

# DELIVERING ON OUR STRATEGY

## OUR MISSION


Our mission is to help people and businesses to succeed

### STRATEGIC OBJECTIVES

Our strategic objectives work to meet the needs of our members, students and global business. They are based on an understanding of our risks and opportunities. The strategic objectives explored in this section relate to 2015. They are derived from our overarching 2025 strategy and longer-term priorities. We have categorised our objectives in four parts:


#### GROWTH

Fostering a growing professional CGMA community.

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#### IMPACT

Joining forces to create a new association.

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#### REPUTATION

Implementing the first set of standardised global principles as leaders in the management accountancy space.

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#### BEST IN CLASS

Creating a world-class global organisation.


 See page 27

### Delivering insights and resources – regionally and globally

This year we continued to expand our influence around the world by driving best in class management accountancy, enabling people, businesses, governments, key regulators and others to make the right decisions to drive success in the short, medium and long-term.

Our insights and resources include world-leading research that shapes and leads the debate around best business practices. As thought leaders in our space, we are at the forefront of shaping the agenda and thinking for business and society.

Excitingly, the work we have done for this integrated report has been picked up and used internally in our Strategic Plan 2025 – a perfect example of the integrated report driving integrated thinking.

 See the conversation between Katie Scott-Kurti and Paul Druckman on page 21

In the year of implementation, our strategic approach is to place management accountancy at the heart of successful private and public sector organisations worldwide.

### We create value through:

#### Building skills

Using the CGMA Competency Framework to enable people to have the confidence to put their expertise into practice.

#### Good decision making and judgement

Using our Principles to embed influence, relevance, analysis and trust.

#### Management accountancy expertise

Equipping our people and businesses with the practical and theoretical management accountancy skills to have relevance, influence and to build trust.

## GROWTH

### Fostering a growing professional CGMA community.

Size matters. We must continue to expand our global reach and influence through our joint venture with the AICPA and execution of CIMA's growth strategy.

With over 60% of economic growth predicted to take place in the world's top 600 cities, CIMA's growth will focus on cities.

#### Total CGMA and student population\*

2016 budget	286,199
2015 actual	279,137
2015 budget	289,317
2014 actual	271,353

#### Number of new students

2016 budget	35,300
2015 actual	30,023
2015 budget	37,000
2014 actual	35,512

#### Number of new members

2016 budget	4,400
2015 actual	4,831
2015 budget	4,686
2014 actual	5,548

\* These populations include CPA CGMAs measured as at 31 July 2015. They represent the number of the AICPA members who have made an annual financial commitment to the CGMA designation.

In 2015 we have focused on growth in the following ways:

- Building stronger bonds with our partners, the AICPA
- Implementing our updated syllabus and assessment to drive global relevance and ease of examination for our students

- Expanding our range of certificates to include the Global Business Services qualification programme along with updating and launching the revised Certificate in Business Accounting. These initiatives recognise extensive opportunities to attract professionals who may not wish to progress to full membership.

Despite this, our growth was below target and budget. We believe this was a result of contributing factors, including:

- The introduction of the revised syllabus and assessment model which significantly slowed exam take-up
- Aggressive competition
- The strength of sterling, particularly against key African currencies, making our core products more expensive in real terms.

## IMPACT

### Joining forces to create a new Association

We believe that combining scale and relevance will create a significantly more authoritative, global and resilient platform to drive even greater influence.

If endorsed, the Association would provide this platform and in turn create value and recognition for our CGMA community.

#### Employer satisfaction rate

2016 budget	70%
2015 actual	62%
2015 budget	75%
2014 actual	71%

#### Member satisfaction rate

2016 budget	77%
2015 actual	74%
2015 budget	82%
2014 actual	81%

In 2015 our key focus has been on creating impact for our members and students along with the profession as a whole by progressing the joint venture evolution with the AICPA.

We were disappointed to see a decrease in satisfaction from our employers, members and students and believe it is a result of 2015 being a tough year of implementation.

We believe many of these issues have also been a result of transitional and economic inevitability – such as global exchange rates – that could not have been foreseen or influenced. During a busy year that saw CIMA implement a wealth of activity that had been developed in previous years, we have concentrated on countering short-term issues by embedding initiatives that address the long term and underpin our 2025 strategy.

## REPUTATION

### Implementing the first set of standardised global principles as leaders in the management accountancy space.

The successful adoption of our Principles around the world will differentiate CIMA and underpin our global reputation.

### Number of organisations using the Principles

During the year we have developed a tool that organisations can use to assess how well they have implemented the Principles, and this tool is currently being trialled. These trials will give us the information we need to define how we should measure our performance going forward and set our targets. We will report the results next year.

Our focus has been to build the Principles as an essential guide and tool for businesses to use on a day-to-day basis, in framing whether a management accountancy function is relevant, fit for purpose and enabling value creation within a best-practice management accountancy framework.

2015 has been a year of development where we have created a global standard, the PAS 1919, in partnership with the British Standards Institute which will launch in 2016. We have also developed our self-assessment tool which will enable organisations and leaders around the world to roadtest their management accountancy functions against our best in class Principles.

## BEST IN CLASS

### Creating a world-class global organisation

A professional, commercial organisation that members, students and partners find easy to do business with. Putting customers at the heart of decisions we make and which drive significant revenue and a more commercial culture.

### Total revenue £k

2016 budget	58,596
2015 actual	54,161
2015 budget	62,557
2014 actual	62,324

### Staff voluntary retention rate

2016 budget	87%
2015 actual	84%
2015 budget	87%
2014 actual	88%

Revenue was significantly impacted by a combination of declining currencies and a behavioural change in students following the introduction of our new assessment.

We have prioritised our critical strategic projects and ring-fenced resources for them. CIMA has strong project management scheduling and controls in place to ensure our project portfolio and planning processes are achieved smoothly and on time.

We are examining our pricing models to ensure our value proposition remains sustainable in the long term to our current and future members and students.

Our people – whether they be members, employers or staff – are at the centre of all we do and we will continue to work very hard to address these issues and prioritise customer service.

## OUR JOINT VENTURE WITH THE AICPA

### **Our proposed joint venture evolution with the AICPA will accelerate CIMA's global reach.**

After forming our joint venture with the AICPA in 2011 and jointly launching the CGMA designation, CIMA and the AICPA are now seeking membership endorsement to deepen the relationship by launching a new Association.

By integrating strategy, management and operations, our vision is to create the most influential body of professional accountants in the world, enhancing members' employability and demonstrating their value in tackling challenges in a fast changing business environment.

Under these proposals, our members would keep their CIMA designations and membership while also becoming an automatic member of the Association. In delivering improved support to CIMA and the AICPA members, the Association would comply with commitments, standards, and protections. For CIMA this would include a commitment to meet the objectives of its Royal Charter and approve the majority of board members of the unit responsible for the management accountancy strategy and oversight of its delivery.

The joint Association would include over 600,000 current and next generation professionals. It would expand global opportunities, attract future talent and keep our member designations as the global benchmark for employers.

### **Why evolving our joint venture is so important**

We are living in a fast-paced, ever-changing world.

All sustainable businesses need to constantly evolve to meet the challenges and opportunities of their operating environments. For CIMA, competition predominantly stems both from traditional accounting associations and the spread of technology. By building scale and leveraging our joint resources, our aim is to own the management accountancy space and capture the exciting opportunities in a world hungry for excellence in decision making.

Our members are at the heart of what we do as an organisation, and we have been working hard to ensure they are engaged in the decision to evolve this partnership. If endorsed by our members, the proposed joint venture evolution would:

- Advocate for and build a stronger profession
- Enhance global recognition of members' skills and expertise
- Keep members' designation in demand.

CIMA and the AICPA would remain as independent bodies with independent councils, with CIMA retaining its Royal Charter. Members would retain their CIMA designations, as well as gaining automatic membership of the Association.

## Regional examples of our engagement across target markets

THE ENGAGEMENT	THE VALUE	STRATEGIC OBJECTIVE
The launch of the Principles in Singapore was co-sponsored by the Singapore Accounting Commission and the Institute of Singapore Chartered Accountants.	Singapore is a growing global financial hub. By co-badging the launch of the Principles with the regulator and the leading professional accounting body, CIMA gained significantly increased presence and credibility as a thought leader.	Impact Reputation
Sponsorship of the Africa Congress of Accountants in May 2015.	A unique opportunity to introduce and strongly promote the CGMA global designation and the Principles to accountants from around the continent and the international business community.	Reputation
In China, Management Accountancy Techniques was published with the Chinese Institute of Certified Public Accountants (CICPA) in Chinese.	This accelerated our relationship with CICPA and promoted management accountancy in China.	Impact Reputation
In the UK, CIMA is working with the Financial Reporting Council to design, oversee and deliver a project on the importance of embedding a healthy corporate culture within organisations.	Promoting best-practice resulting in reputation as a leader in the field and enhancing our standing with regulators, government and other bodies.	Impact Reputation
Member of the Malaysian Integrated Reporting Steering Committee.	The Committee was established with the Malaysian Institute of Accountants to examine the promotion and adoption of integrated reporting in Malaysia. CIMA's presence as a key contributor embeds us as a thought leader in the country.	Impact Reputation
Top-level partnerships with leading public universities in Malaysia and collaboration with the Malaysian Institute of Accountants to enable a fast track programme for members to complete the CIMA qualification.	Accelerating student numbers and therefore significantly expanding the future membership pool.	Growth
Launch of the Global Business Services qualification programme with The Hackett Group.	It is estimated the business process outsourcing industry employs some five million professionals, with a significant percentage located in India, China and emerging markets, opening a huge prospective student base for CIMA in these regions.	Growth
The CIMA Global Business Challenge (co-sponsored with Barclays Bank), with the final held in Warsaw, Poland. Won by a team of Singapore Management University students.	The participation of 14,500 students from around the world at local and regional heats helped embed CIMA across multiple regions as a leader in business skills development.	Impact