



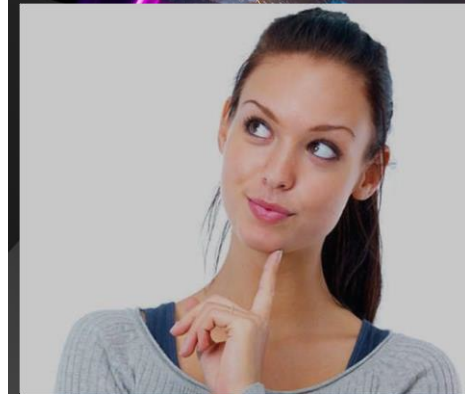
The Future of Finance

CIMA Professional Qualification: Competency Framework and Syllabus

November 2022

Objectives

- Introduction to research
- Overview of changes and updates to the CGMA Competency Framework and CIMA Professional Qualification
- Why mindsets matter
- Identify key topics new to the 2019 Syllabus at each level
- How technology, automation and digitalisation are incorporated into the syllabus



Future of Finance Research

Background

Relevant and rigorous research that provides insights into the future of finance and updates both the CGMA Competency Framework and CIMA Professional Qualification

The research

- A three-stage process that provides rigour and validity
- Employer interviews with senior finance professionals across a wide range of industries, sizes and locations
- A series of employer round table events to test initial findings- 50 held globally
- A global survey to members, students, academics and other key stakeholders to verify findings – 5,000 responses received

Research indicates change is driven by...



Globalisation



Geopolitics



Consumer
empowerment

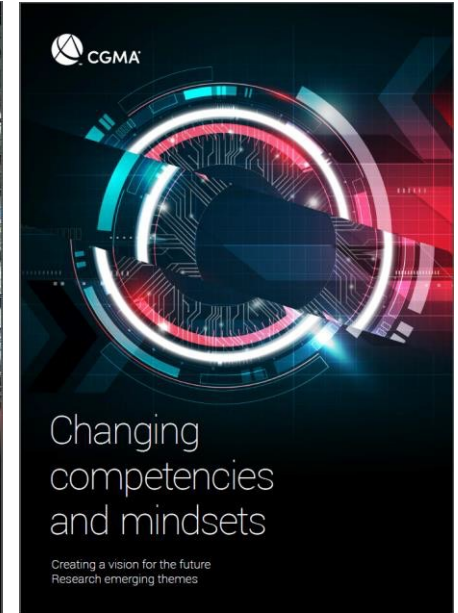
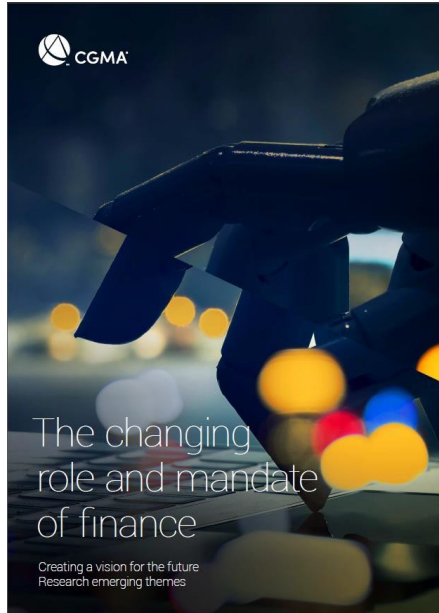


Technology

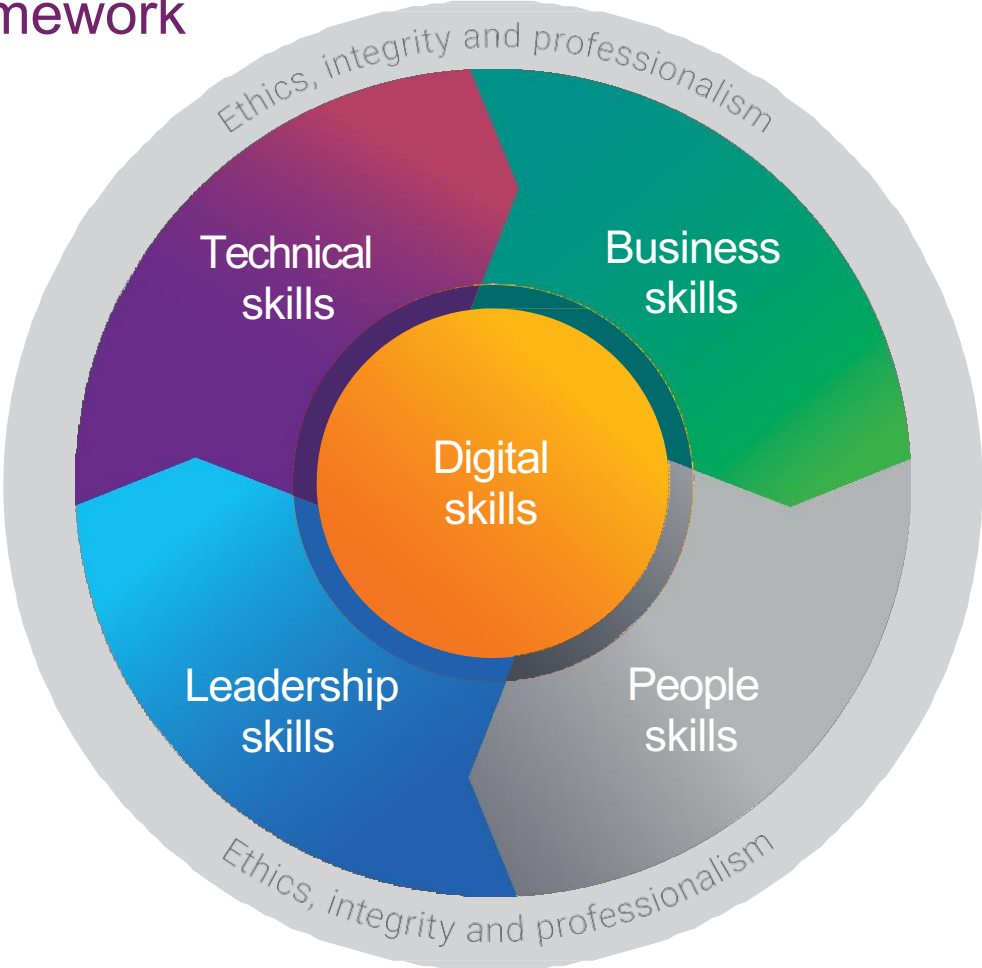


Demography

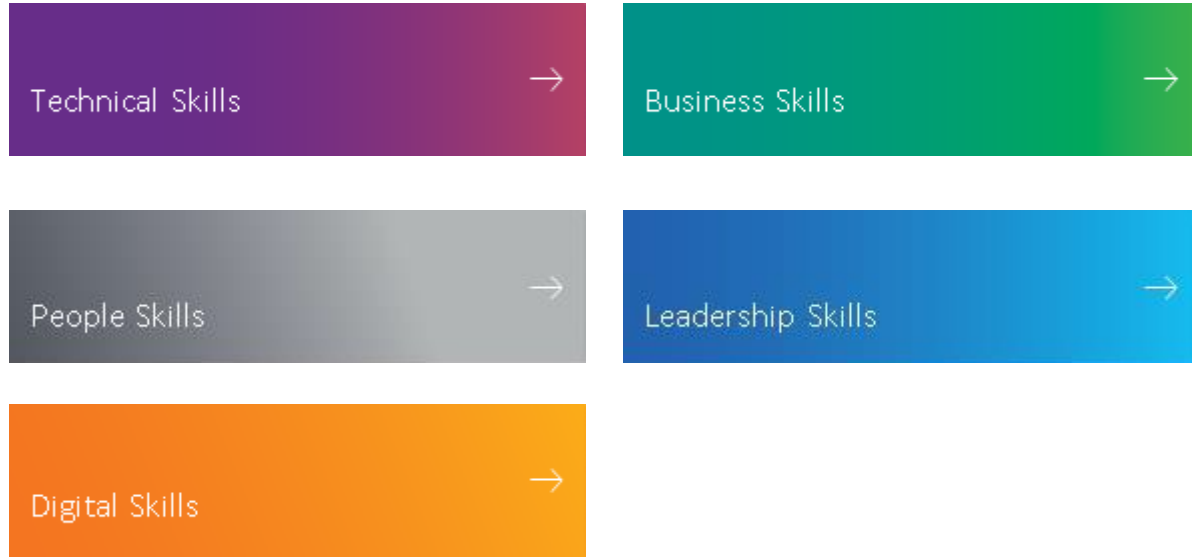
Creating a vision for the future



Revised CGMA Competency Framework



Knowledge areas of the CGMA Competency Framework



Proficiency Levels

Foundational
(Entry Level)

Intermediate
(Supervisor/Manager)

Advanced
(Senior Manager)

Expert
(Executive/C-suite)

Technical Skills

Foundational: This requires a basic understanding of the business structures, operations and financial performance, and includes responsibility for implementing and achieving results through own actions rather than through others.

Intermediate: This requires a moderate understanding of overall business operations and measurements, including responsibility for monitoring the implementation of strategy. This has limited or informal responsibility for colleagues and/or needs to consider broader approaches or consequences.

Advanced: This requires strong understanding of the organisation's environment, current strategic position and direction with strong analytical skills and the ability to advise on strategic options for the business. This includes formal responsibility for colleagues and their actions; and that their decisions have a wider impact.

Expert: This requires expert knowledge to develop strategic vision and provide unique insight in to the overall direction and success of the organisation. This has formal responsibility for business areas and his/her actions and decisions have a high-level strategic impact.

Financial accounting and reporting

Cost accounting and management

Business planning

Management reporting and analysis

Corporate finance and treasury
management

Risk management and internal control

Accounting information systems

Tax strategy, planning and compliance

Technical skills →

Business skills >

People skills >

Leadership skills >

Digital skills >

Cost Accounting and Management

Digital Costing

This is the process of recording costs related to digital products and services, for decision-making in the organisation

Foundational

- Understand the basic features of digital products and apply costing techniques to digital products

Intermediate

- Analyse the structure, behaviour and drivers of digital products and digital channels.
- Apply costing techniques to digital channels

Advanced

- Analyse the structure, behaviour and drivers of bundled products that combine digital and non-digital features
- Apply costing techniques to the profitability of omni-channels.

Expert

- Advise on costing methodologies and systems for products and channels that have both digital and non-digital features.

Digital Skills

Foundational: This requires a basic understanding of the business structures, operations and financial performance, and includes responsibility for implementing and achieving results through own actions rather than through others.

Intermediate: This requires a moderate understanding of overall business operations and measurements, including responsibility for monitoring the implementation of strategy. This has limited or informal responsibility for colleagues and/or needs to consider broader approaches or consequences.

Advanced: This requires strong understanding of the organisation's environment, current strategic position and direction with strong analytical skills and the ability to advise on strategic options for the business. This includes formal responsibility for colleagues and their actions; and that their decisions have a wider impact.

Expert: This requires expert knowledge to develop strategic vision and provide unique insight to the overall direction and success of the organisation. This has formal responsibility for business areas and his/her actions and decisions have a high-level strategic impact.

Information and digital literacy

Digital content creation

Problem-solving

Data strategy and planning

Data analytics

Data visualisation

Technical skills



Business skills



People skills



Leadership skills



Digital Skills



Digital Visualisation

This is the process of applying existing and developing new visualisation solutions and dashboards to provide solutions for specific business techniques.

Foundational

- Apply visualisation techniques and tools for existing data set and applications

Intermediate

- Use multiple visualisation techniques and languages for existing and new analytics applications and processes
- Develop simple dashboards

Advanced

- Develop new visualisation solutions and advanced dashboards

Expert

- Define best visualisation approach and solutions for specific business issues.
 - Use multiple techniques to create interactive dashboards
-

A finance professional mindset for the digital age



Syllabus in the context of the structure and shape of the finance function

Beyond the scope of the syllabus
To be covered by CPD

Strategic Leadership of
the finance team to
achieve desired impact

Strategic Level

Strategic Partnership through
interaction with internal and external
stakeholders to influence and shape
how the organisation creates and
preserves value

Management Level

Technical specialists generate
insights about value creation and
preservation in their respective
areas

Operational Level

Managing processes and applying
accounting rules to assemble and
extract data to provide information
and insight

AWARD: Membership of the Chartered Institute of Management Accountants (ACMA/FCMA) and the CGMA® designation



Assessment of practical experience requirements (PER)

Strategic Level

Strategic Case Study Exam

E3

Strategic Management

P3

Risk Management

F3

Financial Strategy

Management Level

AWARD: CIMA Advanced Diploma in Management Accounting (CIMA Adv Dip MA)

Management Case Study Exam

E2

Managing Performance

P2

Advanced Management Accounting

F2

Advanced Financial Reporting

Operational Level

AWARD: CIMA Diploma in Management Accounting (CIMA Dip MA)

Operational Case Study Exam

E1

Managing Finance in a Digital World

P1

Management Accounting

F1

Financial Reporting

Enterprise pillar

Performance pillar

Financial pillar

Certificate Level

AWARD: CIMA Certificate in Business Accounting (CIMA Cert BA)

BA1

Fundamentals of Business Economics

BA2

Fundamentals of Management Accounting

BA3

Fundamentals of Financial Accounting

BA4

Fundamentals of Ethics, Corporate Governance and Business Law

Practical experience / lifelong learning

Highlights of Changes in 2019 Syllabus: new topics in bold

E3: Strategic Management

- A. The strategy process
- B. Analysing the organisational ecosystem
- C. Generating strategic options
- D. Making strategic choices
- E. Strategic control
- F. **Digital strategy**

P3: Risk Management

- A. Enterprise risk
- B. Strategic risk
- C. Internal controls
- D. **Cyber risks**

F3: Financial Strategy

- A. Financial policy decisions
- B. Sources of long term funds
- C. **Financial risks**
- D. Business valuation

E2: Managing Performance

- A. Business models and value creation
- B. Managing people performance
- C. Managing projects

P2: Advanced Management Accounting

- A. Managing the costs of creating value
- B. Capital investment decision making
- C. Managing and controlling the performance of organisational units
- D. Risk and control

F2: Advanced Financial Reporting

- A. Financing capital projects
- B. Financial reporting standards
- C. Group accounts
- D. **Integrated reporting**
- E. Analysing financial statements

E1: Managing Finance in a Digital World

- A. Role of the finance function
- B. Technology in a digital world
- C. Data and information in a digital world
- D. Shape and structure of the finance function
- E. Finance interacting with the organisation

P1: Management accounting

- A. **Cost Accounting for decision and control**
- B. Budgeting and budgetary control
- C. **Short-term commercial decision-making**
- D. Risk and uncertainty in the short term

F1: Financial Reporting

- A. Regulatory environment of financial reporting
 - B. Financial statements
 - C. Principles of taxation
 - D. Managing cash and working capital
-

Heat map of changes to syllabus

Strategic Management

New content added and some existing content dropped

Risk Management

New content and some existing content moved to Financial Strategy

Financial Strategy

Financial Strategy from Risk Management and digital focus for existing content

Managing Performance

New content added and some existing content dropped

Advanced Management Accounting

Same broad areas

Advanced Financial Reporting

New content and digital focus for existing content

Managing Finance in a Digital World

New content and orientation

Management Accounting

Same broad areas but with digital focus

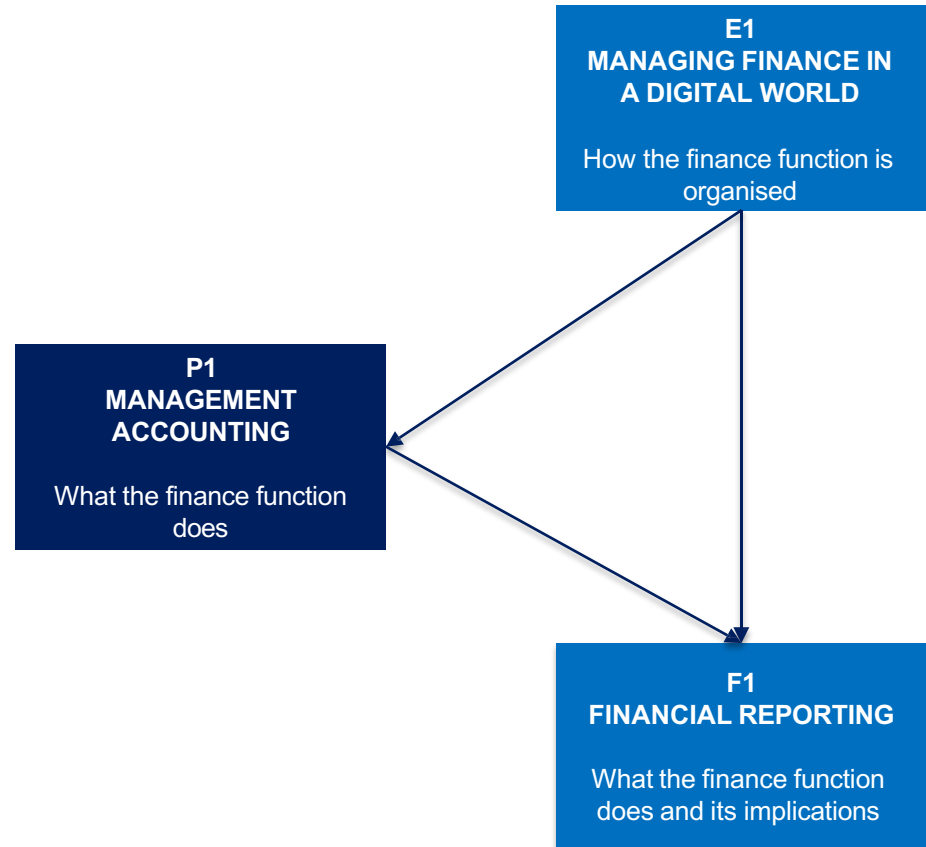
Financial Reporting

Minimal change

Operational Level Summary

On completion candidates should be able to work with others in the organisation and use appropriate data and technology to: translate medium term decisions into short term actionable plans; analyse new situations that arise in the short term to support decisions that create further value for the organisation; evaluate and manage risks associated with the short term; and report on the performance, position and prospects of organisations.

- Narrow scope
- Financial but some quantitative non-financial information
- Past and present
- Short term
- Implementation of decisions and analysis of short-term decisions
- Internal orientation
- Focus on details rather than the big picture
- Information and some insight







E1

2015 SYLLABUS

E1: Organisational Management	
A	Introduction to organisations
B	Managing the finance function
C	Managing technology and information
D	Operations management
E	Marketing
F	Managing human resources

2019 SYLLABUS

E1: Managing Finance in a Digital World		
A	Role of the finance function ●	20%
B	Technology in a digital world	20%
C	Data and information in a digital world	20%
D	Shape and structure of the finance function	20%
E	Finance interacting with the organisation	20%

-  No longer in the syllabus
-  In the previous syllabus
-  New to the updated syllabus
-  In the previous syllabus but now with digital focus

The approach has been modified in the new E1 A to bring additional focus on digital issues

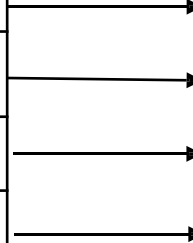
P1





2015 SYLLABUS

P1: Management Accounting	
A	Cost accounting systems
B	Budgeting and budgetary control
C	Short-term decision making
D	Dealing with uncertainty in the short term

2019 SYLLABUS

P1: Management Accounting	
A	Cost accounting for decision and control ● 30%
B	Budgeting and budgetary control 25%
C	Short-term commercial decision making ● 30%
D	Risk and uncertainty in the short term 15%



-  No longer in the syllabus
-  In the previous syllabus
-  New to the updated syllabus
-  In the previous syllabus but now with digital focus

● The approach has been modified in the new P1 to focus on digital issues




F1

2015 SYLLABUS

F1: Financial Reporting & Taxation	
A	Regulatory environment
B	Financial accounting and reporting
C	Working capital and cash management
D	Fundamentals of business taxation

2019 SYLLABUS

F1: Financial Reporting		
A	Regulatory environment of financial reporting	10%
B	Financial statements*	45%
C	Principles of taxation	20%
D	Managing cash and working capital	25%

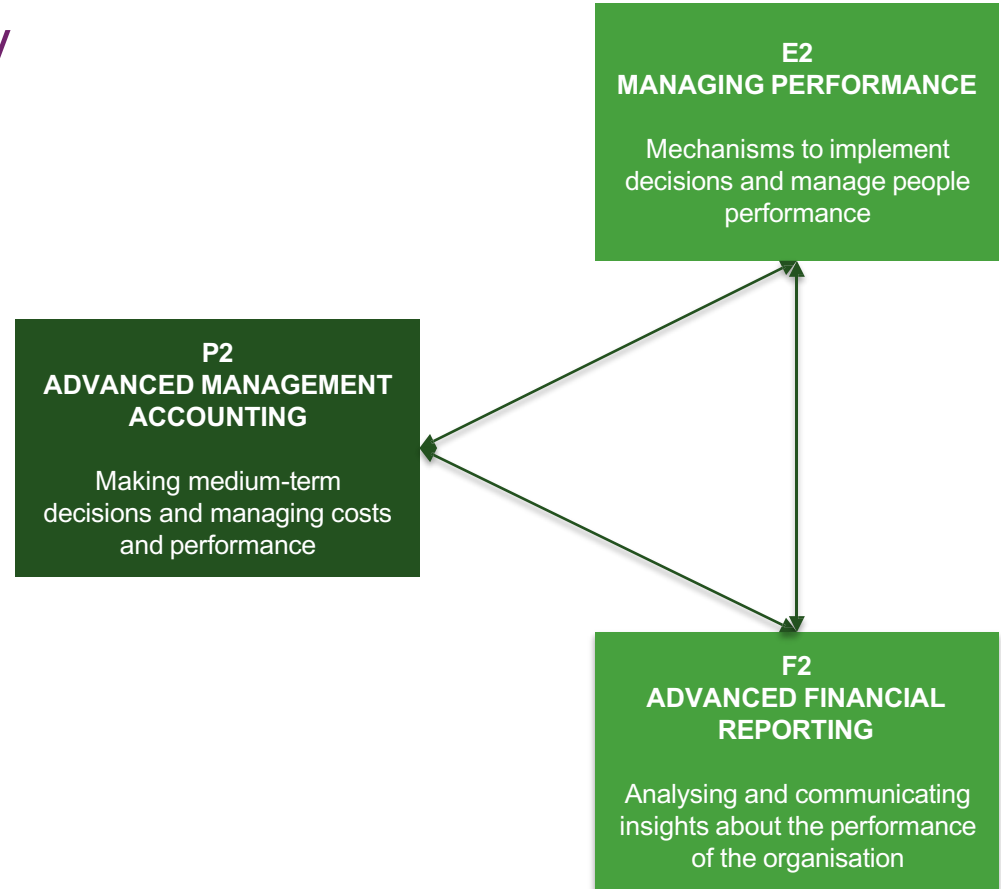
-  No longer in the syllabus
-  In the previous syllabus
-  New to the updated syllabus

* Group accounts have been removed from the previous syllabus and placed in F2

Management Level Summary

On completion candidates should be able to use data and relevant technology to: manage organisational and individual performance; translate long term decisions into medium-term plans; allocate resources to implement decisions; monitor and report implementation of decisions; provide feedback up and down the organisation; prepare and interpret financial statements to show the performance, position and prospects of their organisations.

- Wider scope
- Integrated within limits
- Financial and quantitative non-financial
- Link present to past and future
- Medium term
- Monitor implementation of decisions
- Internal (whole organisation)
- Lesser detail but broader picture
- Insight



E2


2015 SYLLABUS


E2: Project and Relationship Management	
A	Introduction to strategic management*
B	Human aspects of organisations
C	Managing relationships
D	Managing change through projects

2019 SYLLABUS

E2: Managing Performance		
A	Business models and value creation	30%
B	Managing people performance	40%
C	Managing projects	30%

 No longer in the syllabus

 In the previous syllabus

 New to the updated syllabus

* Introduction to strategic management has been incorporated into E3

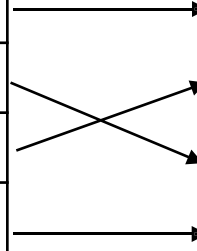
P2





2015 SYLLABUS

P2: Advanced Management Accounting	
A	Cost planning and analysis
B	Performance management of responsibility centres
C	Long term decision making
D	Management control and risk

2019 SYLLABUS

P2: Advanced Management Accounting			
A	Managing the costs of creating value	●	20%
B	Capital investment decision making	●	35%
C	Managing performance of organisational units	●	30%
D	Risk and control		15%



-  No longer in the syllabus
-  In the previous syllabus
-  New to the updated syllabus
-  In the previous syllabus but now with digital focus





F2

2015 SYLLABUS

F2: Advanced Financial Reporting	
A	Sources of long-term finance
B	Financial reporting
C	Analysing financial statements

2019 SYLLABUS

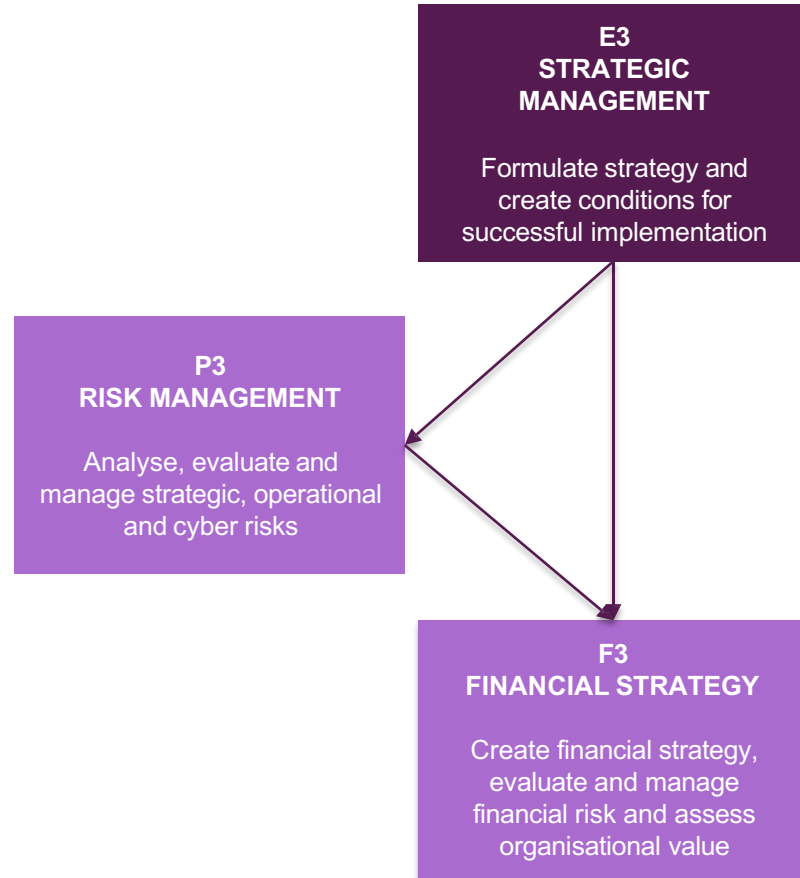
F2: Advanced Financial Reporting		
A	Financing capital projects	15%
B	Financial reporting standards	25%
C	Group accounts	25%
D	Integrated Reporting	10%
E	Analysing financial statements	25%

-  No longer in the syllabus
-  In the previous syllabus
-  New to the updated syllabus
-  In the previous syllabus but now with digital focus

Strategic Level Summary

On completion candidates should be able to: support organisational leaders to craft strategy; evaluate and manage risks that might prevent organisations from successfully implementing strategy; value organisations; and source financial resources required to implement of strategy.





- Wide scope
- Fully Integrated
- Financial and both quantitative and qualitative non-financial
- Future and some present
- Long term
- Decision making
- External combined with internal (whole organisation)
- Aggregate (less details)
- Influence



E3

2015 SYLLABUS

E3: Strategic Management	
A	Organisational environment
B	Strategic position and options
C	Leading change
D	Implementing strategy
E	Role of information systems in organisational strategy

-  No longer in the syllabus
-  In the previous syllabus
-  New to the updated syllabus
-  In the previous syllabus but now with technology focus

2019 SYLLABUS

E3: Strategic Management		
A	The strategy process	15%
B	Analysing the organisational ecosystem	 20%
C	Generating strategic options	15%
D	Making strategic choices	15%
E	Strategic control	20%
F	Digital strategy	15%


P3

2015 SYLLABUS

P3: Risk Management	
A	Risk identification and evaluation
B	Responses to strategic risk
C	Internal controls to manage risks
D	Cash flow risks* (Moved to New F3)
E	Capital investment decision risks* (Moved to New F3)

 No longer in the syllabus

 In the previous syllabus

 New to the updated syllabus

2019 SYLLABUS

P3: Risk Management		
A	Enterprise risk	25%
B	Strategic risk	25%
C	Internal controls	25%
D	Cyber risks	25%

* Cash flow risks and capital investment decision risks have been moved from P3 to F3 and relabelled as Financial Risks.

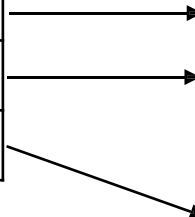
F3





2015 SYLLABUS

F3: Financial Strategy	
A	Formulating financial strategy
B	Financing and dividend decisions
C	Corporate finance

2019 SYLLABUS

F3: Financial Strategy		
A	Financial policy decisions	15%
B	Sources of long term funds	25%
C	Financial risks	20%
D	Business valuation	40%



-  No longer in the syllabus
-  In the previous syllabus
-  New to the updated syllabus
-  In the previous syllabus but now with focus on intangibles

1. Financial risks have been introduced into this model. It comprises cash flow risks and capital investment decision risks that was in P3 of the 2015 syllabus
2. Additional focus is being placed on Valuation of Intangibles under business valuation



Blueprints workshop

CIMA Professional Qualification



Thank you