



The Association of
Accountants and
Financial Professionals
in Business

*Statement on
Management Accounting*

IMA STATEMENT OF ETHICAL PROFESSIONAL PRACTICE



About IMA® (Institute of Management Accountants)

IMA, the association of accountants and financial professionals in business, is one of the largest and most respected associations focused exclusively on advancing the management accounting profession. Globally, IMA supports the profession through research, the CMA® (Certified Management Accountant) program, continuing education, networking, and advocacy of the highest ethical business practices. IMA has a global network of more than 85,000 members in 140 countries and 300 professional and student chapters. Headquartered in Montvale, N.J., USA, IMA provides localized services through its four global regions: The Americas, Asia/Pacific, Europe, and Middle East/India. For more information about IMA, please visit www.imanet.org.



About the *IMA Statement of Ethical Professional Practice*

IMA has been committed to advocating the highest standards of ethical business practices—both for its members and the profession at large—since the organization was founded in 1919. In the early 1980s, IMA took a bold leadership role in the area of ethics by developing its first written code of ethics: *Standards of Ethical Conduct of Management Accountants*. In 2005, in the wake of global financial scandals and an increasing need for more direct ethical guidelines, IMA issued new guidance to better reflect the ethical climate of the time. The result was the *IMA Statement of Ethical Professional Practice*, which required each IMA member to be committed to the highest ethical behavior.

After considering the many changes in the business and regulatory environment, including the globalization of commerce and the management accounting profession, IMA determined to issue a revised *Statement* in 2017, which is published here as a *Statement on Management Accounting*. More concise and simpler to understand and apply, this updated version more fully reflects the global scope of management accounting. It also requires IMA members to contribute to a positive ethical culture in their organization and to place integrity of the profession above personal interests. These requirements recognize the need for members to take an active role in ensuring their organization has a strong, open, and positive ethical culture.

Members of IMA shall behave ethically. A commitment to ethical professional practice includes overarching principles that express our values and standards that guide member conduct.

Principles

IMA's overarching ethical principles include: Honesty, Fairness, Objectivity, and Responsibility. Members shall act in accordance with these principles and shall encourage others within their organizations to adhere to them.

Standards

IMA members have a responsibility to comply with and uphold the standards of Competence, Confidentiality, Integrity, and Credibility. Failure to comply may result in disciplinary action.

I. COMPETENCE

1. Maintain an appropriate level of professional leadership and expertise by enhancing knowledge and skills.
2. Perform professional duties in accordance with relevant laws, regulations, and technical standards.
3. Provide decision support information and recommendations that are accurate, clear, concise, and timely. Recognize and help manage risk.

II. CONFIDENTIALITY

1. Keep information confidential except when disclosure is authorized or legally required.
2. Inform all relevant parties regarding appropriate use of confidential information. Monitor to ensure compliance.
3. Refrain from using confidential information for unethical or illegal advantage.

III. INTEGRITY

1. Mitigate actual conflicts of interest. Regularly communicate with business associates to avoid apparent conflicts of interest. Advise all parties of any potential conflicts of interest.
2. Refrain from engaging in any conduct that would prejudice carrying out duties ethically.
3. Abstain from engaging in or supporting any activity that might discredit the profession.
4. Contribute to a positive ethical culture and place integrity of the profession above personal interests.

IV. CREDIBILITY

1. Communicate information fairly and objectively.
2. Provide all relevant information that could reasonably be expected to influence an intended user's understanding of the reports, analyses, or recommendations.
3. Report any delays or deficiencies in information, timeliness, processing, or internal controls in conformance with organization policy and/or applicable law.
4. Communicate professional limitations or other constraints that would preclude responsible judgment or successful performance of an activity.

Resolving Ethical Issues

In applying the Standards of Ethical Professional Practice, the member may encounter unethical issues or behavior. In these situations, the member should not ignore them, but rather should actively seek resolution of the issue. In determining which steps to follow, the member should consider all risks involved and whether protections exist against retaliation.

When faced with unethical issues, the member should follow the established policies of his or her organization, including use of an anonymous reporting system if available.

If the organization does not have established policies, the member should consider the following courses of action:

- The resolution process could include a discussion with the member's immediate supervisor. If the supervisor appears to be involved, the issue could be presented to the next level of management.
- IMA offers an anonymous helpline that the member may call to request how key elements of the *IMA Statement of Ethical Professional Practice* could be applied to the ethical issue.
- The member should consider consulting his or her own attorney to learn of any legal obligations, rights, and risks concerning the issue.

If resolution efforts are not successful, the member may wish to consider disassociating from the organization.

IMA Ethics Helpline Number for callers in the U.S. and Canada:

(800) 245-1383

In other countries, dial the AT&T USA Direct Access Number
from www.business.att.com/collateral/access.html, then the above number.