



Message from the Chair



Iconoclasm in the Accounting Profession

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Iconoclasm: 1. the attacking of cherished beliefs or traditional institutions regarded as based on error or superstition. 2. the doctrine or act of breaking or destroying images. (*World Book Dictionary*)

Recent IMA press releases have focused on the importance of and need for accountants working inside business to hold the Certified Management Accountant (CMA) and Certified Financial Manager (CFM) certifications. In order to make this point, we contrasted our certifications with the Certified Public Accountant (CPA) certification and MBA degree. In response, some IMA members and others from the broader accounting profession contacted me, taking offense at IMA's aggressive position on certification for accountants working inside organizations.

Let me get directly to the point: The CMA and CFM are the financial certifications most clearly geared toward the knowledge, skills, and abilities of the management accountant and finance professional inside businesses. If you want to exhibit prima facie evidence of your capability and commitment to provide

professional-level decision support, planning, and control over an organization's value-creating operations, only the CMA and CFM certifications provide it. The CMA and CFM also indicate you have agreed to a code of ethics targeted at financial professionals working inside organizations as part of the management team and you will pursue professional education at a rate of 30 CPE credits per year.

Individuals holding the CPA (and I am proud to be among those) have proven a substantial knowledge of financial accounting, financial reporting, auditing, tax, and subjects related to public accounting (as opposed to a focus on the value-creation environment inside a company). They have agreed to a standard of ethics (focused substantially on auditing) and continuing education. Individuals with MBAs have engaged in a substantial effort over some period of time to gain advanced knowledge

of business practices, theories, and innovations. Most MBAs have concentrated some coursework in a particular area of business, but, without an interview or a transcript, I don't know if it was organizational behavior or management accounting.

A wide range of accountants can be qualified for the same type of jobs as CMAs and CFMs, but companies will need to evaluate their experience, education, certifications, and professional commitment more carefully. If they are IMA members, they have agreed to the IMA's code of ethics and have shown a strong inclination to stay current in the profession. The IMA values these members, wants to provide them solid benefits, and encourages certification as a CMA or CFM, if they want it.

IMA recently completed a benchmarking study with an outside organization to evaluate the CMA certification in comparison to the CPA, Canadian CMA, British CMA, CFA, CIA, and British ACCA. The study concluded that all the certifications were high quality. In the evaluator's analysis, the CPA stood out as being geared toward more of an entry level in the profession of public account-

ing; others were geared to and sought more frequently by more senior practitioners.

IMA also recently completed a market research study as part of our effort to better define the market for management accounting. It showed that the only accounting or financial certification widely recognized in the U.S. is the CPA, but it also showed the market is highly receptive and desirous of a financial certification geared toward the business, operational, and performance environment inside companies. Our conclusion is that a significant error exists in the market for accounting professionals: Employers ask for the CPA certification, but it isn't necessarily what they want—it's all they know to ask for.

The best way to define a profession is through certification. I know our CMAs and CFMs agree. To define and gain recognition for management accounting certifications and the profession, we must differentiate ourselves from what is known in the market. This will, at times, appear aggressive and controversial; IMA will be pushing against long-held, well-promoted, and highly vested positions. Management accountants (whatever their qualifications)—CMAs and CFMs most directly—and society at large will benefit from a clear understanding of the differences in the accounting profession. I urge you, our members, to listen carefully to IMA's positioning and arm yourselves with the knowledge to explain what differentiates you as accounting professionals. Use it to your advantage in the job marketplace. An overwhelming need exists for high-quality management accounting in business; IMA's challenge is to articulate and pro-

mote this more effectively.

Yes, barriers, misperceptions, imbalances, and long-held beliefs exist within the accounting profession and about it. Iconoclasm may be a strong word, but IMA is committed to ensuring that the business community and society at large unequivocally understand the unique benefits qualified management accounting and finance professionals can create inside organizations by implementing quality processes and focusing on operational value creation.

Thoughts? You can e-mail me at lwhite@imanet.org. ■