Priming the talent pipeline:

Recruit, develop and retain a world-class finance team.
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The volatile landscape of business talent

Employers are reporting severe talent shortages in many professions, and high on that list is finance. As baby boomers retire, the next generation of finance leaders will step in to a business landscape characterized by volatility, uncertainty, complexity and ambiguity (VUCA). To prepare the next generation of finance leaders, world-class organizations are taking a different approach to building their finance leadership pipelines.

Senior leaders are increasingly recognizing that their organizations lack the talent they need to survive in a global VUCA business world. In a 2015 Association for Talent Management (ATD) survey, for example, 84% of respondents said there was a skills gap in their organization.

A 2014 PricewaterhouseCoopers (PwC) survey found that 63% of CEOs said the availability of skills was a serious concern. And 68% of senior-level respondents to an Economist Intelligence Unit (EIU) study said that it had become progressively more difficult to find the skills they needed from people higher up in the ranks of their organization (EIU, 2012).

Although the talent shortage is widespread — a Manpower survey found employers reporting shortages in sales, engineering and the skilled trades (in ATD, 2015) — the finance sector has been particularly affected. An Accenture report found that 68% of talent management professionals said that the finance and insurance sector was particularly hit hard (in ATD, 2015).

Several factors are causing this finance talent shortage “perfect storm”: rapid digital disruption, the difficulty of finding and recruiting top skilled talent into organizations and continued business uncertainty that is changing finance roles. Retiring baby boomers and the entrance of the millennial generation into the workplace are also challenging organizations to find and retain skilled finance talent.
The CFO role is under intense pressure.

**Ability to delegate**

52% cannot focus on strategic priorities by delegating responsibilities because of lack of necessary skills in the finance team.

**Tension between old and new**

56% cannot focus on strategic priorities because of time spent on compliance, controls and costs.

**Role stretch**

51% cannot focus on strategic priorities because of increasing operational responsibilities.

**Concern over finance function**

47% say their current finance function does not have the right mix of capabilities to meet the demands of future strategic priorities.

*Source: “The disruption of the CFO’s DNA,” EY 2016*
Talent management in disruptive times

The digital disruption
The ongoing rapid development of digital technologies — such as cloud computing, big data, mobile apps and social media — continues to change the nature of business, making it harder for employees to keep their skills up to date. Most executives know this. Nearly 90% of executives responding to an MIT Sloan Management Review and Deloitte survey said they anticipated that digital trends would disrupt their industries to a great or moderate extent, yet only 44% said they were adequately preparing for it, and only 11% said their current talent base could compete in the digital economy (Kane et al, 2016).

“Nearly 90% of executives responding to an MIT Sloan Management Review and Deloitte survey said they anticipated that digital trends would disrupt their industries to a great or moderate extent.”

Digital disruption is also changing the CFO’s role. An Accenture study (2014) found that CFOs have broadened their responsibilities over the years from being part of the digital technology investment decisions to getting into the driver’s seat and leading those decisions.

What are CFOs saying about talent management?

| 90% of CEOs say their company is facing disruptive change by digital technologies. |
| 75% of CEOs say their organization does not have the skills to adapt. |
Attracting and retaining employees
Employers across industries are reporting difficulties finding talent. In a Willis Towers Watson (2016) survey, 28% of respondents said they were finding it hard to attract employees, a five-percentage point increase over the previous two years.

More than half of employers responding to that survey said it was difficult to find talent with critical-thinking skills (55%), high-potential employees (54%) and top-performing employees (56%). Sixty-three percent of CEOs responding to a PwC survey (2014) said the availability of skills was a serious concern, and while 93% of CEOs said they knew they needed to change their approach to attracting and retaining talent, only 61% said they had taken that step (PwC, 2014).

For CFOs, the talent shortage in finance is even more critical. A Robert Half (2016) survey of CFOs found that the percentage of CFOs reporting challenges in finding skilled finance candidates had not dropped below 85% over the last few years.

In fact, 90% of CFOs in the United Kingdom said they were challenged in finding skilled accounting and finance professionals (Robert Half, 2016).

Keeping skilled finance professionals is also a challenge. An Accenture study (2011) found that 37% of CFOs said retaining skilled finance professionals was their greatest challenge.

The evolving role of finance
The finance talent shortage may be due to finance’s evolving role in organizations. A 2014 Accenture survey found that nearly three-quarters of CFOs said their influence in strategic decision-making had increased. Sixty percent said their influence in providing insightful analytics had increased, and 60% said their influence in partnering with other organizational functions had increased.

A study by the CEB Financial Leadership Council (2015–16) also found that CFOs’ roles were changing, in large part because the vast amount of data organizations now collect have required finance professionals to shift their roles to focus less on cost control and more on how to analyze the data to support organizational decision-making.

47% of respondents who say the business leans more heavily on the finance function for support with strategic decision-making.

A 2017 Dun and Bradstreet study found that this trend continues. Nearly half (47%) of the finance executives surveyed said that the global VUCA business environment had caused CEOs to rely more heavily on the finance function for support with strategic decision-making, and 97% said they had experienced “significant” (53%) or “some” (44%) changes to their roles.
The great demographic shakeup

The baby boomer exodus
The last recession delayed many baby boomer retirement plans. But, as the economy recovers, employers must be prepared for their eventual exodus from the workforce. It is estimated that 76 million baby boomers were born between 1946 and 1964, and it is expected that 10,000 baby boomers will retire each day over the next 16 years (Kessler, 2014).

CFOs must prepare for the baby boomer exodus in finance. The AICPA expects that more than 75% of today’s CPAs will retire within the next 15 years, one of the highest percentages of any subgroup in any other field (Bloomberg BNA, 2017). They aren’t just leaving — they are leaving at younger and younger ages. The average CFO retirement age in 2016 was 58.2 years old, a decline from 59.8 years old in 2015 and down even more from a peak of 60.6 years old in 2011 (Spencer Stuart, 2017).

“The AICPA expects that more than 75% of today’s CPAs will retire within the next 15 years ...”

As they leave, finance baby boomers will leave huge gaps in their organizations. A 2014 Robert Half survey found that nearly a third of the CFOs interviewed said they were concerned about baby boomer retirement, and of those, one out of three were concerned about the loss of leadership, and 23% were concerned about the loss of institutional legacy knowledge (Robert Half, 2014).

The millennial entrance
The good news is that there are a lot of millennials ready to step in and take up the leadership reins that baby boomers will leave behind when they retire. There were 73 million millennials born between 1980 and 1996 (Gallup, 2016). By 2025, this generation will comprise 75% of the global workforce (Deloitte, 2014). Unfortunately, many of them have yet to develop the leadership skills they will need to move their organizations forward, and millennials know this.

63% of HR leaders report millennials entering the workforce lack critical skills and competencies.

Sixty-three percent of millennials responding to a 2016 Deloitte survey said their leadership skills were not being fully developed, a sharp increase from Deloitte’s 2014 millennial survey, which found that 50% of millennials said they thought their employers could be doing more to develop their leadership skills. Employers are concerned as well. More than half (56%) of the respondents to an ATD survey agreed that millennials were moving into management levels without sufficient preparation (Jamrog & Erickson, 2013). That same survey found that few organizations (only 20% of high-performing organizations and 13% of low-performing organizations), though, offered leadership development programs specifically designed to address the talent development needs of millennials.

Millennials — who, according to CEB’s 2016 Global Labor Market Survey, comprise more than one-third of finance teams — want to be developed and expect their employers to offer challenging and ongoing developmental opportunities (Pai Mizar, 2017). And they are fully prepared to move elsewhere if that expectation isn’t met (Pai Mizar, 2017).
How are current staffing changes affecting the talent shortage?

- Finance professionals are retiring younger.
- The average retirement age among Fortune 500 finance chiefs has dropped to 58.2 in 2016 from 60.6 in 2011.

- 31% of CFOs were worried about baby boomers retiring.
- 39% feared loss of leadership.
- 23% feared loss of legacy knowledge.

60% of financial leaders are witnessing a decreased team size over the years.
In addition, 66% of millennials responding to the 2016 Deloitte millennial survey said they expected to leave their organizations by 2020, and in a Gallup (2016) survey, 60% of millennials said they were open to new job opportunities — a number that’s 15 percentage points higher than among non-millennial workers.

The CEB’s survey found that only 25% of millennials in finance are likely to stay with their organizations in the long term (Pai Mizar, 2017).

It is more than just anticipatory behavior. The Gallup survey found that 21% of millennials had changed jobs within the last year, costing U.S. employers an estimated $30.6 billion annually in turnover costs. The cost is more than just financial, however. The 2016 Deloitte millennial survey found that 71% of millennials who said they were likely to leave their organizations within the next two years also said they were unhappy with how their leadership skills were being developed.

How do millennials look at development?

- 33% of millennials believe their organizations are using their skills well.
- 42% of millennials are likely to quit due to slow pace of learning.
- 44% of millennials who are now in leadership positions believe they are experiencing stagnancy.

Source: PwC CEO Survey; Deloitte 2016; ATD; KPCB
Employer challenges in this new workforce reality

Preventing growth

Although there are 73 million millennials entering the workforce, 75 million baby boomers are leaving, and this means a net loss of workers throughout the globe. Combine this loss with the recognized skills gap, and senior leaders are justifiably concerned about how this will affect their organizations’ productivity and future growth.

• A Deloitte and The Manufacturing Institute study found that the average U.S. manufacturer could lose as much as 11% of its annual earnings because of the talent shortage. U.S. manufacturers also anticipate a shortfall of two million workers over the next 10 years (ATD, 2015).

• An ATD study found that 87% of respondents said the skills gap was affecting their organization’s performance, especially in customer service, growth and service delivery (ATD, 2015).

• An Accenture study found that the shrinking workforce and an unreliable productivity growth rate could lead to a 9% decrease in the U.S. standard of living by 2030 (ATD, 2015).

• A U.S. Chamber of Commerce survey found that 92% of executives thought that if left unaddressed, the skills gap could lead to more than five million unfilled positions by 2020 (ATD, 2015).

Not having the right people with the right skills in the right places stifles growth. A 2012 survey the Economist Intelligence Unit conducted for CGMA found that organizations with inadequate talent management practices routinely miss performance and financial targets, and pass on growth opportunities (CGMA 2012). The survey found that the lack of effective talent management resulted in poorer performance:

• 43% of respondents partially attributed the failure to meet financial targets to ineffective capital management practices.

• 40% of respondents said ineffective capital management practices had reduced the organization’s ability to innovate.

• 58% of respondents who work in the financial sector said their organization had been unable to start a major project or meet key financial targets because of ineffective talent management practices.

89% of CFOs have not pursued value-enhancing projects due to a shortage of skills.

A Duke/CEO Magazine study found that 89% of CFOs said they had not pursued value-enhancing projects because of a shortage of skills, including industry-specific skills and technical knowledge, but also because of the lack of critical-thinking skills for complex problems, leadership and people skills, and good judgment. The study found that CFOs said that attracting and retaining qualified employees was the top concern for U.S. businesses.
So, what do world-class companies do differently than others to build their finance leadership pipelines? Top companies:

1. **Recognize**
   the significant and rapid changes happening in finance.

2. **Use competency models**
   to identify, define and develop critical skills.

3. **Invest more**
   in talent development that is aligned with business strategy.

4. **Focus**
   on comprehensive employee development including business, technical, and hard and soft professional skills.
Insight 1

Top companies recognize the significant and rapid changes happening in finance.

The finance field, due in large part because of the rapid development of digital technologies, continues to evolve in profound ways. A Dun & Bradstreet (2017) survey found that 91% of finance leaders agreed that their roles had become more challenging over the past three years, and 31% said they were being pulled in too many directions. A clear majority (91%) of finance executives in a Hackett Group survey (2016) said that digital transformation was changing how they deliver services, but only 44% had developed and executed a digital transformation strategy, and only 35% thought they had the resources and competencies in their departments to pull one off.

“A Dun & Bradstreet (2017) survey found that 91% of finance leaders agreed that their roles had become more challenging over the past three years.”

For finance leaders, the talent shortage is very real. Despite adding responsibilities, 60% of finance leaders say their staff decreased over the past three years, and 45% reported struggling with not having a large enough team to do the work at hand, noting that “it’s just a matter of time” before a serious mistake is made because of a lack of staff and resources (Dun & Bradstreet, 2017).

Source: D&B, Robert Half
Finance responsibilities will continue to include the more traditional functions — such as financial planning and analysis, financial controller and accounts payable — but additional layers will be added, including keeping pace with changing technology, managing big data and scenario planning for business impact (Axson et al, 2016, and Robert Half, 2016). CFOs in the Dun & Bradstreet (2017) survey said they were increasingly taking a more strategic role in their organizations (33%), working in multidisciplinary functions across the C-suite (32%) and becoming more involved in customer data analysis (28%).

CFOs also see themselves becoming more of a “chief performance officer,” as they begin to use big data to identify performance improvements throughout the organization (PwC, 2013). And as they increasingly become more involved in other functions in their organizations, the demand for good interpersonal and problem-solving skills will increase. Other skills CFOs will need to develop include having an appetite for risk, the ability to tolerate ambiguity, and being a savvy business adviser (Axson et al, 2016). These are competencies 75% of CFOs feel their teams lack, however (Bharucha, 2013).

Successful evolutions in finance functions have resulted in

**Effects of bringing changes to current processes**

- **90%** of finance organizations believe that digital transformation will fundamentally change the way they deliver services.
- **44%** of finance organizations are guided by a formal digital strategy.
- **35%** have the right people and processes they need to do the job.

Successful evolutions in finance functions have resulted in

**3x the impact**  
**2x the productivity.**

**Takeaway:** In order to be successful, the changes need to be timely and structured.

**Source:** Hackett Group; CEB
CEOs are also concerned about the changing role of the CFO. Although most CEOs feel their organizations are underprepared for the transformational changes their organizations must make to thrive (including addressing the skills shortage), just over half (56%) of CEOs believe that finance is well-positioned for those changes (PwC 2014).

CEOs, particularly those in high-performing organizations, have high expectations when it comes to the CFO’s role in the future. A KPMG (2014) survey of CEOs’ views of the CFO’s role in the future found that:

- 72% of CEOs from high-performing organizations believed the CFO role would increase in importance;
- 63% of CEOs from high-performing organizations said technology would have the greatest impact on the CFO role; and
- 99% of CEOs from high-performing organizations acknowledged that talent management was more important than ever or as important as anything else, with 80% of CEOs from high-performing organizations saying that nothing was more important than talent management.

97% of CEOs say “talent management is the most or equally important factor improving the finance function.”

Organizations that understand that finance is moving to a more strategic role and focus on building the competencies that will support that evolution will reap the benefits. A CEB study found that organizations that do so have finance functions that are two times more likely to be productive and three times more likely to make informed strategic decisions. They are also three times more likely to recruit and retain the best talent (Bharucha, 2013).

Acknowledging the needs of the changing environment

- 81% of CEOs are planning to recruit to plug the skills gap widened by digital transformations.
- 50% of CEOs say their CFO is not ready for the challenges ahead.
- 33% of these CEOs set to ramp up their recruitment in the next 12 months.

Source: Americas RAP — May 24, 2017 — Charting the Future of the Profession, Robert Half
Priming the talent pipeline: Recruit, develop and retain a world-class finance team.
Insight 2

Top companies use competency models to identify, define and develop critical skills.

As the CEB study found, finance leaders who focus on developing competencies will find their staffs more productive and strategic in their thinking. Top organizations recognize this and are far more likely to have clearly defined competency models in place than their peers. An Aberdeen Group study (Saba, 2008), found that 54% of best-in-class had clearly defined competency models, versus 31% of all other organizations. Best-in-class companies are also 45% more likely to have competency models in place for key positions in the organization and 64% more likely to have competency models in place for all organizational levels (Saba, 2008).

Assessing individual employee needs and skills

<table>
<thead>
<tr>
<th>Companies that have clearly defined competency models:</th>
<th>54%</th>
<th>31%</th>
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<tbody>
<tr>
<td>Best-in-class companies</td>
<td></td>
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<tr>
<td>All other companies</td>
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</tbody>
</table>

Global companies that demonstrated alignment:

<table>
<thead>
<tr>
<th>Best-in-class companies</th>
<th>84%</th>
<th>53%</th>
</tr>
</thead>
<tbody>
<tr>
<td>All other companies</td>
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The Aberdeen Group study also found that top companies are 40% more likely than other groups to focus on developing a leadership pipeline across all organizational levels and 32% more likely to use a systematic approach to identify high-potential employees early in their career. Research from the Hewitt Group reveals that top companies not only consistently apply their competency models across their organizations, but are more likely to align those models with their business strategies; the Hewitt Group found that 84% of top companies demonstrated alignment as compared with 53% of all other organizations (Wellins, Smith & Erker, 2006).

Top companies use competency models to identify and define critical skills.

45% are more likely to have models for key positions. 64% are more likely to have models for all levels of their organizations than other organizations.

Only 43% of companies surveyed said they understood their employees’ unique skills and experience.

Top companies understand the value of comprehensive competency models to develop talent that is tied to their short- and long-term business strategies, yet most organizations continue to struggle. A 2015 talent mobility research report by Lee Hecht Harrison found that only 12% of organizations “nearly or always” understood their employees’ unique skills and experiences, and only 31% “frequently understood” those unique skills and experiences. Competency models must be developed with those skills and experiences in mind.

Source: The Aberdeen Group; 2015 Talent Mobility Research Report by Lee Hecht Harrison
Insight 3

Top companies invest more in talent development that is aligned with business strategy.

Top companies invest more in talent and development programs that are aligned with the business strategy because they know it pays off. A 2012 PwC study of the most successful organizations, for example, found that high-performing companies have talent development embedded and aligned with business strategy (CGMA 2012).

Another study found that organizations that invest in talent development have, on average, a 24% higher profit margin and a 218% higher income per employee than organizations that don’t invest in talent development. Those same organizations that invest in talent development also experience a 6% higher shareholder return for each $680 invested in employee training (Miller, 2012).

Yet another study also found that 34% of top companies routinely link talent management data with business data such as profitability and revenue to assess talent development with business performance outcomes (as compared to only 16% of the lowest-performing companies) (Martin & Bourke, 2009).

Top companies also know that good talent management means higher employee performance and retention. One study found that top organizations that place a high priority on talent development have more committed employees who perform 20% better and are 87% less likely to leave (Corporate Leadership Council, 2004). Another study found that top companies that invested in talent development saw a 24% increase in gross profits (Wells, 2001). And, finally, organizations that land on the Great Places to Work Top 100 list report offer 73 hours of training to full-time employees, compared to only 38 hours among non-winning applicants (Great Places to Work, 2014). Clearly, there is a direct link between talent development and an organization’s bottom line.

Source: Aberdeen Group/Fortune

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Gains from investment in training and development

- **87%** reduced staff turnover for organizations who can engage employees and team members through learning and development.

- **24%** higher average profit margins were earned by companies investing $1,500 or more per employee annually on L&D.

- **218%** higher income was earned per employee and a 6% higher shareholder return was generated for each $680 in employee training expenditure.

Source: Corporate Leadership Council/HR/Magazine ASTD
Insight 4

Top companies focus on comprehensive talent development, including business, technical, and hard and soft professional skills.

Top companies take a broad approach to talent development, focusing not just on technical skills, but also on business, leadership development, and hard and soft professional skills. They do this because they know that while technical skills are important in today’s global VUCA marketplace, they will fall flat if their employees are unable to interpret the data, communicate it in ways that can be easily digested, and use it to develop a strategic approach to their business plans.

Top companies:

• Invest 30–40% more in leadership development programs than their peers (Bersin, 2012)

• Spend 35% more per manager on leadership development than others (Fortune magazine-Aon Hewitt in Bersin, 2012)

• Overwhelmingly (85%) make leadership development programs available at all experience levels, as compared to 57% of all other companies (Hay Group, n.d.)

According to the Hay Group, 80% of top companies also had established career paths for their employees (as compared to 48% of all other companies). Top companies also take care to develop high-potential employees; 80% of top companies offered career development experiences to identified high-potential employees, ensuring they had the right people with the right skills in their leadership pipelines (Hay Group, n.d.).

Top companies also know that it is critical to offer talent development, particularly leadership development, to millennials because this generation will leave if they are not offered learning and development opportunities. In a 2011 PwC survey, millennials rated talent development as the most valued benefit, higher than flexible work and financial benefits.

Unfortunately, most (63%) millennials feel their employers are failing them in this regard (Deloitte, 2017). Top companies, however, spend more on leadership development for millennials, and there is evidence that this is paying off. In one study, 74% of respondents said their millennial leadership development programs were moderately or highly successful (Jamrog & Erickson, 2013).

Source: Fortune
Top companies focus on soft skills, as well as hard skills.

Companies that tend to make leadership development programs available at all experience levels:

Top 20 companies

- 83%

All other companies

- 57%

Source: The Hay Group

Companies that had established clear career paths for their employees:

Top 20 companies

- 80%

All other companies

- 48%

Source: The Hay Group
All employers should consider offering leadership development to millennial employees because 69% of millennial employees in one survey said they want to be in leadership positions within the next five years (The Hartford, 2016). Millennials responding to that same survey said they wanted training and development in leadership skills (60%), technical skills (54%), financial skills (47%) and personal skills (38%). Employers should also be aware that millennials differ from previous generations in how they want to experience training and development; 68% of millennials in a Workplace Trends (2015) survey said they wanted to receive training and development via online classes and e-learning.

Skill development is needed at every level and among every generation. Ninety percent of CEOs responding to a 2017 PwC survey said they wanted more skill development in problem-solving. Other skills CEOs identified in that survey include:

- Leadership (88%)
- Adaptability (75%)
- Creativity and innovation (71%)
- STEM skills (53%)
- Risk management (42%)
- Digital skills (39%)

Top companies also focus on trying to develop their employees’ risk-taking, agility and collaboration skills (Kane et al, 2016).

A 2016 Robert Half study found that finance leaders will need similar skill development. In addition to technical skills, that survey said that the most important skills finance professionals will need to develop within the next five years include:

- Leadership (33%)
- Communication (25%)
- Commercial acumen (21%)
- Flexibility/openness to change (15%)
Conclusion

The hard truth is that the finance profession is facing dire talent shortages and will continue to face them for the foreseeable future. Boomers are leaving and millennials are entering, there’s digital disruption, trouble attracting and retaining employees, and the ever-evolving role of finance itself.

Because of this confluence of factors, top companies are:

• Seeing significant and rapid changes in finance
• Using competency models to identify, define and develop critical skills
• Investing more in talent development aligned with business strategy
• Focusing on comprehensive development, including business, technical, and hard and soft professional skills

Based on these insights, companies can employ four actions for growth to address the changing landscape of finance and help prepare for the next generation of finance leaders.
### Four actions for growth

**Number 1**  
Recognize and react to changes in finance.  
- Top companies know the finance role is changing.  
- Top companies are recruiting to address the knowledge gap.  
- Companies realize the changes coming due to digital transformation, but most don’t have the strategy, processes or people in place.

**Number 2**  
Use competency models for skills and gaps.  
- Top companies have clearly defined competency models.  
- Top companies have competencies significantly more aligned with overall business strategies.

**Number 3**  
Invest in strategic talent development.  
- Companies that invest in employee training and development achieve higher profit margins.  
- Companies with successful training programs have significantly reduced staff turnover.

**Number 4**  
Train for succession.  
- Top companies have leadership development programs available throughout their organization.  
- Employees in top companies have well-understood career paths.
Top companies have well-defined competency models. If you do not have one in place for your organization, we invite you to implement the CGMA Competency Framework, which the CGMA Finance Leadership Program is based on.

**What is the CGMA Competency Framework?**
The framework was developed and validated through extensive employer research, and reflects the real needs of the market. It demonstrates the relevance and capabilities of a CGMA designation holder as a trusted finance and business strategist. It is underpinned by the need for objectivity, integrity and ethical behavior, and includes a commitment to continuously acquiring new skills and knowledge.

**Knowledge areas included in the framework**
CGMA designation candidates focus on four major knowledge areas:

1. Technical skills — Foundational accounting and finance skills
2. Business skills — In the context of the business
3. People skills — Influencing and guiding groups
4. Leadership skills — Lead within the organization

Who developed the framework?
Companies around the world help create the CGMA designation, identifying the most critical skills that business leaders need to be successful. As a result, this designation is globally recognized as the most relevant international finance qualification for business leaders.
The CGMA Finance Leadership Program

Success in today’s highly competitive and fast-paced business landscape requires insight and innovation from all corners of your organization. Finance teams must demonstrate agility, move beyond traditional reporting duties and demonstrate strategic capabilities to move business operations forward.

The CGMA Finance Leadership Program provides a powerful toolkit for evolving the capacity of your finance team from performing data-gathering and analysis to serving in the role of a valuable adviser and business partner. Completion of the program is key to attaining the CGMA® (Chartered Global Management Accountant®) designation.

The CGMA designation is designed specifically for finance professionals to help them develop the knowledge, skills and experience to become more effective leaders. It is a global management accounting designation that distinguishes professionals who have advanced proficiency in finance, operations, strategy and management.

CGMA program structure

We believe learning by doing and applying that learning in real time on the job is the most effective approach. This powerful combination allows each CGMA candidate to maximize their time while on the learning journey.

The CGMA Finance Leadership Program is comprehensive, and empowers your employees with the relevant and practical skills they need to be an effective business leader. The program features three levels, encompassing all the critical business competencies, from the fundamental business principles to the most advanced topics.

The program is designed to ensure the success of each learner, building on their unique knowledge and experience and empowering them with new tools and skills to help them earn the CGMA designation.

The use of our innovative adaptive technology is personalized for each candidate so that content is served up in the most effective modality (e.g., narrative, video, etc.) and perspective (way of explaining the content) possible. The candidate is in control of his or her learning pace based on each learner’s schedule and other commitments.

The program offers a variety of entry routes, based on each employee’s individual education and career achievements. This dynamic format provides an efficient, personalized path to earn the CGMA designation, focused on the specific skills they need to develop.

Learning is divided up into three levels of progression: operational, management and strategic. Each level focuses on specific competency areas relevant to different levels of finance. In total, CGMA program covers 45 competency areas that are relevant for finance professionals.
CGMA value proposition

CGMA designation holders are business strategists who link the board’s objectives with the rest of your organization. They guide critical business decisions to create sustainable business success and:

• Deliver value through their understanding of how the different parts of a business come together.

• Have cross-functional and global capabilities to deliver results within complex organizational structures.

• Empower your organization to act entrepreneurially.

• Bring innovative, incisive thinking to your leadership team, and enable strategic decision-making.

There are plenty of benefits for CGMA designation holders:

• Help your business stay ahead of the competition.
  Available resources — an exclusive magazine, tools, webcasts, courses, publications and research — enhance your team’s perspective and challenge their thinking.

• Use the research, resources and tools provided by the American Institute of CPAs (AICPA) and the Chartered Institute of Management Accountants (CIMA) to help their teams sharpen their accounting and business skills.

• Share best practices, discuss trends and network with peers at conferences, events and through social media.

• Follow international codes of ethics to ensure that the work they do on behalf of organizations and public is of the utmost integrity.

In summation, developing a finance leadership pipeline in top companies is not a scattershot approach, but rather a deliberate, well-thought-out, strategic approach that considers the function’s evolution from primarily a number cruncher and cost container to a strategic player.

Three ways the CGMA Finance Leadership Program can help.

1. Benchmark your finance organization’s current skill level.
   The CGMA program and progression through case study tests enables an organization to identify specific competencies and talent in areas that they most need.

2. Compare your competency models and learning plans.
   The AICPA can provide you with a best-in-class competency model and a solution to develop key competencies among your staff.

3. Train team and upgrade skills.
   The AICPA and CIMA are the global leaders with the CGMA learning platform, providing a learning environment that ensures all members are properly trained while they continue to be valuable employees. Our focused training program ensures needed skills are acquired and maintained.

CFOs must understand how their roles and that of their staffs are changing, create a competency framework that anticipates those changes and develop a comprehensive talent management program that anticipates those needed skills.

The CGMA Finance Leadership Program can help you achieve all those goals and much more.

To discover more about the CGMA program and the positive impact it can have on your business and help you prime your talent pipeline, visit aicpalearning.org or email aicpalearning@aicpa.org.
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