Dear IMA members,

A critical competency crisis is threatening the management accounting and finance profession. This is a call to action for you—and all other stakeholders—to help develop positive solutions that can shape the future of the profession.

The Accounting Talent Gap

The U.S. Bureau of Labor Statistics says that employment of accountants and auditors in the United States is expected to grow by 16%, or nearly 200,000 new jobs, this decade. At the same time, the ManpowerGroup recently released its eighth annual “Talent Shortage Survey” citing the top 10 jobs that are the hardest for employers to fill. For the third year in a row, “Accounting and Finance” made the list. Where’s the disconnect? It lies between what employers need from accounting and finance staffs and what many undergraduate accounting students learn in school.

The typical accounting curriculum at many U.S. colleges and universities is focused primarily on preparing students for their first job in audit, tax, and compliance. Yet fewer than half of all new accounting graduates will go to work at public accounting firms, and, of those who do, many will move into industry early in their careers. Studies by IMA (Institute of Management Accountants) and other prominent bodies reveal an employer-identified talent gap in critical managerial accounting competencies such as financial planning and analysis, decision analytics, business process improvement, and more. A recent IMA/ACCA (Association of Chartered Certified Accountants) survey of 750 CFOs, “Future Pathways to Finance Leadership,” revealed that future CFOs need broader operational experience and a deeper strategic skill set to meet the evolving needs of business. The profession and the career paths of management accountants and finance professionals are changing, and it’s imperative that education integrates the variety of competencies needed to prepare tomorrow’s leaders.

Ever since the American Accounting Association (AAA) published The Bedford Report—Future Accounting Education: Preparing for the Expanding Profession in 1986, IMA has been dedicated to addressing this talent gap. Most recently, in January 2013, the IMA/AAA Management Accounting Section (MAS) Curriculum Task Force presented its recommendations for an integrated accounting education framework. A balanced and integrated curriculum capturing financial accounting and managerial accounting skill sets, cutting-edge research, volunteer leadership opportunities, relevant continuing education through IMA’s Leadership Academy, and the CMA® (Certified Management Accountant) certification are just some of the ways IMA supports the profession’s talent. But it doesn’t end there.

Be Part of the Solution

Reforming and transforming accounting education to meet the needs of employers and society will take time, as acknowledged in the AAA/AICPA Pathways Commission Report, “Charting a National Strategy for the Next Generation of Accountants.” As such, the call to action and sense of urgency need to be amped up on the path...
forward. It’s up to our profession’s constituents to work together to find solutions and share ideas and best practices. To help foster this conversation, last month IMA launched www.CompetencyCrisis.org. This website is designed to bring together professionals, students, employers, and academics in accounting and finance to encourage discourse, spur action, and create a community dedicated to finding solutions. The site includes online communities on social platforms, including Twitter, Google+, LinkedIn, Facebook, and YouTube. I encourage all of you to become familiar with the competency crisis issue and take part in the discussion.

Has the talent gap affected you? How can we support professionals in their career growth? What are your thoughts? Please e-mail me at jthomson@imanet.org.

Sincerely,
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