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FOR IMMEDIATE RELEASE

**IMA Redefines Management Accounting
through New Statement on Management Accounting Release**

Montvale, N.J., December 11, 2008 – To reflect the increasingly strategic role of the management accounting profession, the Institute of Management Accountants (IMA®) released today its latest Statement on Management Accounting (SMA): *Definition of Management Accounting*. The paper, a research product of IMA's Foundation for Applied Research (FAR) subcommittee, presents a new definition of the profession:

“Management accounting is a profession that involves partnering in management decision making, devising planning and performance management systems, and providing expertise in financial reporting and control to assist management in the formulation and implementation of an organization’s strategy.”

The full paper, which includes an explanation of backgrounds, process, criteria, and rationale, is available at <http://www.imanet.org/pdf/definition.pdf>

“The definition of a profession serves many purposes,” explained Dr. Raef Lawson, CMA, CPA, IMA director of research, who serves as SMA editor. “It can serve as a basis for teaching, a way to evaluate what practitioners do, and define the place of the profession in society, now and in the future.”

Recognizing this importance, IMA (then the National Association of Accountants) in 1981, released the original *Definition of Management Accounting* as its first SMA. Given developments in the profession during the past quarter century, including changes in regulation, globalization, and technology, IMA's FAR subcommittee began work last year to update this definition. The subcommittee refreshed the definition based on input from other accounting associations, and presented a draft definition for public comment earlier this year. The project follows a decade of research supported by IMA, calling for management accountants to move from compliance to strategic roles within their organizations.

“Increasingly, accountants inside organizations perform as strategic business partners, leading the functions of performance management, planning and budgeting, corporate governance, risk management, and internal controls. This goes beyond the role of an information provider. It is these important functions that help an organization succeed in the marketplace,” said Dr. Lawson.

IMA's series of SMAs represents a comprehensive summary of specific bodies of knowledge defining competency in management accounting, including topics such as lean accounting, target costing, enterprise risk management, and knowledge management. The complete library of SMAs is available on IMA's Web site at www.imanet.org/smas.

About IMA

With a worldwide network of about 60,000 professionals, IMA is the world's leading organization dedicated to empowering managerial finance and accounting professionals to participate in their organizations to create economic value. Through certification, continuing education, thought leadership, networking, and advocacy of the highest ethical and professional standards, IMA equips financial management and management accounting professionals to create and build quality financial practices into their organizations. For more information about IMA, visit www.imanet.org.

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