



Together as the Association of International  
Certified Professional Accountants

CGMA<sup>®</sup>

Competency

Framework

2019 Update

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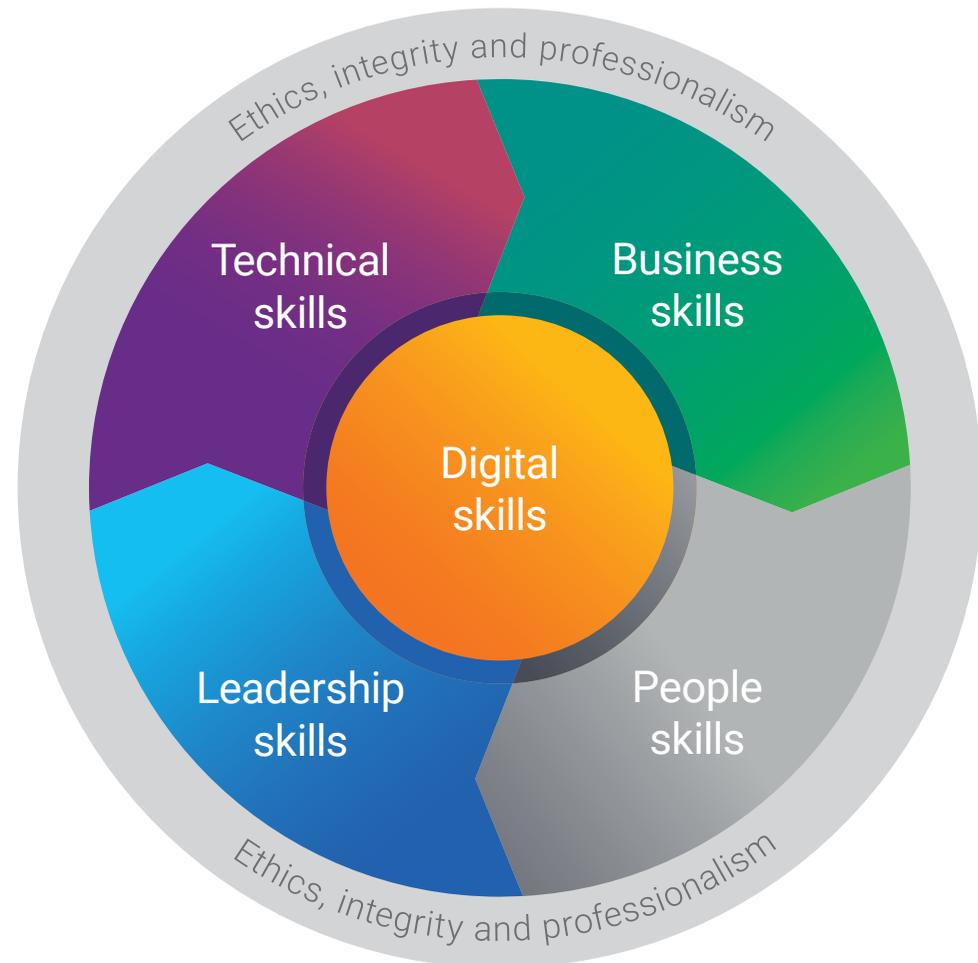
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# About the CGMA Competency Framework

The CGMA Competency Framework is designed to help management accountants and their employers understand the knowledge requirements and assess the skills needed for both current and desired roles. The framework is underpinned by the need for objectivity, integrity and ethical behaviour, and includes a continuous commitment to acquiring new skills and knowledge. The CGMA Competency Framework is the foundation that will demonstrate the relevance and capabilities of a CGMA as a trusted finance and business strategist.

## The development of the CGMA Competency Framework

The CGMA Competency Framework was developed through three phases of research: face-to-face interviews, round tables and an online survey. The participants were finance and non-finance staff at mid to senior levels, from diverse industries in both the private and public sectors. A total of 130 organisations from across 14 countries participated in the face-to-face interviews. The round tables were held in 20 countries from Asia, Europe, Africa and the Americas. Nearly 5,000 responses were received to the online survey, including CIMA members, employers, candidates, the wider finance community and academics.

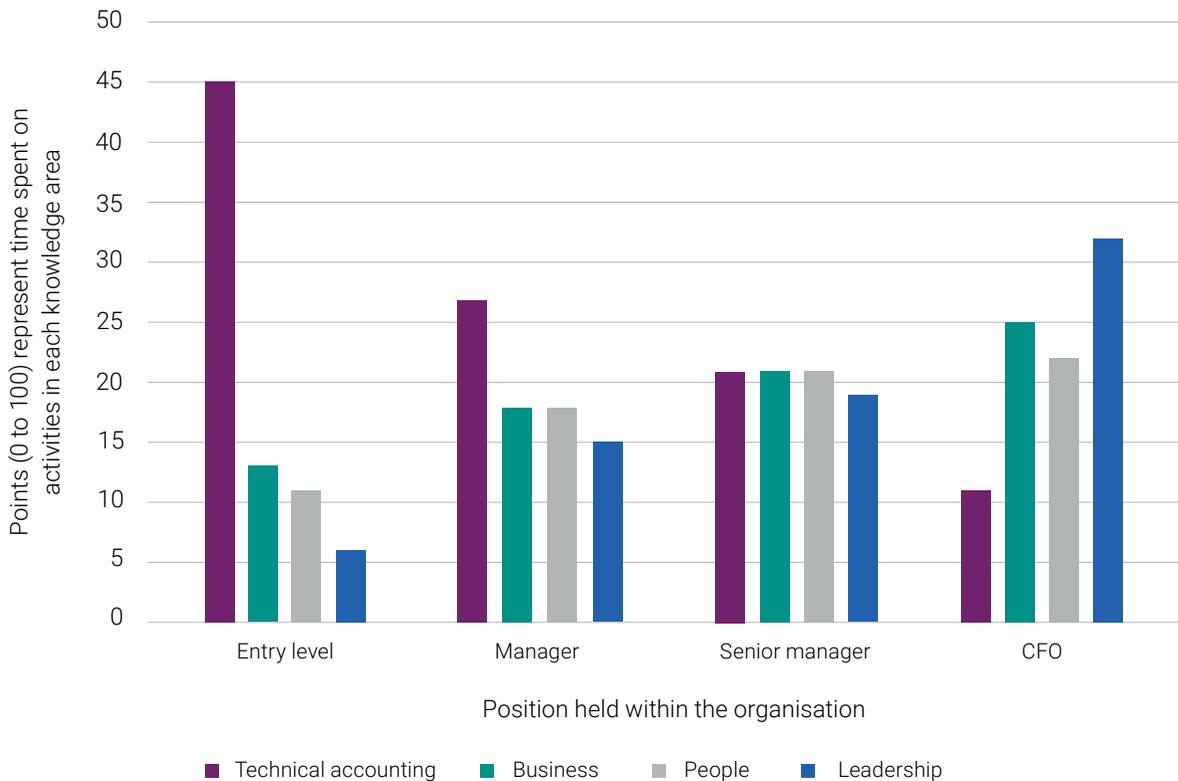


The framework is the underpinning of the CIMA's CGMA Syllabus, which is examined through objective tests and case study exams. While the framework highlights the range of skill sets of CGMA professionals, it also allows employers to define what is expected in various functions and roles, as well as enabling educators to better prepare students to become well-rounded management accountants.

The framework is composed of knowledge areas, and each of these includes a series of competencies that are defined at four proficiency

levels: Foundational, Intermediate, Advanced and Expert. Each competency prescribes a series of skill sets to assist in the CGMA's professional development. The relative weight of each knowledge area relates to the importance of the defined skill sets at each proficiency level. The global round-table participants that took part in the research phase of the framework stressed the need for the competencies to be seen as integrated. Participants in all three phases of the research also affirmed the need for all the competencies to be underpinned by ethics, integrity and professionalism. Based on the

survey responses, the graph on the right shows the activities in which respondents currently spend their time, depending on their role within the organisation. It is anticipated that these will alter as technology and digitalisation continue to affect the role of the finance professional. In an increasingly digital world, finance professionals need mindsets and behaviours to deal with complexity, work in an agile way, be creative and be committed to lifelong learning – to learn, unlearn and relearn to ensure relevance. The framework supports the concept of lifelong professional learning and experience.



# How the CGMA Competency Framework is defined

## Knowledge areas:

The different but interdependent areas defined by the research as essential to the finance professional.

**Technical skills** enable finance professionals to collect, store, process and analyse information to be shared with various stakeholders. These include the preparation and dissemination of external and internal reports as per the professional accounting standards.

**Business skills** enable finance professionals to use their knowledge of the business and the ecosystems in which it operates to transform data into insights. This allows businesses to evaluate their strategic positioning, the alignment of their business models to their strategies, their performance and opportunities for the future.

**People skills** and the ability to communicate effectively are used to influence the decisions, actions and behaviours of decision-makers and others throughout the organisation and its stakeholders. The ability to collaborate and work with partners is also a key skill.

**Leadership skills** take place at various levels. Three types of leadership can be identified as peer, functional and strategic. Peer leadership involves leading peers in and out of the finance function on issues that require an understanding of the financial implications of events and issues in the organisation's internal and external operating environments. Functional leadership refers to the leadership that ensures the finance function delivers its objectives to the organisation. It takes place from the intermediate level onward,

but mostly at the advanced level. Strategic leadership is exercised at the strategic level. Experts join with leaders in other functional areas to define, formulate and oversee the implementation of the organisation's strategy.

**Digital skills** are essential for finance professionals, from basic digital literacy through to a deeper expertise in cloud computing, cybersecurity, data analytics and digital costing. If finance professionals are to remain relevant, they need to keep pace with advances in technology and be able to manage and guide the finance function in a digital world. As well as being a standalone knowledge area, digital skills permeate throughout the other knowledge areas.

## Competency category:

The group under which the competencies fall, i.e. 'Financial accounting and reporting', is a competency category in the Technical Skills knowledge area.

Note: The Technical Skills area has a further sub-category due to the number of topics falling into this section – i.e. 'Professional accounting standards' is a sub-category of 'Financial accounting and reporting'.

## Competencies:

The specific tasks and functions that fall under the different knowledge areas, and the requirements across four proficiency levels. For example, competencies concerned with the competency category Team Building fall under the Leadership Skills knowledge area.

## Proficiency levels:

Each competency can be performed at four levels of proficiency. In some cases, the proficiency levels are linked to levels of the organisation's hierarchy.

**Foundational (Staff/Entry level)** – This is responsible for achieving results through own actions rather than through others.

**Intermediate (Supervisor/Manager)** – This has limited or informal responsibility for colleagues and/or needs to consider broader approaches or consequences.

**Advanced (Senior Manager)** – This has formal responsibility for colleagues and their actions, and that their decisions have a wider impact.

**Expert (Executive/C-suite)** – This has formal responsibility for business areas, and his/her actions and decisions have a high-level strategic impact.

## Skills weightings:

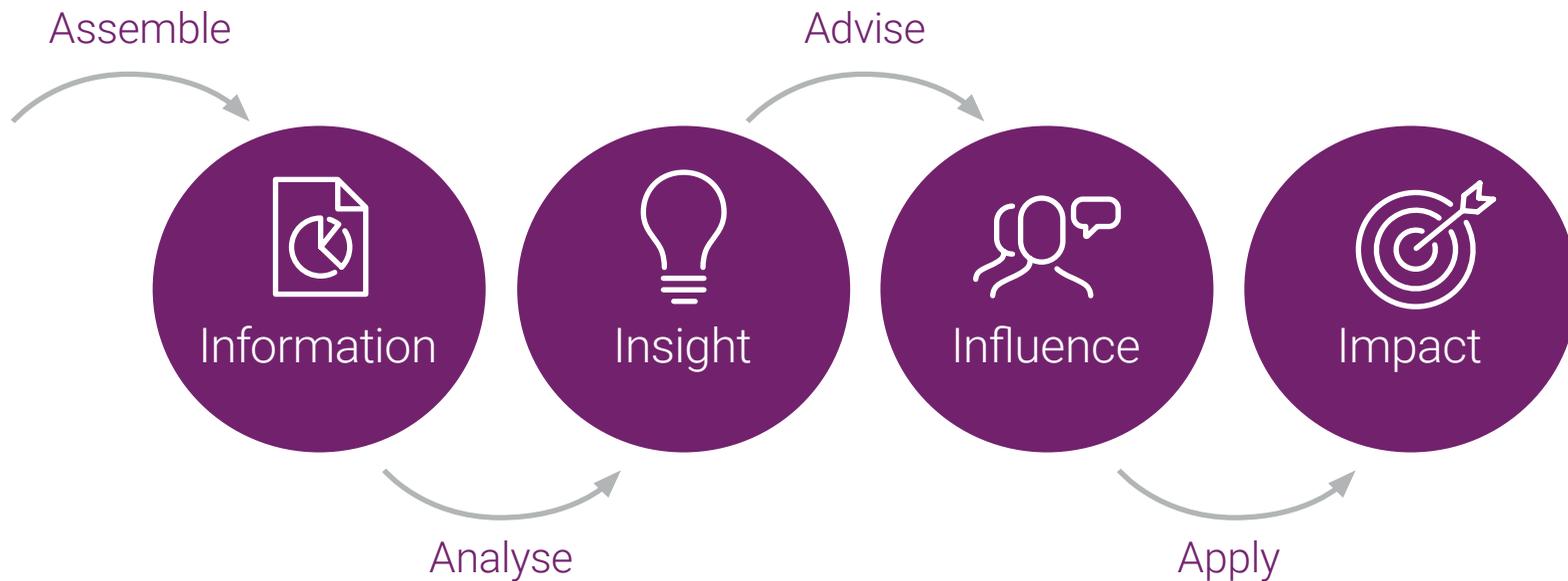
The results of the research have shown that the requirement and usage of knowledge and skills varies throughout the career of a finance professional. The results indicated that the importance of technical skills is high at Foundational level but reduces as the finance professional progresses through their career. For someone operating at the advanced level, the technical skills requirement will be lower and there will be a greater emphasis on leadership skills. Digital skills are expected to be key for finance professionals, although the focus will become more strategic as they progress through their career.

# The role of the finance professional

## From information to impact ...

Finance professionals are expected to add value to an organisation. This can be done through a process of:

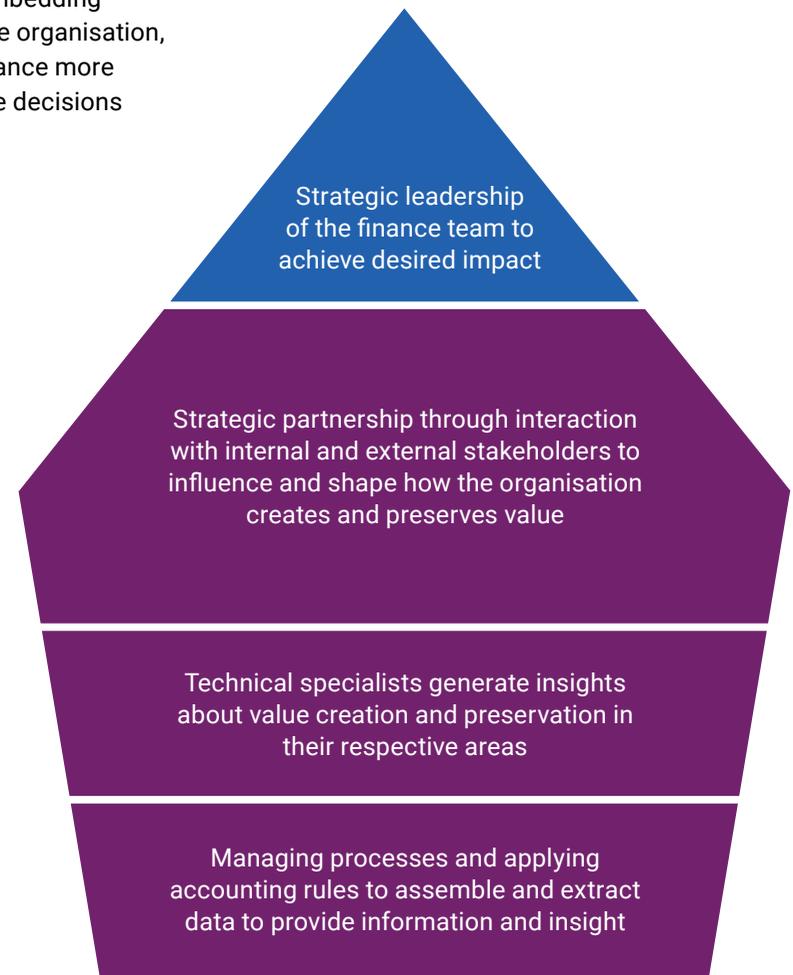
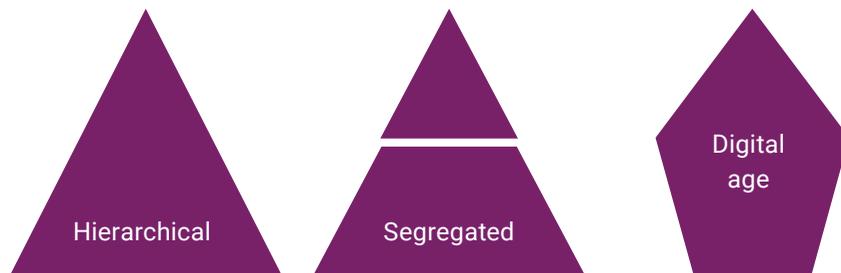
- (a) Assembling information – Unstructured data from a range of relevant sources is collected and cleaned from its raw format and assembled into meaningful information.
- (b) Generating insights – Analysis of both financial and non-financial information leads to insights needed to improve the performance of the organisation.
- (c) Influencing decision-makers – Insights are obtained and then used to advise and influence relevant stakeholders within the organisation.
- (d) Achieving impact – Management accountants use enabling and control systems (e.g. strategic planning, budgeting and performance reviews) to guide actions and help ensure the required impact is achieved.



## The structure of the finance function

Traditionally, the predominant structure of the finance function is one in which all finance work is done in-house under one department/directorate in a hierarchical structure. In more recent times, an emerging structure used increasingly by large organisations splits the finance function into Shared Service Centres (SSCs) and retained finance, creating a segregated structure. In an increasingly digital age, the shape and structure of the finance function is being changed because of technology and automation. Transactional and repetitive tasks are being automated, meaning that accountants are moving away from clerical work and interacting more with stakeholders to influence how the organisation creates and

preserves value. Finance professionals are operating as business partners, embedding themselves in different areas of the organisation, engaging with those outside of finance more frequently and seeking to influence decisions and actions more directly.



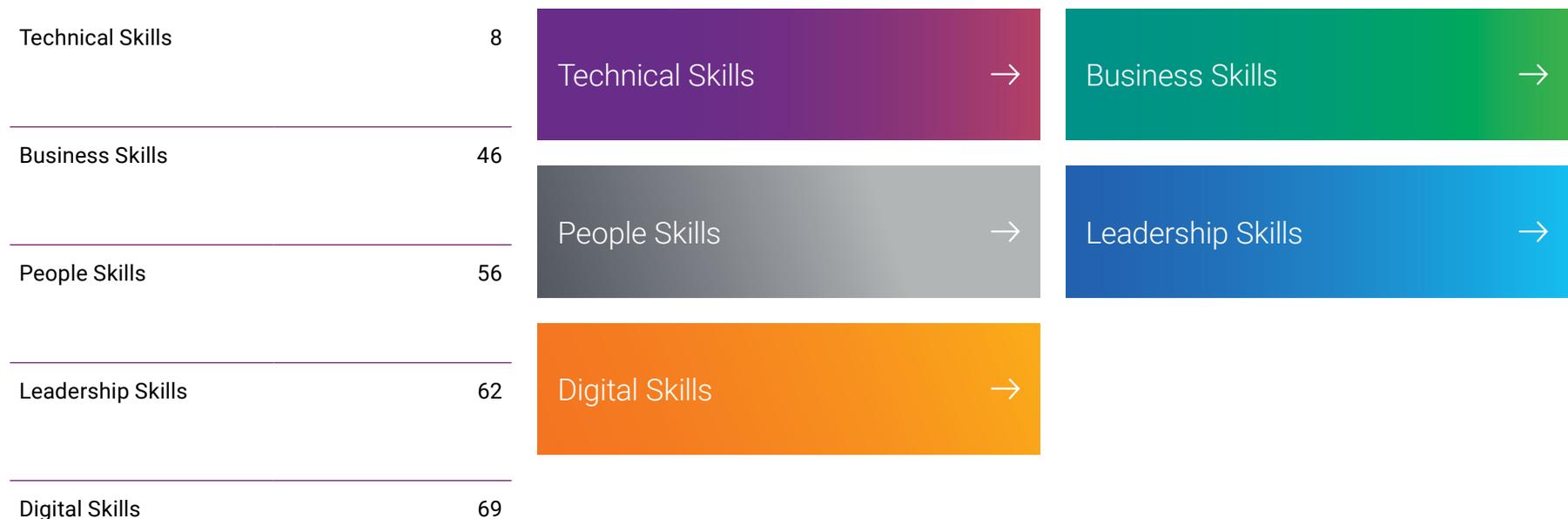
# CGMA Competency Framework – Proficiency levels

**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 a 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.



# CGMA Competency Framework

## Technical Skills

# Technical Skills

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# Financial accounting and reporting

## Professional accounting standards

This ensures that the organisation conducts operations and fulfils its statutory and regulatory obligations according to professional accounting standards (domestic and/or international as applicable per business model).

### Foundational

- Demonstrate awareness and knowledge of the professional accounting standards.
- Apply those principles to accurately record financial transactions and maintain appropriate supporting documentation.

### Intermediate

- Review the accuracy and legitimacy of recorded financial transactions and related reports.
- Assist in developing and implementing new accounting and reporting pronouncements and determine the resulting impact.
- Recommend appropriate accounting and reporting treatment for certain transactions.

### Advanced

- Demonstrate advanced-level understanding of accounting standards.
- Develop, manage and execute plans for implementation of new or updated accounting and reporting pronouncements.
- Identify potential issues associated with unusual or complex transactions, review and approve the appropriate treatment.

### Expert

- Oversee accounting standards selected and implemented by the organisation.
- Identify potential issues associated with proposed accounting and reporting rules.

# Financial accounting and reporting

## Transactional accounting and closing processes

This is the process of recording, adjusting and reconciling financial transactions and events according to professional accounting standards.

Foundational	Intermediate	Advanced	Expert
<ul style="list-style-type: none"> <li>• Perform all activities within the receivables process; calculate non-complex provisions using appropriate methods; identify risks of bad debts.</li> <li>• Perform all activities within the payables process.</li> <li>• Perform month-end close activities and provide accurate and timely financial submissions.</li> <li>• Reconcile sub-ledgers to general ledger and perform other related account reconciliations; evaluate accounts for legitimacy and balance substantiation.</li> <li>• Understand the different components and interdependencies of the organisation's chart of accounts.</li> </ul>	<ul style="list-style-type: none"> <li>• Oversee the receivables process; identify ways to mitigate debt-related risks; calculate the impact of debtors on financial ratios; calculate non-routine provisions.</li> <li>• Oversee the payables process; calculate the impact of creditors on financial ratios.</li> <li>• Oversee all month-end close processes and activities.</li> <li>• Reconcile complex accounts involving inconsistent data from non-integrated systems.</li> <li>• Define new general ledger accounts and ensure proper maintenance of the organisation's chart of accounts.</li> </ul>	<ul style="list-style-type: none"> <li>• Resolve exceptional situations in the receivables process; calculate complex provisions; advise on debtor risk mitigation methods.</li> <li>• Manage centralised, complex accounts payable processes; advise on implications of creditor profile on the business performance, as well as alternative processes related to payables.</li> <li>• Simplify, improve and harmonise existing and complex processes and systems for account reconciliations and month-end closing.</li> <li>• Define and design effective charts of accounts.</li> <li>• Ensure effective accounting processes and implement changes consistent with best practices.</li> </ul>	<ul style="list-style-type: none"> <li>• Design receivables and payables processes and relevant strategies according to best practices.</li> <li>• Produce guidelines and policy for accounting operations; formulate risk mitigation strategies for bad debts.</li> <li>• Provide advice on process improvement, governance and exceptional situations.</li> <li>• Strategically lead implementation of the design and function of the organisation's chart of accounts according to best practice.</li> <li>• Design processes and relevant strategies according to best practice and produce corporate guidelines on provisions.</li> </ul>

# Financial accounting and reporting

## Financial reporting and compliance

This is the process of creating internal and external financial reports for individual entities or groups using appropriate accounting and/or regulatory requirements.

### Foundational

- Understand and describe the main elements of financial statements and reports.
- Understand general compliance requirements and provide accurate and timely financial submissions.

### Intermediate

- Prepare financial statements and reports and ensure accuracy, completeness and compliance with reporting requirements.
- Identify potential compliance issues and recommend solutions to upper management; ensure timely completion of financial reporting requirements.

### Advanced

- Ensure integrity, accuracy and completeness of financial statements; discuss the need for and nature of appropriate disclosures.
- Implement efficient process changes consistent with best practices; create a corporate culture of compliance and shared accountability.

### Expert

- Advise on the ethical selection and adaptation of relevant accounting policies and estimates.
- Ensure full organisational compliance.

# Cost accounting and management

## Cost accounting

This is the process of recording costs with associated drivers in the production, analysis and use of information for decision-making in the organisation.

### Foundational

- Understand and apply basic concepts of cost accounting to support entities' operational and financial requirements.
- Demonstrate knowledge to effectively identify and update product costs as necessary.

### Intermediate

- Break down key business processes, allocate costs and income on an agreed standardised basis, and identify performance issues.
- Apply various costing methods such as standard, marginal and absorption methods and explain corresponding advantages and disadvantages.
- Interpret material, labour, variable/fixed overhead and associated variances.

### Advanced

- Implement and apply advanced costing techniques and discern whether costing techniques used by the organisation are appropriate.
- Advise on role and classification of quality costing, including prevention, appraisal and internal/external failure costs.
- Recommend on the creation of new and select products and services with corresponding selling price with impact on the business.

### Expert

- Advise on the role of sustainability and environmental cost accounting and its contribution to improved environmental, social and financial business performance.
- Approve offering on new products and services and advise on alternative pricing strategies with financial consequences.

# 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 evaluate the profitability of omni-channels.
- Develop KPIs to be used to evaluate the performance of products with significant digital content/features.

### Expert

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

# Cost accounting and management

## Cost management

This is the process of analysing, planning and managing costs (including product pricing and supply chain analysis) to support implementation of organisational strategies.

### Foundational

- Demonstrate basic understanding of techniques used to analyse and manage costs.

### Intermediate

- Apply various techniques such as target costing, value analysis and life cycle, and discuss implications.
- Prepare analysis and reports that enable the business management to effectively challenge costs and inform decision-making.
- Participate in waste elimination efforts with the business to understand key drivers and cost-reduction opportunities.

### Advanced

- Manage cost challenge processes and work closely with the business to ensure key performance indicators are measuring the right metrics.
- Discuss and recommend transfer pricing systems and evaluate effect of transfer prices.
- Provide leadership and coaching to team members on cost control and reporting issues.

### Expert

- Advise on strategic cost transformation including cutting waste while maintaining or enhancing value creation.
- Lead business on strategy, design and implementation of work.

# Cost accounting and management

## Cost management in a digital ecosystem

This is the process of analysing, planning and managing costs, to support organisational strategies, where they operate within a digital ecosystem.

### Foundational

- Demonstrate understanding of basic features of digital ecosystem within which cost management and transformation takes place.

### Intermediate

- Analyse organisation's digital ecosystem to identify the sources of cost management and transformation.
- Implement cost transformation programme that spans the organisation's digital ecosystem.

### Advanced

- Develop cost transformation programme based on the features of the organisation's digital ecosystem.

### Expert

- Advise on the digital transformation of the organisation as a way of managing and transforming costs.

# Business planning

## Planning, forecasting and budgeting

This is the process of evaluating and quantifying a strategically aligned plan, for a defined period of time, which may include planned sales volumes and revenues, resource quantities, costs and expenses, assets, liabilities, and cash flows, as well as non-financial metrics.

### Foundational

- Contribute to business planning, budgeting and expenditure forecasting processes.
- Apply basic modelling, forecasting and planning techniques to develop cost forecasts with cost drivers identified and explained.

### Intermediate

- Lead planning processes, including setting targets, communicating assumptions, coordinating budget preparation, challenging submissions and seeking synergies upon consolidation.
- Provide the business with relevant financial support to enable effective planning while applying moderate budgeting and forecasting techniques.
- Provide reasoned advice on modelling, planning and forecasting with reference to cost, time and quality, which might include an understanding of some aspects of the organisation's strategic direction.

### Advanced

- Translate business strategy into financial targets and tactical plans and support execution in a controlled risk and reward-based manner.
- Interpret and make effective management decisions using benchmarking, trends and other planning and forecasting methods; develop and implement improvements to the planning processes.
- Establish and ensure effective and consistent modelling, planning and forecasting processes across business unit(s), and identify and implement best practices in these processes.

### Expert

- Provide critical inputs to the business planning and expenditure forecasting processes; innovate to enhance the business impact of target setting, planning and budgeting.
- Set and define the framework for organisation goals and objectives; lead organisation-wide strategy, planning, design and implementation work.
- Provide unique insight and strategic advice on trends, industry, market factors, customer behaviour and other cost drivers affecting the organisation.

# Business planning

## Capital expenditure and investment evaluation

This is the process of assessing investments based on alignment with strategy, affordability, acceptable returns and prioritisation of options.

### Foundational

- Apply investment appraisal techniques to investment appraisals.
- Perform post-investment reviews.

### Intermediate

- Communicate and apply investment decision-making criteria.

### Advanced

- Evaluate and appraise large and complex investments, capital expenditures and financing projects.
- Review investment appraisals and provide guidance and recommendations.

### Expert

- Approve investment proposals.
- Anticipate future needs of the organisation including portfolio actions.

# Business planning

## Capital expenditure evaluation for IT and digital transformation

This is the process of assessing IT and digital transformation investments.

### Foundational

- Demonstrate awareness of established and emerging digital technologies in the wider operating environment.

### Intermediate

- Demonstrate understanding of the impact of established and emerging digital technologies on organisations.
- Apply digital technologies in the finance area.

### Advanced

- Review the impact of digital technologies on the organisation.
- Select appropriate digital technologies for use by the finance function.

### Expert

- Incorporate digital technologies in the strategy of the organisation.
- Review the impact of digital technologies on the finance function.

# Management reporting and analysis

## Financial analysis

This is the process of analysing the financial statements and data to provide insights about the financial performance and position of the organisation over time and in comparison with others.

### Foundational

- Use financial ratio analysis to evaluate the organisation's performance, its financial state, the effectiveness of its use of working capital and its creditworthiness.
- Apply discounted cash flow (DCF) techniques to evaluate commercial and financial decisions; determine and challenge the assumptions that drive commercial decisions.
- Prepare profit and loss, economic value added, and cash flow analysis to enable decision-making; evaluate changes in account balances and identify items requiring escalation.

### Intermediate

- Apply common quantitative techniques such as discounted cash flow (DCF) and value at risk (VAR) to model the economic, fiscal and accounting impact of typical commercial activities or standard financial structures and instruments.
- Provide analysis to support decision-making, including presenting economic outcomes and identifying the key value drivers, benefits, sensitivities and risks, and accounting and fiscal implications.
- Prepare and analyse problems using sensitivity analysis and other techniques; review variance analyses and account reconciliations, and identify significant items requiring the attention of higher-level management.

### Advanced

- Review outputs of financial and cash flow analyses to develop views and guide management; resolve significant reporting variances or recommend corrective actions where needed.
- Approve and present financial statements and analysis to executive management and provide recommendations for improvements.
- Design reporting and monitoring regimes to track performance against corporate objectives.
- Apply sophisticated quantitative analysis to identify the business, commercial and financial impact on the organisation of different courses of action; advise on actions or options to improve the modelled outcome.

### Expert

- Interpret and translate financial statements to drive strategic and successful business decisions and growth; provide guidance to the business using best practice in cash flow analysis.
- Communicate financial results to the chief executive officer, board of directors and external stakeholders.
- Assess cutting-edge developments in quantitative analysis and incorporate relevant developments into the organisation's methodologies.
- Set standards for business analysis to support strategic direction and comparison; develop and implement finance solutions to complex and high-value commercial decisions including all aspects of non-technical risk and business delivery.

# Management reporting and analysis

## Management reporting

This is the process of delivering, discussing and reporting on the organisation's operations and financial conditions (including quality and sustainability reporting, and customer profitability).

### Foundational

- Extract and deliver straightforward management information reports.
- Prepare and provide accurate and timely financial data, where appropriate, for inclusion in the financial control process.

### Intermediate

- Deliver quality management information.
- Develop business unit reporting systems for management, project or performance reporting, and implement processes to deliver management information according to the reporting cycle.

### Advanced

- Assess, generate and implement ideas to optimise identification and delivery of management information to multifunctional teams.
- Lead the development of functional reporting systems, for management, project or performance reporting.
- Challenge and make fundamental changes to address root causes of management information and reporting quality/correctness issues.

### Expert

- Develop new strategies, processes and systems that provide top-quartile management information to businesses in terms of quality information and low-cost/high-value solutions.
- Set the standard for corporate management reporting and specified information systems to support their implementation.
- Identify and implement best practice management reporting across the organisation and wider industry; provide strategic insight on the content of reports.

# Management reporting and analysis

## Performance management

This is the process of measuring and monitoring performance to ensure organisational and personal goals are consistently met.

### Foundational

- Interpret and provide basic analysis of management information and link to business unit strategy and operational performance.
- Analyse business results, identify learning points and help to communicate them through the organisation.
- Distinguish between internal and external factors that have an impact on performance and analyse market and competitor behaviour.

### Intermediate

- Create proposals for new transactions or ways of doing business based upon a sound business understanding.
- Set up, prepare and lead appraisals that enable effective monitoring as well as improvement of business performance.
- Assist line management in preparing action plans for identified areas of improvement; own and drive the use of key performance indicators and accurate, timely and forward-looking management information.

### Advanced

- Own, select and use financial and non-financial key performance indicators in business appraisal; interpret trends from financial reports, extrapolate and evaluate risk in complex scenarios.
- Interpret and analyse management information, in the context of the external environment and business objectives, to advise decision-makers.
- Identify and manage non-technical risk arising during the delivery of products or services in the pursuit of business opportunities.
- Evaluate the impact that key portfolio decisions will have on costs and other key performance indicators and integrate impacts in ongoing performance management and appraisal.

### Expert

- Develop, establish and continuously improve the performance management framework and appraisal methodology.
- Advise the business at executive level on effective performance management.
- Advise on the optimal use of financial resources such as working capital, credit and risk management.
- Advise business decision-makers in selecting appropriate financial and operational indicators.

# Management reporting and analysis

## Variance analysis

This is the process of using analytics to identify variances and root causes and prepare creative solutions.

### Foundational

- Review management reports, including identification and awareness of the key causes of business variances.

### Intermediate

- Interpret financial reports and accounts, identify and evaluate risks and opportunities, and supervise while applying appropriate mitigation where necessary.
- Interpret the content of management reports and identify key causes of business variances.

### Advanced

- Provide advice and guidance on the content of business performance reports and the causes of variances.
- Design reporting structures and assess achievement against corporate goals and objectives.

### Expert

- Provide strategic insight on the content of business reports.

# Management reporting and analysis

## Benchmarking

This is the process of comparing organisational procedures and performance to other organisation and industry best practices.

### Foundational

- Demonstrate basic understanding in distinguishing between internal and external factors that impact on performance.

### Intermediate

- Benchmark business performance internally and externally; deliver benchmark management information to specific needs to allow decision-making that pushes performance boundaries.

### Advanced

- Assess competitors' future trends and strategies from benchmark data and identify key opportunities and threats for the organisation's own business.

### Expert

- Lead benchmarking or process improvement initiatives to improve controls, make processes more efficient or effective, and/or reduce cycle time.

# Management reporting and analysis

## Integrated reporting

This is a way for organisations to explain how they create value over time, bringing in the Six Capitals of financial, manufactured, intellectual, human, social and relationship, and natural capital. This is done through a combination of quantitative and qualitative information, and encourages integrated thinking across the organisation.

### Foundational

- Demonstrate understanding of the different capitals used in Integrated Reporting <IR>.
- Collate data on the different forms of capital from various sources.

### Intermediate

- Demonstrate understanding of the relationships between the different capitals used in <IR>.
- Prepare integrated reports to different stakeholders according to relevant criteria.

### Advanced

- Evaluate the relationships between the different capitals used in <IR>.
- Develop appropriate and coherent measures for the different capitals.
- Create report templates that show how the organisation uses the capitals to create value.

### Expert

- Design an integrated performance management system based on the Six Capitals and their contribution to value creation.
- Use integrated reporting to promote integrated thinking in the organisation.

# Corporate finance and treasury management

## Cash management

This is the process of determining how to balance the organisation's cash needs; it aims to optimise cash balances, while managing customer, supplier and investor needs to determine the optimal financing of working capital.

### Foundational

- Identify funding needs, assess credit rating using standard credit models and implement standard corporate funding solutions where appropriate.
- Execute standard cash management solutions.

### Intermediate

- Negotiate, implement and provide ongoing first-line support of alternative cash management solutions available in the market.
- Complete corporate reporting for foreign currency cash flows; execute a forward contract.

### Advanced

- Design, negotiate, implement and execute cash management solutions to complex or unusual business requirements.
- Manage standard cash management solutions contracts; monitor corporate reporting on foreign currency cash flows.

### Expert

- Identify and exploit technology and market trends to define future best practice in cash management solutions to meet business needs.

# Corporate finance and treasury management

## Mergers and acquisitions

This is the process of consolidating with and acquiring other organisations.

### Foundational

- Perform limited analysis of mergers, acquisitions and divestitures prospects.
- Participate in due diligence assignments.

### Intermediate

- Assess the attractiveness of mergers, acquisitions and divestitures versus organic growth options for the organisation.
- Provide independent perspective on and analysis of valuation, deal economics, deal structure, counterparty motivations and overall financial and structural aspects of mergers, acquisitions and divestitures transactions.
- Manage the due diligence process, including interactions with the deal negotiating team, from scope definition to interpretation of findings.

### Advanced

- Analyse and communicate the impact of mergers, acquisitions and divestitures on business strategy and portfolio management and compare to organic growth options.
- Act as finance lead for major multidisciplinary mergers, acquisitions and divestitures transactions and lead post-implementation reviews of the selected business transactions.

### Expert

- Act as finance lead for the most significant and complex mergers, acquisitions and divestitures transactions.
- Assess cutting-edge developments in mergers, acquisitions and divestitures policies and processes, and incorporate relevant developments into the organisation's strategy.

# Corporate finance and treasury management

## Treasury policies and treasury risk management

This is the process of implementing policies and evaluating and managing risks associated with the organisation's investment, funding activities, collections and disbursements.

### Foundational

- Review and understand basic corporate treasury policies pertaining to your business unit; able to implement standard treasury risk management solutions where appropriate.
- Assess credit risk of counterparties using credit models; develop basic short- and medium-term cash flow forecasts and advise on appropriate actions.

### Intermediate

- Analyse the corporate treasury policies pertaining to areas of the business.
- Evaluate common treasury exposures and financial instruments, including the financial mathematics underpinning their pricing.

### Advanced

- Advise business units in the implementation, execution and analysis of corporate treasury policies; assess key operational treasury risks, and design and implement risk-based mitigation.
- Negotiate, implement and provide ongoing first-line support to alternative or non-standard risk management solutions where appropriate.

### Expert

- Lead and provide strategic oversight on the implementation and execution of corporate treasury policies for the organisation.
- Establish and lead culture of risk management by providing executive oversight in policies, practices and reporting.

# Corporate finance and treasury management

## Business valuation

This is the process of estimating the economic value of a business unit or an organisation.

### Foundational

- Model a basic valuation of a firm.

### Intermediate

- Able to analyse, interpret and display knowledge within a process of due diligence.

### Advanced

- Display solid knowledge in analysing and interpreting valuation decisions.

### Expert

- Exhibit experience and advanced analytical ability to strategically determine effectiveness and appropriateness of valuation decisions.

# Corporate finance and treasury management

## Valuation of intangibles

This is the process of specifically valuing intangibles, for the purposes of business unit or organisation valuation.

### Foundational

- Demonstrate understanding of sources of intangible value to the organisation.

### Intermediate

- Perform basic valuation of intangible assets for the organisation.

### Advanced

- Perform advanced valuation of intangible assets.

### Expert

- Develop a taxonomy of intangible value and their drivers to underpin valuation of intangible assets.

# Corporate finance and treasury management

## Corporate funding

This is the process of acquiring or raising funds to carry out organisational goals and objectives.

### Foundational

- Understand basic corporate funding arrangements.

### Intermediate

- Support funding arrangements and coordinate debt ratings process.

### Advanced

- Apply corporate finance and funding techniques from first principles to complex and unusual situations.
- Negotiate funding arrangements including corporate credit facilities and public and private financing arrangements, and minimise total cost of funds.

### Expert

- Oversee banking relationships and maintain external communication with rating agencies and investment banks.
- Evaluate and recommend optimal capital structure; develop and challenge shareholder models and link to economic models.

# Risk management and internal control

## Risk management policies and procedures

This is the process of understanding and applying organisational policies/procedures to manage and control both financial and non-financial risks to which the organisation might be exposed.

### Foundational

- Obtain basic understanding of the application of the organisation's risk management policies.

### Intermediate

- Apply relevant risk regulations, policies and procedures to non-complex business issues.

### Advanced

- Develop innovative approaches to managing significant business risks effectively and efficiently.
- Lead implementation, execution and monitoring activities.
- Advise on best solutions and foresee the impact of changes in regulations, policies and procedures for non-complex and increasingly complex business issues.

### Expert

- Drive integration and standardisation of risk management processes across the organisation.
- Advise on the application of the organisation's risk management policies and industry best practices, and construct organisation guidelines.
- Analyse trends in risk management and internal control, evaluate implications, and define and implement an organisation-wide response.

# Risk management and internal control

## Risk identification and assessment

This is the process of detecting and evaluating risk factors that could adversely affect the implementation of the organisation's strategy.

### Foundational

- Demonstrate basic understanding of the entity's risk components and organisational controls.

### Intermediate

- Participate in risk assessment and identification efforts.
- Identify and assess the impact and likelihood of risks to achieving business objectives; monitor changes in risk environment.

### Advanced

- Diagnose significant, unusual and emerging risks to which the business is exposed.

### Expert

- Advise on applicable aspects of risk identification and assessment.

# Risk management and internal control

## Risk response and reporting

This is the process of developing and implementing procedures to mitigate identified risks or exposure to risk, and disclosing risk information to both internal and external stakeholders.

### Foundational

- Understand effective controls or mitigation options to manage specific risks and refer to experts where appropriate.

### Intermediate

- Monitor the effectiveness of actions taken to manage identified risks and intervene as appropriate.
- Understand and be able to explain the purpose of risk mitigation measures.
- Understand, develop and prepare risk reporting.

### Advanced

- Develop and implement appropriate risk mitigation for significant and unusual risks to which the business is exposed.
- Provide advice on business continuity management mechanisms; define appropriate risk responses for reasonably foreseeable emergency scenarios and events.
- Design and implement risk reporting systems and communicate to executive management risk processes and results, including recommendations for improvement.

### Expert

- Develop innovative and strategic approaches to managing significant business risks across the organisation.
- Interpret risk reporting and make effective decisions based on high-level understanding and expertise.

# Risk management and internal control

## Internal control

This is the process of implementing a control framework to ensure the integrity of operations, financial and accounting practices.

Foundational	Intermediate	Advanced	Expert
<ul style="list-style-type: none"><li>• Understand internal control framework and the type of risks to mitigate.</li><li>• Identify, interpret and apply control guidelines and requirements on specific governance issues.</li><li>• Actively promote the application of risk management and a risk-based approach to internal control.</li><li>• Operate financial controls, specific user access and/or data integrity controls; perform regular reviews of segregation of duties conflicts.</li></ul>	<ul style="list-style-type: none"><li>• Assist in the development and implementation of governance frameworks and fit-for-purpose financial controls.</li><li>• Establish processes to monitor compliance and effectiveness of financial controls in line with the organisation's methodology; identify, develop and implement process improvements where needed.</li><li>• Implement data integrity and user access controls to mitigate risks associated with specific processes.</li><li>• Assess potential impact of segregation of duties conflicts; identify and implement remediation and/or compensating controls.</li></ul>	<ul style="list-style-type: none"><li>• Act as a custodian and maintain the integrity and consistency of business governance and control frameworks.</li><li>• Significantly improve and monitor a risk-based system of financial control; develop solutions for the effectiveness of existing controls to manage the business risks.</li><li>• Manage, remediate and enforce compliance procedures; define and implement end-to-end user access management processes and standards, covering role design, access provisioning, monitoring and remediation.</li><li>• Drive the standardisation and integration of risk-based user access management processes by making optimal use of system controls and available IT solutions.</li></ul>	<ul style="list-style-type: none"><li>• Define fit-for-purpose control frameworks and ensure implementation and full compliance of control policies across the organisation.</li><li>• Evaluate the implications of changes in regulations and best practices related to governance and financial controls; drive implementation of organisation-wide responses.</li><li>• Create risk-based governance frameworks to handle complex and unusual business activities and issues.</li><li>• Lead benchmarking or process improvement initiatives to improve controls.</li></ul>

# Risk management and internal control

## Internal audit

This is the process of examining, analysing and providing an independent and objective opinion on the effectiveness of an organisation's operations.

### Foundational

- Execute audits to provide independent and objective assurance, including preparing audit draft reports and parts of the audit work programme by applying corporate internal audit methodology.
- Maintain manual of authorities for specific areas; manage specific assurance activities in support of management's self-assessment; identify required resources to complete an individual audit.

### Intermediate

- Prepare the audit work programme for each audit; develop efficient and effective assurance activities.
- Review assurance plans and audit programmes to ensure appropriate coverage.

### Advanced

- Ensure proposed audit work programmes focus on the material risks for the area under audit and are compliant with all relevant internal and external standards.
- Address significant, complex and non-routine problems with respect to the audit plan and advise others on how to perform audit assessments.

### Expert

- Identify and oversee best practices and drive innovative and strategic changes to audit practices.

# Risk management and internal control

## Cybersecurity

This is the process of identifying, analysing, evaluating and reviewing risks related to cybersecurity.

### Foundational

- Identify types and sources of cyber risks.
- Demonstrate understanding of cybersecurity processes.
- Demonstrate knowledge of cybersecurity tools and techniques.

### Intermediate

- Analyse types and sources of cyber risks.
- Apply cybersecurity processes.
- Apply basic cybersecurity tools and techniques.

### Advanced

- Evaluate impact of cyber risks.
- Review cybersecurity processes.
- Apply advanced cybersecurity tools and techniques.
- Apply cyber risk reporting frameworks.

### Expert

- Design cybersecurity processes.
- Review cybersecurity tools and techniques.
- Evaluate cyber risk reporting frameworks.

# Accounting information systems

## Information systems environment

This is the process of creating an IT environment and understanding the interrelationships between the various components and systems, including the workflow of data through the systems.

### Foundational

- Obtain working knowledge of the organisation's information systems environment (hardware, software and networks).

### Intermediate

- Monitor the applications and effectiveness of the organisation's information systems.

### Advanced

- Proactively share knowledge across the business to streamline systems.

### Expert

- Develop and communicate strategic vision regarding the finance systems and supporting technology.

# Accounting information systems

## Accounting applications

This is the process of defining and structuring the accounting systems in compliance with policies and guidelines.

### Foundational

- Demonstrate understanding of the accounting systems and their functionality.

### Intermediate

- Develop and maintain computer literacy on applications critical to the effectiveness and efficiency of internal accounting processes and procedures.

### Advanced

- Secure in-depth understanding of functionality (i.e. know what the right answer is and how data should flow).

### Expert

- Ensure that accounting information systems employ the most appropriate technology.

# Accounting information systems

## Accounting information systems and digital technologies

This is the process of adapting and integrating new and improved technology and digital solutions to support the organisational objectives.

### Foundational

- Understand applicability of new and improved IT developments and solutions.
- Display ability to identify potential upgrades, enhancements, new products and their effects.
- Demonstrate awareness of established and emerging digital technologies in the wider operating environment.

### Intermediate

- Monitor recent technology developments and recommend implementation where practical.
- Champion productive technology solutions to meet business needs.
- Demonstrate understanding of the impact of established and emerging digital technologies on organisations.
- Apply digital technologies in the finance area.
- Participate in the functional development and specifications of new IT solutions in the accounting area.

### Advanced

- Lead implementation of technology upgrades/enhancements.
- Review the impact of digital technologies on the organisation.
- Select appropriate digital technologies for use by the finance function.
- Analyse external IT developments for data integrity and access control management.
- Recommend new systems to automate and improve existing processes, using emerging digital technology to best effect.
- Recommend new systems to automate existing processes and ways to re-engineer business process to effectively use new technology.

### Expert

- Develop an organisation-wide approach and best practices on the adaption of new technologies and solutions.
- Lead on incorporating digital technologies in the strategy of the organisation.
- Lead and direct the definition and development of new IT solutions to improve the efficiency of the system of financial control.
- Review the impact of digital technologies on the finance function.
- Partner with IT to ensure that the organisation has the appropriate resources to implement new technology.

# Tax strategy, planning and compliance

## Taxation law

This ensures that the organisation understands and conducts operations based on statutory, regulatory and common-law rules applicable to the organisation and its line of business.

### Foundational

- Demonstrate understanding of basic principles and application of business tax.

### Intermediate

- Understand and discuss routine tax matters such as income tax, indirect tax and corporate tax within clear guidelines.
- Assess technical tax issues of reasonable complexity (in areas of specialisation).

### Advanced

- Provide tax advice and creatively solve technical tax issues that are non-routine and/or complex.
- Interpret new legislation and evaluate its implications for the organisation, and/or advise on application of existing legislation to new situations.

### Expert

- Identify, create solutions for and advise on non-routine tax issues of the highest complexity and importance.

# Tax strategy, planning and compliance

## Tax return preparation and review

This is the process of reviewing and preparing tax returns in accordance with applicable business taxation law, including income, property, consumption and value added tax.

### Foundational

- Prepare basic tax returns in area of specialisation.

### Intermediate

- Review tax returns to ensure accuracy, completeness and compliance with applicable tax codes; propose solutions to certain business tax matters.

### Advanced

- Approve tax returns to ensure accuracy, completeness and statutory compliance; provide technical guidance to staff in area of expertise.

### Expert

- Evaluate impact of amendments in tax laws.

# Tax strategy, planning and compliance

## Tax accounting

This is the process of recording financial records for tax purposes as prescribed by taxation law.

### Foundational

- Apply basic tax accounting principles to appropriately record taxes.

### Intermediate

- Apply corporate and international tax accounting standards to appropriately report the tax implications of the organisation's transactions.
- Identify and implement improvements to tax accounting and reporting processes within the tax department; highlight implications of latest international standards and Generally Accepted Accounting Principles (GAAP) in relation to tax accounting.

### Advanced

- Set the organisation tax accounting standards and resolve unusual and complex tax accounting issues in accordance with applicable accounting standards.
- Recommend and advise on process improvements to tax accounting within the tax department.

### Expert

- Analyse trends in tax accounting and ensure that the organisation is applying best practice in tax accounting principles and standards.

# Tax strategy, planning and compliance

## Tax audit

This is the process of examining the organisation tax return and position for compliance.

### Foundational

- Respond to information requests from taxing authorities.

### Intermediate

- Propose internal settlements for tax audits and disputes.

### Advanced

- Recommend and negotiate settlements of major tax audits or disputes from both internal and external perspectives.

### Expert

- Approve settlements of major tax audits or disputes.

# Tax strategy, planning and compliance

## Tax planning

This is the process of analysing the financial situation or plan of the organisation from a tax perspective (including international taxation and transfer pricing).

### Foundational

- Demonstrate basic understanding of taxation strategies.

### Intermediate

- Provide tax support from scoping to post-transaction implementation on certain projects.

### Advanced

- Manage corporate tax matters innovatively and strategically; recommend and advise on solutions for complex tax projects or deals affecting more than one jurisdiction.

### Expert

- Set tax policies, strategies, standards and guidelines for the organisation.

# CGMA Competency Framework

## Business Skills

# Business 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 a 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.



# Strategy

This is the process of articulating the organisation's general sense of identity and direction – outlining why the organisation exists, for whom and what the stakeholders require.

## Foundational

- Aware of the organisation's business plan, immediate environment and the possible impact of events and activities on the organisation; understand current role in relation to executing the business plan.
- Observe and notice events that are out of the ordinary, make connections, draw conclusions and feed ideas and observations to senior finance colleagues.
- Understand the strategic direction of the organisation and highlight areas of potential value or risk.

## Intermediate

- Analyse the organisation's wider environment and draw conclusions about the impact of events and activities; guide the team to create solutions that deliver value in line with the business and finance plans.
- Link ideas or events, use insights to shape the views of managers and feed insights and observations to senior finance colleagues to influence business decisions.
- Understand the steps to achieve long-term business strategy, identify immediate threats or opportunities to the business and resolve or escalate them accordingly.

## Advanced

- Evaluate the organisation's wider environment and offer insights based on an understanding of the business to influence change at tactical, team and individual levels; make informed business decisions and devise strategy.
- Explain the strategic direction of the organisation to others; develop a prioritised finance plan that both delivers the needs of the business and is consistent with the overall finance functional strategy and business plan.
- Ensure the team is focused on identified priorities; develop and implement solutions at an operational level to address actions emanating from insights, either to mitigate critical risk or capitalise on opportunity.

## Expert

- Offer unique insights based on a deep understanding of political, social, business, market and finance trends; use insights to lead and influence change at strategic, tactical, team and individual levels across the organisation.
- Develop finance strategy that is aligned with the organisation's long-term plan and that anticipates and supports business need and ensures appropriate resources are allocated to deliver effectively, including goals to expand capacity, improve productivity and surpass industry benchmarks.
- Identify and focus on future critical areas for the organisation and devise strategy to maximise opportunity and minimise risk.

# Business models

This is the process of organisations being able to align their strategy and vision into operating models for sustainable success.

## Foundational

- Demonstrate awareness of the building blocks of a business model.
- Communicate how an organisation creates value through the business model.

## Intermediate

- Develop each building block of the business model in detail.
- Analyse the business models of various organisations.

## Advanced

- Connect the building blocks of business models to create a complete organisational business model.
- Analyse disruptive business models.

## Expert

- Develop different perspectives of the business model (e.g. risk, innovation, investment, etc.).
- Create disruptive business models.

# Market and regulatory environment

This is the process of understanding the market and industry in which the business operates, including identifying risks and opportunities while ensuring compliance with regulatory obligations.

## Foundational

- Know the organisation's products and services and the markets in which they are sold; be aware of key industry structures and the organisation's position in them.
- Have working knowledge of the organisation's customers and competitors; understand the relationship the organisation has with the industry regulators and other key stakeholders.
- Demonstrate awareness of external and global factors and potential impact on the performance of the organisation.

## Intermediate

- Apply knowledge of the organisation's products and services (along with their markets) to the day-to-day role and activities, within the context of the regulatory environment.
- Use sound knowledge of the organisation's customers and competitors to analyse and challenge business cases; apply regulatory understanding in support of reporting requirements and investment funding decisions.
- Devise short-term tactical responses based on understanding of impact of external factors on the organisation's performance.

## Advanced

- Use understanding of the organisation's commercial business and markets to tailor offerings to current and future needs, including the impact of external factors, in order to influence business strategy.
- Devise information reporting tools to aid the understanding of regulatory stakeholders; work with internal stakeholders to support the needs of regulators.
- Assess and understand customer and competitor strengths and limitations and use insight to influence business decisions.

## Expert

- Apply in-depth understanding of the organisation's products and markets to shape strategy; establish relationships with external stakeholders to set strategic direction of future regulatory framework.
- Monitor and forecast changes in customer and competitor behaviour and develop appropriate organisation response; determine impact of emerging business models and sponsor initiatives to deliver optimal response.
- Advise others on regulatory regime, including funding sources and regulatory benchmarks.

# Process management

This is the process of planning and monitoring structured activities or operations that generate a specific service or product.

Foundational	Intermediate	Advanced	Expert
<ul style="list-style-type: none"><li>• Aware of key business processes and key metrics associated with each business relevant to their area of work.</li><li>• Comply with relevant processes and operating procedures and draw attention to issues that get in the way of process compliance.</li><li>• Contribute to and make suggestions for process improvement activities.</li></ul>	<ul style="list-style-type: none"><li>• Operate parts of key business processes assigned; understand the elements that make up each process and the performance measures that can be applied to each; proactively identify process improvement opportunities.</li><li>• Implement best practices and industry trends; manage others to ensure they comply with processes and operating procedures in place to achieve results.</li><li>• Ensure standardisation is applied to all processes — creating, developing, improving and complying with the standards.</li></ul>	<ul style="list-style-type: none"><li>• Set up business processes to deliver successful outcomes, assess their effectiveness and review performance measures relating to each.</li><li>• Identify opportunities for synergy and integration of processes and influence others to identify more efficient sustainable processes.</li><li>• Set demanding and realistic targets for process improvement and ensure changes to existing processes are carried out in a systematic and logical way.</li></ul>	<ul style="list-style-type: none"><li>• Benchmark internal performance against external indicators and apply best practice to the business.</li><li>• Define process improvement to achieve business performance; manage key business processes from end to end such that they add value to the business.</li><li>• Drive opportunities to integrate, standardise and simplify systems and processes.</li></ul>

# Business relations

This is the process of establishing and managing both internal and external relationships to meet organisational objectives and governance responsibilities.

Foundational	Intermediate	Advanced	Expert
<ul style="list-style-type: none"><li>• Understand the interests and profiles of key stakeholders of the organisation.</li><li>• Understand typical contracts and legal agreements used in the business unit; ensure that the contracts are executed in alignment with stated terms and report contract performance.</li><li>• Understand the tools and systems for contract creation and compilation, change control, and variations, and maintain appropriate contract documentation.</li></ul>	<ul style="list-style-type: none"><li>• Analyse stakeholder profile and highlight areas to achieve and improve joint efficiencies.</li><li>• Demonstrate thorough knowledge of contract terms and their commercial significance; facilitate the successful running of contracts using procedures in place for the team and report on performance.</li><li>• Manage contract change control, variations, payment and final account processes utilising the required systems.</li></ul>	<ul style="list-style-type: none"><li>• Work with stakeholders to develop and drive potential efficiency improvements.</li><li>• Draft and negotiate simple contracts or amendments, with support from lawyers; analyse and explain key contract terms and risks.</li><li>• Provide guidance on correct procedures to successfully run contracts; manage reporting procedures to allow for prompt response to problems; review and evaluate formal change control requests to check for consistency and justification.</li></ul>	<ul style="list-style-type: none"><li>• Identify core competencies and build strategic alliances with stakeholders to close gaps.</li><li>• Identify and implement opportunities to improve procedures used to successfully run contracts.</li><li>• Lead critical decisions between the organisation and third parties regarding contract terms; negotiate and develop complex contracts and/or agreements.</li></ul>

# Business ecosystems management

This is the process of analysing, creating and managing an organisation's ecosystem.

## Foundational

- Demonstrate knowledge of ecosystem participants, roles and interactions.

## Intermediate

- Analyse ecosystem participants, roles and interactions.

## Advanced

- Select ecosystem in terms of core functions, services, customers and value.
- Select optimal role for organisation in the ecosystem.

## Expert

- Define approach towards selecting, engaging and governing ecosystem partners.
- Develop measurement model to be used to evaluate success of ecosystem partnership.

# Project management

This is the process of integrating all aspects of a project, ensuring proper knowledge and resources are available when and where needed and, most importantly, ensuring that the expected outcome is produced in a timely, cost-effective and quality-controlled manner.

## Foundational

- Apply an understanding of and participate in the development of project plans (i.e. actions, resources required and timelines).
- Execute part of a project, monitor own progress, identify obstacles and take corrective actions.
- Communicate project outcomes.

## Intermediate

- Develop simple project plans including business cases, contingencies and critical paths, and apply project management tools and techniques.
- Manage and monitor implementation of multiple project plans and handle obstacles effectively.
- Communicate project plans and outcomes.

## Advanced

- Lead in developing and implementing complex project plans that have implications across business units or the organisation.
- Identify new and innovative ways to achieve required outputs of projects.
- Evaluate and communicate the impact of project dependencies.

## Expert

- Identify projects that drive value creation and align them to organisational strategies.
- Champion projects that have broad implications across the organisation by aligning and influencing all key stakeholders.

# Macroeconomic analysis

This is the process of understanding and interpreting the impact of external factors on the organisation, such as market/industry trends, geographic trends, cultural needs, stakeholders and consumers.

## Foundational

- Understand the fundamentals of the domestic and global economy.
- Possess knowledge of basic macroeconomic measures and have a general understanding of the effects.

## Intermediate

- Understand behaviour and effects (adverse and positive) of issues involved in both the domestic and global economy.
- Ability to analyse various economic indicators and their impact on the organisation goals, strategies, products and services.

## Advanced

- Provide recommendations related to macroeconomic analysis; evaluate and properly interpret the influence of the external environment on the organisation.
- Identify key environmental drivers and understand their impact upon business strategies and decisions.

## Expert

- Forecast future state of the economy; anticipate economic conditions and provide strategic insight on how to mitigate impact on the organisation as a whole.
- Understand and apply the underlying theories behind macroeconomic behaviours to all levels of the organisation.

# CGMA Competency Framework

## People Skills

# People Skills

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Influence	58	Technical Skills →	Business Skills →
Negotiation and decision-making	59	People Skills →	Leadership Skills →
Communication	60	Digital Skills →	
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# Influence

This is the process of establishing and managing both internal and external relationships to meet organisational objectives and governance responsibilities.

Foundational	Intermediate	Advanced	Expert
<ul style="list-style-type: none"><li>• Adapt your personal style to suit different people and situations.</li><li>• Listen to and be sensitive to the views and values of others.</li><li>• Understand and relate to others from different cultural backgrounds, including peers and customers, in an open, friendly and professional way.</li></ul>	<ul style="list-style-type: none"><li>• Sell own ideas and agenda by linking them to the needs and goals of others.</li><li>• Anticipate responses of others when choosing the approach to take.</li><li>• Remain professional in difficult situations; demonstrate empathy to understand the feelings and actions of others; and give difficult messages in a way that limits misunderstanding and promotes acceptance.</li></ul>	<ul style="list-style-type: none"><li>• Use a combination of logic, personal passion, conviction and interpersonal skills to influence others.</li><li>• Relate to, develop and make use of a wide network of key relationships from both inside and outside the organisation to influence others.</li><li>• Lobby to build behind-the-scenes support for ideas and plans and solicit the involvement of others to build ownership and buy-in.</li></ul>	<ul style="list-style-type: none"><li>• Influence and work effectively with organisations from different cultures.</li><li>• Negotiate effectively at senior levels through anticipating and managing objections and challenges.</li><li>• Communicate effectively and assertively in high-risk situations to resolve complex and/or sensitive issues and build consensus.</li></ul>

# Negotiation and decision-making

This is the ability to use proper influencing skills to obtain positive outcomes and make decisions that align with the strategic direction of the organisation.

Foundational	Intermediate	Advanced	Expert
<ul style="list-style-type: none"><li>• Recognise the different negotiating styles of parties to a negotiation and adapt style accordingly.</li><li>• Support negotiations by providing information and being part of the team.</li><li>• Understand who the key stakeholders are in a given situation and be able to communicate individual requirements.</li><li>• Make decisions based on facts, common sense and previous experience; weigh up the pros and cons; and be able to explain the reasoning behind decisions.</li><li>• Establish working-level relationships with third-party counterparts to resolve routine issues.</li></ul>	<ul style="list-style-type: none"><li>• Understand stakeholders' positions and bargaining power and be able to negotiate and/or participate in negotiations with some support.</li><li>• Manage buy-in and gain trust with internal stakeholders prior to and during negotiations.</li><li>• Manage internal expectations and keep all parties informed of developments; ensure best negotiation practice in terms of preparation, approach, strategy, tactics and style.</li><li>• Research and use data from a range of sources to make robust fact-based decisions; make available choices clear and simple to stakeholders.</li><li>• Review the immediate results, broad implications and unintended consequences of a decision.</li></ul>	<ul style="list-style-type: none"><li>• Negotiate in tough situations with both external and internal stakeholders; demonstrate confidence and good political savvy and maintain credibility with third-party key decision-makers.</li><li>• Adjust personal positions and style quickly if circumstances change favourably or unfavourably; win concessions without damaging stakeholder relationships.</li><li>• Manage the negotiation team effectively; ensure each member is fully prepared for the negotiation; consistently secure positive outcome from the negotiation.</li><li>• Assess and lead fact-based decisions in high-risk situations; coach others accordingly; and take accountability for final decision outcomes.</li></ul>	<ul style="list-style-type: none"><li>• Demonstrate use of a direct and diplomatic style; challenge information to detect discrepancies in reasoning.</li><li>• Show an excellent sense of timing, and quickly gain trust and respect of all other parties to the negotiations.</li><li>• Lead the most complex negotiations and demonstrate expert closing skills and excellent political and cultural savvy.</li><li>• Lead fact-based decision-making for long-term strategic issues; analyse the wider business and political implications when making decisions, including the effectiveness of the outcome.</li><li>• Share strategic insights and knowledge to help others make sound decisions.</li></ul>

# Communication

This is the ability to translate and convey financial and non-financial information effectively to a variety of audiences using a range of mediums, including digital tools.

## Foundational

- Listen actively to others, acknowledge hearing different perspectives and react appropriately to non-verbal cues.
- Develop and deliver verbal information in a clear and concise manner that is tailored to the needs of the audience.
- Develop written material that is clear, concise, accurate and grammatically correct; use appropriate language and tone and tailor the information to the needs of the audience.
- Provide fact-based information to others based on requests; use appropriate communication tools, including digital, to communicate effectively.
- Create and manage a digital identity.

## Intermediate

- Understand the big picture by listening and leveraging non-verbal cues.
- Engage audience in interactive communication in small and large group settings, and anticipate needs/questions and respond appropriately.
- Select appropriate digital communications media in a given context.
- Create and manage multiple digital identities.
- Develop written material that is easily understood to influence business partners and management, and simplify complex information to ensure understanding.
- Identify the appropriate audience for sharing information and proactively share in a balanced and timely manner.

## Advanced

- Effectively listen and pick up the total meaning of the message as well as information that others will typically miss.
- Deliver presentation to senior management with confidence and acknowledge when the answer to a business question is unknown.
- Share important fact-based information; simplify complex written communications and adapt style and content for all levels of the organisation.
- Encourage the sharing of ideas and best practices; encourage others to speak their minds and listen empathetically to understand the real motivators and emotions.
- Protect personal digital reputation.

## Expert

- Lead organisation forums to obtain wide perspective of ideas.
- Create forums, systems and procedures to actively source, hear and share diverse perspectives to enhance understanding.
- Confidently present controversial and/or complex information to all levels of the organisation.
- Lead the development of written information for highly visible or complex situations.

# Collaboration and partnering

This is the ability to establish relationships and cross-functional partnerships within and outside of the organisation using a range of collaborative tools to create value for the business.

Foundational	Intermediate	Advanced	Expert
<ul style="list-style-type: none"><li>• Establish relationships and credibility with business partners.</li><li>• Analyse needs of business partners.</li><li>• Acknowledge different priorities between finance and the business partners.</li></ul>	<ul style="list-style-type: none"><li>• Maintain and enhance effective cross-functional business partnerships through demonstrated integrity.</li><li>• Influence outcomes and challenge appropriately using fact-based data.</li><li>• Identify and address additional business partner needs and educate them on value creation and accounting.</li><li>• Share data, information and digital content with others through appropriate technologies.</li></ul>	<ul style="list-style-type: none"><li>• Lead cross-functional business initiatives and encourage team to cultivate relationships across the business.</li><li>• Drive collaborative culture and joint accountabilities across multiple stakeholders.</li><li>• Actively educate and challenge on limitations of possible solutions.</li><li>• Use digital tools and technologies for collaborative processes.</li><li>• Deal with data produced through several digital tools, environments and services.</li></ul>	<ul style="list-style-type: none"><li>• Drive cross-functional initiatives across the business that create value.</li><li>• Leverage a broader network across the business and externally.</li><li>• Evaluate digital tools and technologies for collaborative processes.</li><li>• Protect the organisation's digital reputation.</li></ul>

# CGMA Competency Framework

## Leadership Skills

# Leadership 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 a 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.

Team building	64	Technical Skills →	Business Skills →
Coaching and mentoring	65	People Skills →	Leadership Skills →
Driving performance	66	Digital Skills →	
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# Team building

This is the ability to drive team performance by promoting and encouraging participation and sharing of ideas that align with the organisational strategy and maximise goals.

## Foundational

- Proactively listen to, consider and embrace diverse ideas and styles.
- Interact effectively with all people, participate in teams and groups, and cooperate with others.
- Apply an understanding of available resources and use them effectively.

## Intermediate

- Encourage an environment in which people value diversity either in recruitment, team formation and/or in developing plans and strategies.
- Bring team members into discussions so that they can contribute their ideas, are involved in setting team objectives and feel engaged on issues that affect them.
- Identify and manage the teams' strengths and weaknesses and resolve issues to achieve shared goals; promote trust, openness and respect for others; guide and motivate teams.
- Anticipate additional requirements and use available resources appropriately.

## Advanced

- Recruit and retain people from diverse backgrounds and ensure resources are available to help them succeed in the organisation.
- Facilitate teams to develop new ideas, more powerful than any original individual ideas; eliminate low-value activities within the department.
- Effectively manage global teams and adapt style to accommodate cultural differences; encourage cross-functional and cross-boundary working and resolve conflicts of interest.
- Harness the collective energy of the team to achieve business success; create opportunities for teams to network internally to share knowledge and best practice.

## Expert

- Advocate and successfully leverage diversity to maximise organisational strength across the organisation.
- Create a culture that promotes cooperation and integration over internal competition; proactively identify and realign resources to meet strategic business priorities.
- Continuously encourage others to harness and maximise the skills, experience and expertise of all team members; provide resources and remove obstacles to support cross-functional and geographically dispersed teams.
- Create a common goal and a climate where people feel part of something bigger than their own individual success or their immediate team.

# Coaching and mentoring

This is the ability to train and advise others on how to perform, improve and succeed by producing best results.

## Foundational

- Seek, provide and successfully incorporate feedback into future behaviour.
- Orient new employees on the job; aware of the need for and the value of training, both for self and others.
- Take ownership of career; implement a development plan that is aligned with performance evaluation; and/or partner with manager to identify strengths and opportunities.

## Intermediate

- Proactively seek feedback to gauge and monitor progress and update development plan to facilitate continuous self-improvement.
- Participate in developing and delivering training to finance employees and business partners; use relevant training courses and programmes to build the skills of others.
- Provide regular, timely, constructive and actionable feedback to team members and management; proactively identify potential people for talent development opportunities.

## Advanced

- Create a team environment where members provide each other with constructive feedback regularly and in challenging situations.
- Identify and communicate strengths and development areas in others; ensure development plans are implemented; empower and give adequate exposure for all team members.
- Balance the needs of the organisation and career needs for individuals; lead the talent management process for the department; lead training solutions.

## Expert

- Drive strategic training initiatives to enhance the whole organisation; lead and influence the broader development planning process.
- Actively arrange for developmental or stretch assignments into other functional areas or business units for the benefit of the organisation and the individual.
- Champion the recruitment, development and retention of high-potential and high-performing individuals; make time available for coaching, mentoring and feedback.

# Driving performance

This is the ability to support, implement and monitor an effective performance management process to achieve results.

## Foundational

- Apply an understanding of and participate in the performance management process.
- Establish and accept accountability for set objectives; take ownership of assigned work through to completion; take action before being asked.
- Consistently deliver high-quality work on time and against commitments.
- Contribute to the achievement of team and business unit objectives; support colleagues to help them achieve their goals.

## Intermediate

- Participate with senior manager and team members to align both individual and team goals for specific assignments.
- Ensure goals are aligned to key department objectives; understand the link between the achievement of results and the financial impact on the bottom line.
- Create a sense of urgency and focus the team on delivering and achieving results based on appropriately high standards and measures.
- Monitor team performance as well as challenge and deal with poor performance; follow through on own and team commitments.

## Advanced

- Manage and communicate all aspects of the performance management process, ensuring alignment with development plans.
- Ensure accountability among the team to set stretch targets; drive challenging targets and review functional performance against these targets.
- Create an environment where teams and individuals enjoy achieving results; leverage additional capability in resources to deliver results.
- Promote the expectation of exceptional performance as the norm; look for new ways to improve performance and deliver value.

## Expert

- Lead in driving enhancing performance management throughout the whole organisation.
- Establish and drive the strategies and standards required to deliver against business plans; translate internal and external analysis into strategy and action.
- Set and promote standards for best practice and outstanding service delivery; create programmes and incentives that drive and reward results.
- Set up and structure business units so they have the capability to deliver against strategic targets.

# Motivating and inspiring

This is the ability to create a workplace where employees are inspired, encouraged and valued.

## Foundational

- Demonstrate a positive and “can do” attitude; adopt a consistent and positive approach in times of stress.
- Appreciate the contribution and efforts of other team members and colleagues.
- Help, support and celebrate the achievement of colleagues.

## Intermediate

- Make timely decisions in a self-assured way when demanded and confidently justify and maintain own position or decision when challenged.
- Generate commitment by involving team members when setting team direction and objectives; help them see how they contribute to team and organisation success.
- Publicise and celebrate team/ individual achievement and success; assess strengths and needs of others to get the best out of them; reassure after setbacks, and discuss issues and ways to prevent reoccurrence.

## Advanced

- Personally build the confidence of others to succeed either in their own capacity, or in the future success of their team, unit or organisation; provide guidance, support and incentives to motivate others.
- Make statements to build hope, optimism, excitement and enthusiasm in others; recognise and reward team and individual contribution and achievement.
- Demonstrate own belief in and high expectations for the success of a particular plan or strategy.

## Expert

- Create processes or methods to boost the confidence of internal or external stakeholders for present and future success in their team, unit, organisation or in their own capacity.
- Inspire exceptional performance by building a collective corporate identity and communicating a shared purpose.
- Create a culture that inspires people to do their best because they feel valued; create strategies to recognise, reward and celebrate contribution and achievement.

# Change management

This is the ability to recognise the need for change and embrace new ways of thinking and working that align with business objectives and financial targets.

Foundational	Intermediate	Advanced	Expert
<ul style="list-style-type: none"><li>• Understand the business needs, direction and changes in management.</li><li>• Evaluate how change management affects current roles and responsibilities.</li><li>• Support implementation of organisational changes and assist in carrying out the goals and objectives of the management team.</li></ul>	<ul style="list-style-type: none"><li>• Understand the business objectives and how management changes tie to business unit performance and results.</li><li>• Interpret, communicate and facilitate the implementation processes of change management.</li><li>• Effectively manage change management along with potential conflicts to maximise acceptance and cooperation and achieve business objectives.</li></ul>	<ul style="list-style-type: none"><li>• Advise on and influence change management; participate in the planning and implementation of organisational changes.</li><li>• Monitor change management results and measure with business objectives.</li><li>• Handle sensitive aspects of organisational change management.</li></ul>	<ul style="list-style-type: none"><li>• Strategically design selection and implementation of organisational changes to drive and exceed business objectives.</li><li>• Be an advocate for changes.</li></ul>

# CGMA Competency Framework

## Digital Skills

# Digital Skills

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Information and digital literacy	71	Technical Skills →	Business Skills →
Digital content creation	72		
Problem-solving	73	People Skills →	Leadership Skills →
Data strategy and planning	74		
Data analytics	75	Digital Skills →	
Data visualisation	76		

# Information and digital literacy

This is the process of understanding information, data and content in a digital environment.

## Foundational

- Search for data, information and content in a digital environment.
- Create and update personal records.

## Intermediate

- Articulate what information is needed.
- Organise, store and retrieve data, information and content in a digital environment.

## Advanced

- Analyse and compare sources of data, information and digital content.
- Analyse and interpret data, information and digital content.
- Assess data, information and digital content and navigate between them.

## Expert

- Critically evaluate credibility and reliability of sources of data, information and digital content.
- Critically evaluate data and digital content.

# Digital content creation

This is the process of creating, editing and improving digital content, including copyright and licences.

## Foundational

- Create content in different formats.

## Intermediate

- Edit and improve existing content.

## Advanced

- Modify, refine and integrate new information and content into existing body of knowledge to create new, original and relevant content and knowledge.

## Expert

- Advise on how copyright and licences apply to digital information and content.

# Problem-solving

This is the process of identifying and resolving technical issues when using digital tools.

## Foundational

- Identify technical problems when operating devices and/or using digital environments.

## Intermediate

- Solve technical problems when operating devices and/or using digital environments.

## Advanced

- Evaluate and select digital tools to resolve different technical problems.

## Expert

- Use digital tools to create knowledge and to innovate processes and products.

# Data strategy and planning

This is the process of developing and managing a set of choices and decisions that align the organisation's data strategy to its business strategy.

## Foundational

- Demonstrate knowledge of data management techniques.

## Intermediate

- Manage policies on data protection and privacy.

## Advanced

- Develop and implement relevant data models.
- Ensure data quality, accessibility, interoperability and compliance to standards.

## Expert

- Develop overall data strategy.
- Define metadata using common standards.
- Develop policies on data protection, privacy, intellectual property rights and ethical issues in data management.

# Data analytics

This is the process of quality-checking data from multiple sources, choosing appropriate metrics measurements, and developing analytics and verification applications to provide the organisation with analytics-based solutions.

## Foundational

- Understand and be able to select an approach to analysing selected data sets.
- Collect data from multiple sources.
- Apply data quality checks.

## Intermediate

- Demonstrate an understanding of and ability to perform statistical hypothesis testing.
- Use corresponding APIs (Application Programming Interfaces) to access different data sources.
- Define necessary transformations and data preparation procedures.
- Develop analytics solutions for specific tasks and predefined data sets.
- Ensure interaction with other components of analytics applications.

## Advanced

- Apply designated quantitative techniques including statistics, time series analysis, optimisation and simulation to deploy appropriate models for analysis and prediction.
- Write SQL and ETL scripts.
- Identify existing and suggest new data required for organisational analytics tasks to deliver maximum insight.
- Develop organisational analytics applications that support the whole organisational data life cycle.
- Integrate analytics applications with the enterprise information system.

## Expert

- Develop and plan required data analytics for organisational tasks, e.g. evaluating requirements and specifications of problems to recommend possible analytics-based solutions.
- Verify data quality and veracity.
- Define policy and manage intellectual property rights issues.
- Plan, design, develop and implement analytics for organisational tasks.
- Develop whole data processing workflows and integrate them into the organisational workflow.

# Data 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 sets 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.



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