>• Budgeting and Forecasting..... Part 1</li> <li>• Corporate Finance..... Part 2</li> <li>• Performance Management..... Part 1</li> </ul>		<b>Technology &amp; Analytics</b>	<ul style="list-style-type: none"> <li>• Information Systems..... Part 1</li> <li>• Data Governance..... Part 1</li> <li>• Data Analytics..... Part 1</li> <li>• Data Visualization..... Part 1</li> </ul>	
<b>Reporting &amp; Control</b>	<ul style="list-style-type: none"> <li>• Internal Control..... Part 1</li> <li>• Financial Recordkeeping..... Part 1</li> <li>• Cost Accounting..... Part 1</li> <li>• Financial Statement Preparation..... Part 1</li> <li>• Financial Statement Analysis..... Part 2</li> <li>• Tax Compliance and Planning..... N/A</li> <li>• Integrated Reporting..... Part 1</li> </ul>		<b>Leadership</b>	<ul style="list-style-type: none"> <li>• Communication Skills..... N/A</li> <li>• Motivating and Inspiring Others..... N/A</li> <li>• Collaboration, Teamwork, and Relationship Management..... N/A</li> <li>• Change Management..... N/A</li> <li>• Conflict Management..... N/A</li> <li>• Negotiation..... N/A</li> <li>• Talent Management..... N/A</li> </ul>	
<b>Business Acumen &amp; Operations</b>	<ul style="list-style-type: none"> <li>• Industry-Specific Knowledge..... N/A</li> <li>• Operational Knowledge..... N/A</li> <li>• Quality Management and Continuous Improvement..... Part 1</li> <li>• Project Management..... N/A</li> </ul>		<b>Professional Ethics &amp; Values</b>	<ul style="list-style-type: none"> <li>• Professional Ethical Behavior..... Part 2</li> <li>• Recognizing and Resolving Unethical Behavior..... Part 2</li> <li>• Legal and Regulatory Requirements..... N/A</li> </ul>	

\* **CMA Part 1:** Financial Planning, Performance, and Analytics | **CMA Part 2:** Strategic Financial Management

# SELECT LEARNING RESOURCES BY DOMAIN



## Strategy, Planning & Performance

- IMA Strategy and Competitive Analysis Learning Series® (Online Courses)
- IMA Financial Planning & Analysis Certificate™
- COSO ERM Certificate Program (Online Courses and Live Workshops)
- Strategic Management Webinar Series
- IMA Thought Leadership (Research)
- Strategic Finance Strategic Management column and other articles
- Management Accounting Quarterly (Online Journal)
- Count Me In® (Podcast)



## Technology & Analytics

- IMA Data Analytics & Visualization Fundamentals Certificate® (Online Course)
- IMA Cybersecurity & Data Practices Certificate™
- Excel, RPA, Blockchain, Data Visualization, and other topics (Online Courses)
- Inside Talk and Tech Talk Webinar Series
- IMA Thought Leadership (Research)
- Strategic Finance Tech Practices column and other articles
- Count Me In® (Podcast)



## Reporting & Control

- IMA Sustainability Business Practices Certificate™ (Online Courses)
- COSO Internal Control Certificate Program (Online Courses and Live Workshops)
- U.S. GAAP vs. IFRS (Online Courses)
- Inside Talk (Webinars)
- Statements on Management Accounting
- Strategic Finance Financial Reporting column and other articles
- Management Accounting Quarterly (Online Journal)
- Count Me In® (Podcast)



## Leadership

- IMA Diversity, Equity & Inclusion Practices Certificate™ (Online Courses)
- IMA's Leadership Academy (Webinars and Live Workshops)
- Emotional Intelligence, Storytelling, Embracing Change, and other topics (Online Courses)
- Statements on Management Accounting
- IMA C-suite reports
- Strategic Finance Leadership column and other articles
- Management Accounting Quarterly (Online Journal)
- Count Me In® (Podcast)



## Business Acumen & Operations

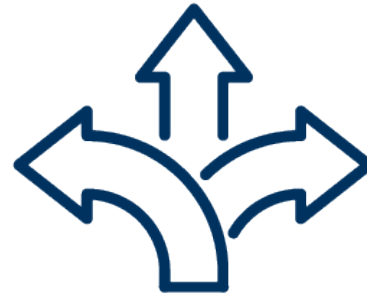
- IMA Agile & Scrum Series (Online Courses)
- IMA Creative Problem Solving (Micro Learning Series)
- Design Thinking for the Accounting and Finance Professional (Micro Learning Series)
- Statements on Management Accounting
- IMA Thought Leadership (Research)
- Strategic Finance articles
- Management Accounting Quarterly (Online Journal)
- Count Me In® (Podcast)



## Professional Ethics & Values

- IMA Statement of Ethical Professional Practice
- IMA Ethics Series (Online Courses and Live Workshops)
- Ethics in the Digital Age (Online Course)
- Statements on Management Accounting
- IMA Educational Case Journal (IECJ®) (Online Journal)
- Strategic Finance Ethics column and other articles
- Count Me In® (Podcast)

To see a comprehensive listing of learning resources, including thought leadership research, articles, webinars, podcasts, online courses, and on-the-job activities, visit CareerDriver® at [www.imanet.org/CareerDriver](http://www.imanet.org/CareerDriver).



# STRATEGY, PLANNING & PERFORMANCE

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



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# STRATEGIC AND TACTICAL PLANNING

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

## LIMITED KNOWLEDGE

- Limited knowledge, skills, and/or experience with strategic and tactical planning

## BASIC KNOWLEDGE

- Demonstrate an understanding of how individual goals support organizational strategy
- Perform analyses that support the strategic planning process
- Recognize the value and importance of thinking long term for the organization
- Demonstrate an understanding of the importance of pursuing strategies aligned with organizational mission, vision, and core values

## APPLIED KNOWLEDGE

- Implement annual and/or short-term departmental goals linked to strategy
- Explain how tactical plans link to organization-wide strategy
- Identify critical success factors (CSFs) and related key performance indicators (KPIs) necessary for successful strategy implementation
- Communicate organizational strategy effectively
- Consider limited resources and necessary trade-offs when recommending business decisions

## SKILLED

- Assess strengths, weaknesses, opportunities, and threats (SWOT) facing the organization (e.g., PESTEL (political, economic, social, technological, environmental, legal) analysis)
- Identify strategic issues and drivers of competitive advantage by employing industry analysis techniques, such as Porter's Five Forces and scenario planning
- Introduce innovative programs and processes that enhance organizational corporate social responsibility (CSR) and environmental objectives
- Utilize business intelligence resources to identify strategic opportunities
- Oversee the implementation of strategic initiatives, including allocation of resources, while balancing long-term strategy and short-term objectives
- Communicate perceived strategy/organizational gaps and alignment issues
- Evaluate the impact of strategic decisions on the value chain

## EXPERT

- Leverage strategic planning experience in multiple business environments to identify the key drivers of sustainable competitive advantage in a specific situation
- Develop strategy governance processes and measures for innovation effectiveness
- Define the organization's sustainable value-creation model, and drive innovation
- 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
- Drive CSR strategies and environmental sustainability strategies that advance the organization's competitive advantage
- Use various data sources to identify leading indicators, predict competitors' initiatives, and drive contingency plans
- Communicate the vision, strategy, and execution plan effectively, internally and externally, to gain support and compliance
- Recommend new methods and approaches (e.g., scenario planning, war gaming) for strategy development

# DECISION ANALYSIS

Evaluate decision alternatives using analytical techniques, and make recommendations

## LIMITED KNOWLEDGE

- Limited knowledge of decision analysis

## BASIC KNOWLEDGE

- Demonstrate an understanding of the basic types and purpose of decision-support tools (e.g., breakeven analysis, net present value)
- Demonstrate research skills

## APPLIED KNOWLEDGE

- Perform cost-volume-profit (breakeven) analysis to support product decisions
- Evaluate data for decisions such as make or buy, lease or own, and sell or process further
- Perform scenario analysis
- Demonstrate critical thinking skills, including objective analysis, synthesis, and evaluation, to form evidence-based decisions

## SKILLED

- Evaluate nonroutine projects (e.g., special orders, outsourcing, business segments)
- Identify the most important criteria for selecting the best alternative to support an organization's strategic goals
- Evaluate potential profitability using external and internal data sets
- Evaluate and incorporate environmental (e.g., political, regulatory, market) and social factors when making strategic decisions

## EXPERT

- Lead complex decisions involving high risk, ambiguity, and significant strategic consequences
- Develop a framework for decision making (e.g., identify specific decision-support methods to use in given situations)
- Employ innovative methodologies when approaching complex decisions (e.g., Monte Carlo simulation, real options)
- Implement revenue and cost models that reflect causal operational relationships to provide nonfinancial managers financial decision support information

# STRATEGIC COST MANAGEMENT

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

## LIMITED KNOWLEDGE

- Limited exposure to strategic cost management concepts

## BASIC KNOWLEDGE

- Demonstrate an understanding of basic cost concepts
- Use inventory control tools within parameters to optimize stocking levels

## APPLIED KNOWLEDGE

- Use capacity planning, utilization, and costing tools and techniques
- Analyze costs across the value chain to support cost-effective global sourcing decisions
- Trace costs to analyze and improve customer profitability
- Analyze the profitability of products and services by tracing costs throughout the value chain
- Incorporate life-cycle costs in product and service profitability projections
- Calculate costs using various costing methodologies (e.g., standard, activity-based, throughput costing)
- Conduct basic product and service costing including incremental analyses for special orders

## SKILLED

- Implement managerial costing models and processes to improve decision support beyond basic cost accounting
- Recommend the appropriate costing approach to use in a given business situation
- Analyze and make recommendations regarding optimal capacity utilization to support the business plan, addressing idle and excess capacity
- Utilize causal activity and resource management techniques, Lean and Agile principles, and other value chain improvement methodologies to optimize operations
- Determine optimal sourcing based on comprehensive operational and cost analysis of the value chain

## EXPERT

- Implement sophisticated cost management techniques (e.g., activity-based costing, Theory of Constraints, resource consumption accounting)
- Leverage managerial costing knowledge, models, and analytics to recommend cost reduction strategies/tactics as part of a long-term strategy
- Deploy causal, decision-oriented managerial costing models and strategic cost management throughout the organization's value chain
- Reconcile managerial cost calculations for decision support with cost accounting calculations for external financial reporting, and explain the differences

# CAPITAL INVESTMENT DECISIONS

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

## LIMITED KNOWLEDGE

- Limited exposure to capital investment decisions

## BASIC KNOWLEDGE

- Identify basic investment decision terms and techniques and their use in decision support (e.g., net present value, internal rate of return)

## APPLIED KNOWLEDGE

- Evaluate capital investment projects using common quantitative techniques (e.g., net present value, internal rate of return)
- Identify nonquantitative factors (e.g., social, safety, moral, aesthetic) that affect investment decisions
- Evaluate relevant cash flows for capital budgeting decisions, and estimate future return on capital
- Prepare capital expenditure plans, and determine funding requirements

## SKILLED

- Evaluate alternative scenarios using sensitivity analysis
- Analyze quantitative and qualitative data for merger, acquisition, and divestiture opportunities
- Develop cost-of-capital hurdle rate/weighted average cost of capital
- Identify and calculate future opportunities and choices (real options)

## EXPERT

- Recommend potential new business ventures (e.g., new products, new services, new markets) based on quantitative and qualitative factors
- Conduct mergers and acquisitions (M&A) analysis for complex transactions, and make recommendations to senior management and the board

# ENTERPRISE RISK MANAGEMENT

Identify, assess, and manage risks within an organization

## LIMITED KNOWLEDGE

- Limited knowledge of enterprise risk management

## BASIC KNOWLEDGE

- Demonstrate an understanding of the need for organizational risk management and its relationship to internal controls

## APPLIED KNOWLEDGE

- Identify types of risk within an organization (e.g., financial, competitive, reputational)
- Analyze operational risk (e.g., internal processes, people, and systems or external factors such as legal, fraud, security), and implement mitigation strategies
- Analyze financial risk (e.g., interest rate, credit, foreign exchange, capital structure), and implement mitigation strategies
- Manage contractual relationships, policies, and coverage for insurable risks
- Assist operational managers with identifying and quantifying risks and opportunities

## SKILLED

- Implement appropriate risk management systems based on a widely recognized framework (e.g., Committee of Sponsoring Organizations of the Treadway Commission (COSO))
- Recommend financial risk management strategies (e.g., portfolio diversification and hedging, options, other derivatives)
- Perform an environmental scan using tools such as PEST (political, economic, societal, technology) analysis
- Evaluate risk concerning the competitive landscape
- Prepare risk communications required by regulatory agencies
- Analyze strategic risk, including competition and reputation/brand
- Develop and report metrics that provide leading/early indicators of emerging risks

## EXPERT

- Develop and recommend strategic risk mitigation and risk response strategies (e.g., to address competitive risk, technology risk)
- Implement enterprise risk management with overall organizational strategic plans and governance
- Lead the development of responses to high-impact and high-probability scenarios
- Analyze environmental, social, and governance risks, and implement mitigation strategies

# BUDGETING AND FORECASTING

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

## LIMITED KNOWLEDGE

- Limited exposure to budgeting and forecasting
- Perform data collection or data-entry tasks in support of the budget or forecast

## BASIC KNOWLEDGE

- Demonstrate an understanding of the basics of the forecasting and budgeting process, including purpose and use
- Use basic tools and techniques of forecasting, such as moving averages and extrapolation
- Project short-term sales, cash flows, inventory requirements, or other financial data in support of operations within limited parameters
- Analyze historical revenues and expenses to determine seasonal patterns and anticipate annual requirements
- Analyze fixed and variable operational and financial relationships as part of the budgeting process

## APPLIED KNOWLEDGE

- Identify and analyze the relationship between different resources and requirements of a comprehensive financial or operational forecast
- Synthesize and interpret data from multiple sources
- Anticipate capital requirements to support growth initiatives and optimization
- Demonstrate and understand linkages between budget lines, and perform appropriate planning (e.g., if sales go up, commissions should also go up)
- Validate assumptions made by departments
- Develop a master budget to support the goals of a small to midsize organization or department/division of a large organization
- Prepare the projected income statement, balance sheet, and cash flow statement
- Evaluate capacity constraints for budgeted activity levels

## SKILLED

- Forecast in an environment of uncertainty using sensitivity analysis
- Use statistical techniques such as regression, exponential smoothing, and confidence levels
- Analyze and synthesize data from external sources to recognize patterns and predict customer behavior
- Enhance the forecasting accuracy through the discovery of key and relevant trends by exploring large data sets using data analytics and data mining techniques
- Recommend an appropriate budgeting methodology (e.g., flexible, continuous, rolling, zero-based) to use in a given business situation
- Link the budgeting process to the strategic planning process
- Integrate and consolidate information from multiple departments

## EXPERT

- Perform long-term analysis in periods of uncertainty using advanced statistical techniques
- Lead collaborative forecasting efforts incorporating information from multiple internal and external expert sources and sophisticated modeling techniques
- Communicate complex forecasts and budgets to others
- Design and lead the budget and financial planning process across multiple business units in a complex organization using advanced software tools

# CORPORATE FINANCE

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

## LIMITED KNOWLEDGE

- Limited knowledge of corporate finance

## BASIC KNOWLEDGE

- Demonstrate an understanding of the concepts related to managing organizational liquidity
- Demonstrate an understanding of basic financial instruments
- Distinguish between short-term and long-term financing needs

## APPLIED KNOWLEDGE

- Measure the performance of financial investments
- Perform valuation calculations of financial instruments
- Forecast cash requirements, analyze receivables quality, and perform investment of short-term cash
- Calculate financial ratios related to loan covenants and liquidity levels

## SKILLED

- Evaluate and/or implement specific financing strategies (e.g., funding sources, short-term or long-term uses of surplus cash)
- Analyze alternative means of raising capital (e.g., common stock, bonds, preferred stock, factoring, venture capital)
- Develop and implement working capital policies (e.g., cash, accounts payable, accounts receivable, inventory management)
- Ensure compliance with loan covenants
- Ensure short- and long-term financing plans support, and align with the strategic plan

## EXPERT

- Recommend appropriate financing in complex environments considering both traditional and nontraditional financial instruments
- Maintain relationships with banks and other sources of funds (e.g., investment banks, venture capitalists)
- Develop working capital policies in complex situations (e.g., multinational corporations, rolling up multiple divisions, subsidiaries)
- Recommend dividend and/or stock repurchase policies and plans

# PERFORMANCE MANAGEMENT

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

## LIMITED KNOWLEDGE

- Limited exposure to performance management

## BASIC KNOWLEDGE

- Demonstrate an understanding of the purpose of performance management processes and their use in supporting the strategy (e.g., achieving goals, incentives, governance)
- Perform isolated and/or simple variance analysis
- Calculate traditional performance measures in alignment with organizational strategy
- Calculate transfer prices under existing methodology

## APPLIED KNOWLEDGE

- Perform a comprehensive variance analysis, and interpret drivers of performance variances
- Analyze the impact of transfer pricing on business unit performance beyond tax consequences

## SKILLED

- Develop and implement a performance measurement process aligned with the overall strategic goal-setting process
- Optimize performance management and financial reporting processes to provide useful and timely management information (e.g., use of key performance indicators (KPIs), balanced scorecards, dashboards)
- Assess the robustness, reliability, and rigor of performance measurement systems
- Transform variance analysis into actionable insights
- Develop transfer-pricing strategy to optimize organizational performance

## EXPERT

- Define and communicate an effective performance management system in a complex environment (e.g., public, global, multientities, complicated corporate structures)
- 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
- Utilize insights gained from performance management system to effect organizational change





## REPORTING & CONTROL

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



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# INTERNAL CONTROL

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

## LIMITED KNOWLEDGE

- Limited knowledge of internal control processes

## BASIC KNOWLEDGE

- Demonstrate an understanding of the purpose of internal controls for use in financial reporting, compliance, and operations
- Identify basic internal controls (e.g., segregation of duties, physical controls, audit trails, limits of authorization)

## APPLIED KNOWLEDGE

- Verify accuracy of general ledger and subledgers through various accounting procedures and controls
- Implement and/or test a system of internal controls under management direction
- Ensure compliance with applicable policies and procedures, including those mandated by the Sarbanes-Oxley Act of 2002
- Prepare internal audit reports (i.e., compliance, operational, financial)

## SKILLED

- Perform internal control risk assessment using frameworks such as the Committee of Sponsoring Organizations of the Treadway Commission (COSO)
- Design an effective internal control system, including technology controls, that is responsive to the specific risks of the organization
- Develop processes to monitor the effectiveness of risk management and internal controls processes, and remediate as necessary
- Develop an internal audit plan for the organization

## EXPERT

- Provide assurance to management and other stakeholders regarding internal controls (e.g., Sarbanes-Oxley Act compliance) over financial reporting and nonfinancial reporting
- Design and implement internal controls in complex environments (e.g., public, global, multientities, complicated corporate structures)
- Integrate internal controls with the enterprise risk management system

# FINANCIAL RECORDKEEPING

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

## LIMITED KNOWLEDGE

- Understanding limited to a specific function (e.g., accounts receivable, accounts payable, payroll transactions)

## BASIC KNOWLEDGE

- Perform transactional/operational accounting functions, including journal entries, accruals, and reversals
- Perform account reconciliations, and prepare schedules to support the preparation and/or audit of financial statements

## APPLIED KNOWLEDGE

- Analyze special accounts (e.g., deferred tax asset/liability), and prepare related journal entries
- Manage fulfillment of internal and external audit requirements including checklists and schedules

## SKILLED

- Evaluate efficiency and effectiveness of accounting processes, and make recommendations to optimize them
- Analyze complex financial transactions, and ensure they are recorded properly in accordance with accounting standards
- Analyze proposed transactions to determine the potential impact on financial statements

## EXPERT

- Design appropriate recordkeeping procedures in complex situations (e.g., derivatives, hedging)
- Design appropriate recordkeeping procedures for multinational organizations, including consolidations across segments and industries

# COST ACCOUNTING

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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 for financial reporting and inventory valuation</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 an efficient methodology and practice for your industry in accordance with accounting standards</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 and systems appropriate for your industry's financial reporting</li><li>Recommend the appropriate cost accounting approach to use for a business's external financial reporting requirements</li></ul>	<ul style="list-style-type: none"><li>Analyze the projected impact on financial statements of major business decisions affected by costing methodologies</li><li>Reconcile managerial cost calculations for decision support with cost accounting calculations for external financial reporting, and explain the differences</li></ul>

# FINANCIAL STATEMENT PREPARATION

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. Generally Accepted Accounting Principles (GAAP), International Financial Reporting Standards (IFRS), 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, recommend, and apply appropriate accounting treatments</li><li>Prepare basic financial statements for both internal and external stakeholders</li><li>Prepare a 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 and Analysis (MD&amp;A) for a public company or a similar report for a private company</li><li>Ensure compliance with all applicable regulatory requirements regarding financial reporting</li><li>Implement efficiencies to continuously improve the quality and speed of the financial close process</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>

# FINANCIAL STATEMENT ANALYSIS

Analyze a company's financial statements to assess performance

## LIMITED KNOWLEDGE

- Limited exposure beyond understanding basic financial statements

## BASIC KNOWLEDGE

- Demonstrate an understanding of the interrelationship among basic financial statements
- Calculate financial ratios

## APPLIED KNOWLEDGE

- Analyze financial statements and financial data to guide decision making
- Interpret the meaning of financial ratios
- Analyze the impact of changes in reporting standards or accounting methods on financial statements
- Analyze loan covenants, and report on compliance
- Perform comparisons of two entities or an entity to industry average using common-size financial statements
- Perform trend analysis by comparing performance over time

## SKILLED

- Design a system of financial ratios and other performance indicators appropriate for a specific financial situation
- Analyze the impact of foreign operations on reported financial results, including foreign exchange transactions
- Analyze the potential impact of macroeconomic, social, political, and environmental factors on the organization's financial results
- Coordinate and integrate a comparison of financial statement ratios across the organization
- Perform and interpret business unit and intercompany trend analysis

## EXPERT

- Analyze the impact on financial ratios from complex financial transactions (e.g., mergers and acquisitions (M&A), divestitures)
- Analyze the financial statements of competitors, customers, and suppliers, and interpret trends to provide input to the planning and forecasting processes

# TAX COMPLIANCE AND PLANNING

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

## LIMITED KNOWLEDGE

- Limited exposure to tax compliance and planning

## BASIC KNOWLEDGE

- Demonstrate an understanding of business taxation general concepts and rules
- Demonstrate an understanding of book vs. tax differences in financial statements

## APPLIED KNOWLEDGE

- Gather data and provide input to tax returns, and understand the relationship of various tax schedules to each other
- Ensure the recordkeeping system supports tax reporting and reflects the tax environment of the organization

## SKILLED

- Prepare accurate and timely tax filings
- Analyze the tax impact of alternative business decisions
- Provide tax advice for business decisions
- Manage fulfillment of government tax auditors' information requests
- Research and advise on international tax issues
- Develop and implement appropriate policies and procedures to ensure tax efficiency and compliance

## EXPERT

- Manage taxation responsibilities in multiple jurisdictions and multiple industries
- Formulate tax strategy for multinational corporations
- Evaluate the risk and impact of changes in tax laws, and recommend mitigation strategies
- Use effective tax strategies to improve cash flows
- Lead tax strategy and planning for a complex organization
- Work with tax authorities within country-specific regulatory frameworks to finalize tax liability in complex situations

# INTEGRATED REPORTING

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>Demonstrate an understanding of the elements of sustainability reporting</li><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 material financial and nonfinancial sustainability 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>





## BUSINESS ACUMEN & OPERATIONS

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



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# INDUSTRY-SPECIFIC KNOWLEDGE

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

## LIMITED KNOWLEDGE

- Limited knowledge of the industry in which the company operates

## BASIC KNOWLEDGE

- Demonstrate an understanding of the industry based on limited work experience or exposure to reports in the business media

## APPLIED KNOWLEDGE

- Evaluate the supply chain, and identify risks related to specific vendors and customers
- Keep pace with industry developments proactively
- Monitor the activities of competitors
- Identify sources of competitive intelligence
- Perform a financial ratio analysis of competitors

## SKILLED

- Prepare the discussion of risk for external reporting (e.g., the Management Discussion and Analysis (MD&A) section in the annual report)
- Analyze the annual reports of customers, competitors, and suppliers
- Analyze the industry competitive structure, including the level of competitive rivalry
- Master industry-specific accounting and tax requirements

## EXPERT

- Serve as an expert on the specific industry, including value chain, competitive issues, regulatory matters, and customer perspectives
- Serve as an expert speaker and/or advisor on industry matters
- Formulate ways to increase competitive advantage and/or identify new sources of value creation
- Lead an organization's competitive analysis team
- Evaluate an organization's strategic risk (i.e., determining if the strategy is aligned with market and industry conditions)

# OPERATIONAL KNOWLEDGE

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

## LIMITED KNOWLEDGE

- Limited exposure to business operations beyond the accounting/finance department

## BASIC KNOWLEDGE

- Demonstrate an understanding of the flow of information and materials through the organization

## APPLIED KNOWLEDGE

- Work closely with other functions including procurement, materials management, production, research, marketing, information technology, human resources, legal, facilities, customer service, and across business units
- Participate in the formulation of solutions to operational issues beyond the finance department

## SKILLED

- Work on cross-functional teams as a business partner to implement multidepartment change
- Demonstrate operational knowledge through job rotation and/or participation in cross-functional projects

## EXPERT

- Serve as an expert leading manufacturing, production, distribution, or service delivery as a result of experience gained through job rotations or previous career positions
- Develop creative solutions to optimize performance across the value chain
- Serve as a business partner recognized by other teams and business areas as having operational expertise

# QUALITY MANAGEMENT AND CONTINUOUS IMPROVEMENT

Use quality management and continuous improvement tools and techniques effectively

## LIMITED KNOWLEDGE

- Limited exposure to quality management and/or continuous improvement approaches

## BASIC KNOWLEDGE

- Recognize quality improvement tools (e.g., process mapping, kaizen, fishbone diagrams)
- Perform trend analysis of quality measures

## APPLIED KNOWLEDGE

- Demonstrate an understanding of quality improvement approaches (e.g., Lean, Six Sigma, total quality management (TQM))
- Calculate the cost of quality and expected savings from improvement efforts
- Use quality management tools and approaches to improve the accounting/finance operation
- Represent finance/accounting on operational quality improvement teams

## SKILLED

- Lead cross-functional and departmental quality improvement efforts
- Use quality management tools and approaches to improve cross-functional operations
- Master one or more quality management methodologies such as Six Sigma

## EXPERT

- Use quality management tools and approaches to optimize the operations of partners in the supply chain
- Serve as an expert and champion/sponsor of multiple, complex quality management initiatives
- Lead value stream mapping and analysis to optimize operations

# PROJECT MANAGEMENT

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

## LIMITED KNOWLEDGE

- Limited exposure to formal project management tools

## BASIC KNOWLEDGE

- Demonstrate an understanding of basic project management tools (e.g., timelines, checklists, milestones)

## APPLIED KNOWLEDGE

- Participate on teams using project management tools (e.g., Gantt Charts and critical paths) and approaches (e.g., Waterfall, Agile, Scrum)

## SKILLED

- Lead projects using project management tools, including scheduling of resources

## EXPERT

- Champion/sponsor multiple simultaneous projects that have significant budgets using project management tools
- Instill a culture of project management professionalism that guides the organization with formalized approaches



## TECHNOLOGY & ANALYTICS

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



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# INFORMATION SYSTEMS

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

## LIMITED KNOWLEDGE

- Minimal exposure to data and information systems beyond data input

## BASIC KNOWLEDGE

- 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)
- Demonstrate competence in using basic hardware and software tools
- Identify different types of data (e.g., structured, unstructured, numeric, text, sensor)
- Prepare basic business process flowcharts (e.g., inventory control) with information gained from relevant stakeholders
- Demonstrate an understanding of the potential applications of emerging technologies (e.g., cloud computing, blockchain, robotic process automation, artificial intelligence)

## APPLIED KNOWLEDGE

- Manage the general ledger (GL) module (e.g., chart of accounts, journal entries, trial balance)
- Control and manage how and when data enters the financial systems from other modules
- Work closely with the information technology department to implement solutions to business issues and leverage opportunities
- Document business requirements for information system design
- Demonstrate an understanding of elements in relational databases
- Utilize relational database concepts, including primary and secondary keys, when designing reports
- Design relational database tables

## SKILLED

- Design ERP workflows, multi-level charts of accounts, and system integration for sound financial control
- Manage implementation of emerging technologies to improve financial processes
- 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))
- Identify data sources, and define acceptance tests for integration of information into performance management systems
- Recognize and address the cascading impact of changes in an integrated systems environment
- Automate data collection, validation, and reporting using software tools
- Design and implement new data models as the business and environment evolve
- Identify data flow weaknesses, and recommend potential improvements

## EXPERT

- Design systems structure to optimize operational and financial performance
- Evaluate, recommend, and implement the appropriate ERP system in a complex environment
- Design data marts and data warehouses to provide access to information throughout an organization

# DATA GOVERNANCE

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, 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, archival, and disposal policies as part of the data life-cycle process</li><li>• Demonstrate an understanding of the business and reputational impact of making decisions with incorrect, poor-quality, invalid, and/or incomplete data</li><li>• Demonstrate an understanding of the need to protect the security and privacy of stakeholder data</li><li>• Demonstrate an understanding of the basic principles of data security</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 cyberattacks</li><li>• Implement an effective financial systems environment to support internal controls</li><li>• Demonstrate an understanding of data governance frameworks such as the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and Control Objectives for Information and Related Technologies (COBIT)</li><li>• Implement processes to protect the privacy of stakeholder data</li><li>• Implement sound data retention, archival, and disposal 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 the level of security</li><li>• Evaluate costs and benefits when recommending strategies for data management</li><li>• Use data process validation and security tests such as unit testing, penetration testing, and acceptance testing criteria</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></ul>	<ul style="list-style-type: none"><li>• Design and implement data governance systems in accordance with established frameworks such as COSO and COBIT</li><li>• Design governance implementation processes, including the creation of appropriate unit, integration, penetration, and acceptance testing criteria</li><li>• Set policies for data retention and storage processes in accordance with legal requirements</li><li>• Automate data cleansing processes</li></ul>



# DATA ANALYTICS

Extract, transform, and analyze data to gain insights, improve predictions, and support decision making

## LIMITED KNOWLEDGE

- Limited knowledge of data analytics

## BASIC KNOWLEDGE

- Create spreadsheets and manipulate data using basic functions and formulas such as graphs, filtering and sorting data, and importing data
- Calculate basic descriptive statistics such as ratios and basic averages to reveal trends
- Demonstrate an understanding of the importance of using data to make business decisions
- Demonstrate an understanding of business intelligence and data mining

## APPLIED KNOWLEDGE

- Extract, transform, and query data using appropriate tools such as Structured Query Language (SQL)
- Interpret information needs and translate into actionable requests for data analysis
- Use descriptive analytics to evaluate efficiency and effectiveness of business initiatives
- Use simple linear regression to predict business outcomes and interpret results
- Determine and report cause and effect using diagnostic techniques
- Perform ad hoc exploratory data analysis using query languages

## SKILLED

- Utilize specialized reporting tools (e.g., eXtensible Business Reporting Language (XBRL)), and interpret results
- Design organizational templates for use by others
- Mine large data sets to reveal patterns and provide insights
- Use predictive analytics techniques to interpret results, draw insights, and make recommendations
- Apply statistics to a data set using specialized statistical software and/or business intelligence software
- Use multiple regression for predictive and prescriptive purposes, and interpret results
- Transform raw, unstructured data into a form more appropriate for analysis (e.g., data wrangling)

## EXPERT

- Implement solutions using multiple query, scripted, or interpreted languages (e.g., SQL, Python, R)
- Build prescriptive models to optimize organizational performance (e.g., goal seeking)
- 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)

# DATA VISUALIZATION

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

## LIMITED KNOWLEDGE

- Limited knowledge of data visualization

## BASIC KNOWLEDGE

- Create simple charts and graphs using visualization tools (e.g., Excel, Tableau) or prebuilt visualization code packages
- Demonstrate an understanding of how to best communicate results with basic visualizations (e.g., line, bar, pie, scatterplots)

## APPLIED KNOWLEDGE

- Utilize table and graph design best practices to avoid distortion in the communication of complex information
- Demonstrate an understanding of how to best communicate results with intermediate visualizations (e.g., histograms, area charts, heat maps)

## SKILLED

- Evaluate data visualization options, and select the best presentation approach for the intended audience
- Demonstrate an understanding of how to best communicate results with advanced visualizations (e.g., Sankey plots, bubble charts, network diagrams)
- Accelerate decision making using visualization tools and/or code packages to construct multivisual dashboards combining relevant visualizations
- Utilize simplicity of design techniques to present results of complex data analysis in an understandable manner
- Utilize advanced features of visualization applications

## EXPERT

- Interpret and communicate complex analyses to stakeholders using advanced data visualization techniques at an audience-appropriate level
- Construct custom visualizations using JavaScript—either in website or with business intelligence platforms
- Demonstrate expertise in all three aspects of data visualization: substantive, statistical, and artistic



## LEADERSHIP

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



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# COMMUNICATION SKILLS

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

## LIMITED KNOWLEDGE

- Limited knowledge, skills, and/or experience communicating in a professional setting

## BASIC KNOWLEDGE

- Organize and present thoughts, information, and facts logically
- Understand verbal and nonverbal cues and their importance

## APPLIED KNOWLEDGE

- Prepare clear and concise written communications
- Listen effectively, ask questions, and express concerns
- Tailor communications to culturally diverse audiences

## SKILLED

- Recognize differences in others' communication styles, and adjust own as appropriate
- Communicate both positive and negative results effectively with sensitivity to the listener
- Make effective presentations (i.e., engaging, motivating, concise, well-prepared)
- Use technology (e.g., social media) tools effectively as a communication vehicle, taking into consideration recipients' preferences
- Design communication programs, taking into consideration global diversity and local customs and norms

## EXPERT

- Develop communication strategies to optimize messaging through tools, tone, and timing
- Answer difficult questions from key stakeholders (e.g., staff, board members, auditors, investment analysts, the media) effectively, providing persuasive and credible responses
- Coach others on how to communicate effectively and build consensus
- Excel at the use of technology tools to expand leadership presence

# MOTIVATING AND INSPIRING OTHERS

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

- Limited knowledge, skills, and/or experience with motivating and inspiring others

## BASIC KNOWLEDGE

- Recognize the importance of motivation

## APPLIED KNOWLEDGE

- Identify strengths and areas for growth of team members
- Recognize differences in personality style and preferences when motivating team members
- Provide effective advice and feedback to enable individual contributors to achieve goals and improve performance
- Consider the impact of emotions on communication and interactions with others
- Demonstrate the importance of continuously expanding professional knowledge, skills, and abilities for self and team in order to grow expertise and add value to the organization

## SKILLED

- Identify and adopt appropriate leadership style for a given situation
- Provide positive feedback to staff as appropriate, and communicate recognition to the team and others
- Build effective teams, and implement innovative ways to motivate team members
- Anticipate emotional reactions, and respond effectively in guiding and leading others

## EXPERT

- Inspire others to perform to their full potential and exceed expectations
- Motivate teams across the organization to overcome challenging situations
- Coach others on how to motivate individuals/teams effectively
- Lead managers to inspire and motivate their teams
- Lead by example, especially in difficult times

# COLLABORATION, TEAMWORK, AND RELATIONSHIP MANAGEMENT

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

## LIMITED KNOWLEDGE

- Limited knowledge, skills, and/or experience with collaboration and teamwork

## BASIC KNOWLEDGE

- Communicate with team members in a respectful and consistent manner
- Contribute to team achievements by taking responsibility for own efforts and seeking input/assistance when needed

## APPLIED KNOWLEDGE

- Work across departmental boundaries, and contribute beyond individual responsibilities to achieve team goals
- Listen proactively to others, encourage collaboration, and help build consensus among team members
- Give credit to members of the team for their contributions

## SKILLED

- Collaborate with partners in the value chain to achieve beneficial working relationships and positive outcomes
- Provide constructive feedback and assistance to others in addressing issues or conflicts
- Seize opportunities to team with others to achieve positive results
- Encourage an integrated approach to performance management, and discourage functional silos
- Collaborate on innovative products, services, and/or processes that will help the organization succeed

## EXPERT

- Consider the importance of corporate culture when assessing opportunities to enter into partnerships with other organizations
- Serve as a role model in thinking outside the silo/business area to identify opportunities for innovation

# CHANGE MANAGEMENT

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

## LIMITED KNOWLEDGE

- Limited knowledge, skills, and/or experience with change management

## BASIC KNOWLEDGE

- Understand the importance of change as a critical element of continuous improvement
- Seek to understand change and to accept implementation

## APPLIED KNOWLEDGE

- Participate in change initiatives, and encourage acceptance of change by coaching with empathy and patience
- Develop plans to support change initiatives effectively with an appropriate degree of urgency
- Communicate reasons for change and associated plans to make the change

## SKILLED

- Collaborate with other leaders in evaluating and executing change initiatives
- Encourage continuous improvement, and coach staff on how to maximize resulting benefits
- Identify barriers or resistance to change initiatives, seek ways to overcome them, and gain commitment

## EXPERT

- Champion change by leading the organization through a major transition to achieve strategic goals
- Promote the vision for change, and lead major organizational change efforts effectively
- Create an organizational culture that seeks innovation and embraces change
- Make innovation a clear priority, and communicate that every function has the opportunity and ability to contribute to this goal

# CONFLICT MANAGEMENT

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

## LIMITED KNOWLEDGE

- Limited knowledge, skills, and/or experience with conflict management

## BASIC KNOWLEDGE

- Understand that conflict is inevitable and that avoidance is not a solution

## APPLIED KNOWLEDGE

- Address conflict in a timely manner, and seek appropriate solutions
- Anticipate others' reactions, and consider others' viewpoints to promote mutual understanding
- Analyze the causes and components of conflict, including stakeholder viewpoints, competing priorities, and limited resources
- Raise issues to appropriate management when resolution is not achieved

## SKILLED

- Deal effectively with difficult situations by asking clarifying questions, exploring solutions, and establishing boundaries for all parties
- Intervene to defuse tension with tactful and assertive approaches
- Engage in respectful debate regarding issues of importance
- Develop and disseminate techniques and tools to guide conflict resolution
- Engage effectively in crucial and difficult conversations

## EXPERT

- Encourage passionate debate about issues and ideas to move the organization forward
- Create a culture where constructive conflict leads to continuous improvement



# NEGOTIATION

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

## LIMITED KNOWLEDGE

- Limited knowledge, skills, and/or experience with negotiation

## BASIC KNOWLEDGE

- Recognize the importance of positive business relationships in successful negotiations

## APPLIED KNOWLEDGE

- Present a clear and concise point of view using relevant data
- Anticipate probable points of disagreement to be negotiated
- Follow a defined process for negotiations, ensuring that risks are identified and mitigated and that corporate goals are achieved

## SKILLED

- Utilize a tactful and creative approach to solving problems, and reach consensus where all parties feel a win was achieved
- Understand the impact of diversity and cultural differences on negotiations
- Document contractual terms and decisions about roles and responsibilities to promote lasting agreement and positive outcomes

## EXPERT

- Achieve timely and positive results through negotiation skills
- Serve as a successful go-to negotiator or arbitrator
- Gain consensus consistently from all parties in order to achieve win-win organizational solutions
- Demonstrate sensitivity to the impact of global political and economic issues on cross-border negotiations

# TALENT MANAGEMENT

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

## LIMITED KNOWLEDGE

- Limited knowledge, skills, and/or experience with performance and talent management

## BASIC KNOWLEDGE

- Recognize the desired levels of performance for self and team
- Understand the importance of team dynamics, approaches, and output
- Understand the importance of talent selection and ongoing performance management for organization success

## APPLIED KNOWLEDGE

- Interview and select team members effectively, aligning skills with responsibilities and assignments
- Delegate responsibility, promote independence, and solicit feedback from the team
- Recognize excellent team performance, and reward positive results
- Prepare annual performance appraisals, and use relevant and specific examples to ensure feedback is meaningful to employees regarding goals and performance
- Recommend professional development resources for career advancement and closing skills gaps

## SKILLED

- Develop effective staff recruitment and retention practices
- Develop key performance indicators (KPIs) that align with overall business objectives
- Create a trusting environment for team members to ask questions and offer ideas freely
- Coach and develop staff on achieving performance goals
- Engage in career path discussions and succession planning for the team
- Hold managers accountable for the performance of their teams

## EXPERT

- Promote talent management and the importance of diversity across the organization
- Establish succession plans for key roles in the organization
- Promote a culture of performance by communicating a clear vision and shared values
- Inspire others by demonstrating the importance of teaming to achieve successful business results
- Develop performance reward/incentive systems to drive behavior aligned with the organization's strategic initiatives



# PROFESSIONAL ETHICS & VALUES

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



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# PROFESSIONAL ETHICAL BEHAVIOR

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

## LIMITED KNOWLEDGE

- Recognize that professional standards and organizational policies exist
- Act in an ethical manner in accordance with societal norms, values, and laws

## BASIC KNOWLEDGE

- Demonstrate an understanding of the need for professional ethics in business situations (e.g., confidentiality, competence, integrity, credibility)
- Act in accordance with the standards and principles outlined in the *IMA Statement of Ethical Professional Practice* or other relevant standards

## APPLIED KNOWLEDGE

- Recognize potential ethical conflicts in one's responsibilities based on organizational and/or professional guidelines
- Recognize the importance of an organization's core values and how they promote ethical behavior

## SKILLED

- Foster a culture of ethical behavior and accountability within the organization
- Design, implement, and strive to continuously improve a company-wide ethics program
- Advise and train others on how the organization's ethics code applies to questionable situations they may encounter

## EXPERT

- Lead in establishing and maintaining the appropriate ethical tone throughout the organization
- Provide expertise and serve as a role model regarding complex ethical conflicts faced by organizations
- Foster an ethical supply chain by establishing and enforcing relevant organizational policies and ethical standards

# RECOGNIZING AND RESOLVING UNETHICAL BEHAVIOR

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

## LIMITED KNOWLEDGE

- Be aware of the potential existence of unethical behavior or fraudulent activity in the workplace
- Understand the importance of trustworthy behavior

## BASIC KNOWLEDGE

- Recognize ethical conflicts such as conflicts of interest or situations susceptible to fraud
- Follow appropriate reporting protocols when unethical behavior is suspected

## APPLIED KNOWLEDGE

- Help identify and resolve business situations that include ethical dilemmas (e.g., sales targets, incentive compensation, travel and entertainment expenses)
- Apply critical thinking, an objective mindset, and professional skepticism in business situations
- Recognize differences in cultural norms that could interfere with ethical decision making
- Apply organizational policies and the *IMA Statement of Ethical Professional Practice* to potential ethical conflicts

## SKILLED

- Train others in the organization's ethics policy, the concepts of the fraud triangle, the *IMA Statement of Ethical Professional Practice*, and/or other ethical constructs
- Apply professional judgment, knowledge of strategies, and best practices to resolve complex ethical conflicts
- Recognize "red flags" and risks in complex situations that may indicate purposeful misrepresentation
- Assist others to resolve ethical conflicts

## EXPERT

- Apply internal control expertise to design procedures that reduce the likelihood of fraud and ethical conflicts
- Design an ethics and compliance program that includes training, supply chain communication, and vendor/customer qualifications
- Be recognized as an ethics thought leader promoting the management accounting profession and values
- Champion the spirit of ethical behavior within the organization and across the supply chain

# LEGAL AND REGULATORY REQUIREMENTS

Execute the organization's strategy with integrity, complying with the law, regulations, and standards

## 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
- Manage compliance with employment, safety, and other business regulations in the spirit and the letter of the law
- Manage compliance with industry-specific laws, regulations, and reporting requirements

## SKILLED

- Design and implement programs, policies, and procedures to ensure compliance with laws and regulations
- When laws and/or regulations conflict or are unclear, make ethical decisions consistent with fiduciary responsibilities

## 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, anti-money laundering/combating terrorist financing regulations)

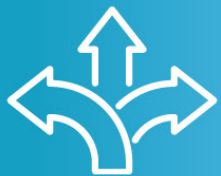


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