

## 3 Questions with AICPA's Arleen Thomas

Management accountants play an increasingly important role in today's evolving business environment, both in terms of driving sustainability as well as leveraging the full value of financial and non-financial assets. In response, the American Institute of Certified Public Accountants (AICPA) and the Chartered Institute of Management Accountants (CIMA) have teamed up to create a new professional designation for the accounting profession, the Chartered Global Management Accountant (CGMA). AICPA's senior vice president of management accounting, Arleen Thomas, CPA, CGMA, shares with us more detail on the designation and what prompted its creation.

### **What is the goal of the new CGMA designation and why is now the right time for its introduction?**

The CGMA designation was created through a joint venture of the AICPA and the CIMA because we saw a need for management accountants to play a critical role in driving sustainable businesses. Business is in flux amid unprecedented economic, technological and social change. Business leaders need professionals who can bridge strategy and finance to unlock the value of both financial and non-financial assets, including people, brand and ideas.

According to our research, three-quarters of the world's CEOs say more emphasis should be placed on measuring the value of non-financial assets such as intellectual capital and customer relationships to drive long-term performance. But just 51 percent of nearly 300 CEOs surveyed in 21 countries say their organizations currently measure the value of non-financial assets well or very well. And only 12 percent now turn to their finance teams for help with the task. CGMA demonstrates the skill-set needed to meet these challenges.

### **Who is eligible and how does one earn the designation?**

In general, those eligible for the CGMA designation must be AICPA voting members with at least three years of management accounting experience or be members of CIMA. Complete information on qualifications is available at [www.cgma.org](http://www.cgma.org). CGMAs in the U.S. have passed the four-part Uniform CPA Examination. CGMAs outside U.S. have completed the CIMA curriculum which includes 10 professional qualification exams. An additional CGMA competency assessment will be added in 2015.

### **There has been some criticism expressed over plans to grandfather in CPAs who meet certain criteria and over the free six-month auto enrollment period without any competency testing. What is the AICPA/CIMA response to those criticisms?**

AICPA and CIMA are two of the world's most prestigious accounting organizations. Together we have 200 years of history and a presence in 21 countries. We've partnered to make CGMA the premier designation for management accountants worldwide and established quality standards so that an employer in Mumbai, for instance, will know that a CGMA there is equivalent to a CGMA in New York or elsewhere. All CGMA designees have at least three years of management accounting experience. They've either trained as a CPA or completed the CIMA curriculum and passed rigorous exams. The Uniform CPA Examination is a 14-hour, four-part exam that only a third of those who begin successfully complete. The CIMA curriculum includes a battery of 10 exams. In addition, CGMA designees must be members of AICPA or CIMA, which binds them to strict and comprehensive codes of conduct.