

# IMA *Reborn*

## EXECUTING THE STRATEGY

**IMA** INSTITUTE OF  
MANAGEMENT  
ACCOUNTANTS®

If you love your iPod, you can thank the people who did the planning, innovation, and implementation that carried Apple®'s products beyond the loyalists and into the mainstream “must-have” market for personal electronics, which are more personal than ever. Successful organizations like Apple are rising above the rumble of day-to-day tasks and looking ahead to the future, which gets here before you

know it. As a result, iPod sales are rising exponentially, and Mac sales are also up dramatically.

That same passion for innovation is now launching dramatic changes at the Institute of Management Accountants (IMA®).

“This focus on innovation and member value will put us into the forefront,” IMA Chair Carl Smith says. “We’re going to be recognized as a leader in the field of management accounting and financial management.”

The organization is now rolling out a strategic plan that will increase its branding efforts, add new products and services, raise awareness within the business community as a whole, and bring more tangible value to a larger and more diverse membership base than ever before.

While IMA can't guarantee the result will produce the "iPod" of the accounting world, significant innovation is afoot.

"In a way, IMA's leaders are doing what management accountants do—bringing value to their organization and the community as a whole," Bill Brower, IMA Chair-Elect and chair of the IMA Planning and Development Committee (PDC), explains. The PDC members were the team responsible for developing the strategic plan, and Bill was the person who presented the plan to the Board of Directors and achieved its unanimous approval to proceed.

"These changes are critical to the entire accounting profession," IMA President & CEO Paul Sharman emphasizes. "The profession needs to further stress the role that management accountants play within organizations supporting decision making, planning, and control," he adds. "It is time to recognize that the emphasis in business and the role of accounting should be more about *doing* business rather than tabulating and reporting historical financial results."

The most visible changes, such as the new association logo and website ([www.imanet.org](http://www.imanet.org)), are in reality just small parts of the puzzle. Much bigger pieces are now fitting into place.

"IMA's no longer the 'Sleepy Hollow' not-for-profit organization tucked up in a nice quiet spot in Montvale, New Jersey," says Jeff Thomson, IMA vice president of research & applications development. "It is a lean, aggres-

sive organization with a reborn passion for delivering member value and advancing the profession."

#### **"CMA WANTED"**

One foundation of the change is an advocacy and awareness campaign to increase IMA's visibility within the accounting community and business as a whole. The reason? Far too many businesses fail to recognize or accurately value the difference between a Certified Public Accountant (CPA) and a Certified Management Accountant (CMA®).

"Most accountants do work that's related to building the business and helping articulate the operations and strategy and decision making," Chair-Emeritus Larry White notes. "IMA is stepping up as an advocate for what we estimate to be the 95% of accountants who spend very little of their time on GAAP financial statements and audits."

The idea isn't to devalue the CPA but to make people aware of a CMA's specialized skill set. Just as it takes many types of skilled craftspeople to build a house, it can take different types of accountants to run a successful company.

"Like the Certified Public Accountant, whose emphasis is on audit and historical financial reporting, the Certified Management Accountant is an accounting and finance professional," Sharman adds. "What differentiates the Certified Management Accountant is that our emphasis is more consistent with the new valuation world

premised on linking strategy to performance excellence and future cash flows.”

The goal is to get “Certified Management Accountant” into the vocabulary of American business. To do so, IMA will actively reach out to corporations, educating them about the importance of the CMA certification. Many businesses advertise for and hire CPAs because that’s the only certification they know.

“Management accounting is accounting for economic reality, that is, accounting that relates to whatever is relevant to the management decision at hand,” White explains. “Businesses are hiring accountants who are focused on the financial statements yet are neither knowledgeable about nor adequately focused on the business operations,” he

## VISION STATEMENT

*The world’s leading association  
for management accounting  
and finance professionals.*

adds. “We’re going into corporations and saying, ‘When you advertise for a CPA, have you considered the skill you’re buying? It might not be the skill set you need.’”

Priscilla Payne, vice president of certifications, says increasing this corporate acceptance will bring positive results both to the organization and businesses as a whole. “We’ve done everything we can to ensure that we have rigorous and valid certification programs. What we need is recognition from corporations to hire people with our certification and encourage their employees to become certified—essentially to adopt our certification programs as part of their career development programs,” she emphasizes. “We need a concerted effort because demand in the marketplace will drive people.”

## TANGIBLE VALUE

Products and services now under development are also expected to demonstrate significant tangible value.

“Tangible value to a practicing management accountant means you’re giving them the tools, capabilities, ideas, resources, and professional development to enable them to be more successful in each step of their career,” Jeff Thomson explains.

These goals include an online center for professional development, which will connect members with continuous competency building and learning opportunities, as well as specialty diplomas for areas such as Sarbanes-Oxley Act (SOX) compliance. As part of its strategic plan, IMA is also investing heavily in research and new product development. A psychometric job analysis is being conducted to refine and validate the content of the CMA exam to ensure that it captures current practices and remains the “gold standard” for accountants.

IMA also has recently launched a new suite of e-learning courses for members involved in enterprise risk and internal controls. Additional products and services to be rolled out over the next year in the SOX arena include the specialized diplomas as well as an assessment framework that is more management-friendly compared to current controls assessment frameworks used by corporations. A new cutting-edge ethics course is also being developed and will be launched this year.

## INCLUSIVE MEMBERSHIP

IMA’s membership is also expected to expand, as the organization’s goals include representing a larger segment of the management accounting community. About half of all new members who join accounting associations are women, and the diversification of the profession continues to grow. The fact that surveys on careers, jobs, and salary show accountancy at or near the top is leading to an influx of young, passionate professionals seeking rewarding careers.

“This populous community includes people from all different regions of the world,” Paul Sharman says. “There is no IMA—no community representation—unless we are speaking and behaving in a way that serves the needs of the entire community.”

These demographic trends present the challenge of making the organization relevant for a younger group of professionals who have gained some experience and want to progress and distinguish themselves in the field.

Sharman also believes that as the global economy develops, the role of the management accountant develops. “Making ourselves available to international management accountants and the global business community is the way in which we can best represent the community of management accountants wherever they might be,” he adds.

Many in the international community have already chosen to join. The Middle East alone represents more than 60% of IMA’s rapidly growing international membership. Outreaches to these members will include IMA’s

## STATEMENT OF MISSION

*To provide a dynamic forum for management accounting and finance professionals to develop and advance their careers through certification, research and practice development, education, networking, and the advocacy of the highest ethical and professional practices.*

First Global Conference to be held May 7-10, 2006, in Dubai, United Arab Emirates.

Last fall, IMA announced that it would work jointly with the China Institute of Internal Auditors to establish CMA and CFM training programs in China. This not only increases international membership but promotes the CMA and CFM certifications as an international standard.

“The more we can provide a globally relevant solution to multinational companies and international companies,” says Member Services Vice President Steve Townsend, “the more likely we will be to gain acceptance.”

He explains that establishing an international standard means businesses will be able put all their financial management people on the same platform as far as skills, capability, and knowledge, which allows them to be measured objectively. This creates a significant opportunity for staff development.

IMA also hopes to revitalize its communities, local chapters, and its council system. In addition to building the IMA and CMA brands, the strategic initiative “community building” was one of two critical “table stakes” in crafting IMA’s three-year strategic plan. A table stake simply implies that without a strong brand and focus on building community and revitalizing chapters, IMA won’t be “at the table” as a viable accounting association adding value for members.

“The competition for people’s nonworking time is

very brutal,” Paul Sharman notes. “There’s a huge challenge with that.”

He expects IMA will use the latest technology and training tools to find new ways to engage members. “A lot of us at a certain age think about going to a meeting, but the people my daughter interacts with she may never meet because they’re on the Internet all over the world.”

### MOVING TARGET

As anyone in business knows, having an idea and putting it into action are two completely different things. That’s why the IMA strategic plan is accompanied by a professional, sustainable process to ensure continuity and results.

“It can’t be just a top-down set of strategies and a vision statement by the Board where members and staff are on the receiving end,” Bill Brower says. “A good process engages all stakeholders from the workroom to the boardroom.”

Extensive learning sessions have been held with the IMA staff and Board members so that everyone is coordinating their individual and departmental goals with the three-year strategy. And strategy will be on the agenda of every upcoming Board meeting.

The plan, like business today, is a moving target.

“The difference between the IMA now and before is that we are taking a longer-term view and investing in the future,” Brower says. The process includes a “strategic change portfolio,” which, like an investment portfolio, changes based on circumstances and needs. There’s also a clear understanding that change takes time. As one year ends, a new year gets added into the three-year strategy.

“We will always have a three-year strategic plan,” says Carl Smith, who chaired the Strategic Planning Committee before Bill Brower. And since the seeds of change sown four years ago are just now beginning to grow, there is much more to do.

“It has been a long process, and we’re only really just starting it,” Smith notes. “It has been a very interesting process and, so far, a very good process. Now we have a lot of other things to do—(such as) carry it out.”

The end result is an organization designed to better serve its members.

“Our members can help get engaged in advancing the strategy by being passionate advocates for the profession and their association,” Brower says. “After all, they are our shareholders.” ■

**Note:** For further information about IMA’s plans, you may e-mail Steve Townsend at [stowndsend@imanet.org](mailto:stowndsend@imanet.org).