



Incorporated by Parliament Act, No. 23 of 2009

CMA PROGRAMME

THE PRACTICAL EXPERIENCE REQUIREMENT GUIDE

Institute of Certified Management Accountants of Sri Lanka

The National Management Accounting Institution in Sri Lanka



INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA

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THE PRACTICAL EXPERIENCE REQUIREMENT GUIDE

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This booklet is issued to registered students of the Institute of Certified Management Accountants of Sri Lanka to guide them on how to fulfill the practical training requirements necessary to obtain CMA Associate membership.

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CMA PRACTICAL EXPERIENCE REQUIREMENT (PER)

Introduction to PER

CMA practical experience requirement is an essential component of CMA qualification. To become a CMA member all trainees must complete the CMA examinations and the practical experience requirement.

The three year PER framework has been designed for develop and demonstrate competent professionalism in accountancy, finance and business management.

Fulfillment of PER will benefit you to develop the skills, knowledge and values required by CMA under supervision of a mentor/training supervisor who has wider competencies, knowledge and skills.

The PER helps you to equip with technical skills, business skills, interpersonal and communication skills and personal skills.

- The technical skills help you to achieve proficiency in core financial accounting, management accounting and finance skills
- The business skills help you to acquire professional knowledge and competencies on organisation and business environment you are working
- The interpersonal and communication skills help you to develop communication skills required for critical analysis and professional judgement to make effective decisions in the work place
- The personal skills help you to development of attitudes, values and behaviours of professional accountants

The combination of above four skills helps you to become competent professional management accountant in your workplace confirming high-quality performance in your work.

The PER has been designed align with CMA curriculum having considering practical application of knowledge on real world situations.

The PER can be achieved after CMA exams or parallel to the study of CMA program.

CMA's PER is based on the International Federation of Accountants (IFAC) International Education Standard 5, Practical Experience Requirements.

According to the IFAC, practical experience develop competencies on:

- (a) enhancing your understanding of organisations, of how business works and of work relationships;
- (b) being able to relate accounting work to other business functions and activities;
- (c) becoming aware of the environment in which services are provided;
- (d) developing the appropriate professional values, ethics and attitudes in practical, real-life situations and
- (e) having an opportunity to work at progressive levels of responsibility.

The successful completion of CMA exams and achievement of practical experience requirements will enable you to gain Associate membership of CMA.

About PER

Period of experience

The time requirement of the practical experience is minimum of three year period. The required experience may be obtained whilst taking or after completion of CMA examinations. Experience gained prior to taking CMA examinations will be considered on a case by case basis considering relevance.

The three year work experience may vary according to the reasons below,

- Recognition of prior experience
- A lack of exposure to the relevant practical experience in the field of accounting, business or finance related

Structure of the PER

You are expected to demonstrate competence in all areas of work/sub skills in the following skill areas:

- Technical Skills
- Business Skills
- Interpersonal & Communication Skills
- Personal Skills

Technical Skills consist of eight sub skills belongs to two main areas of work, namely Financial Accounting & Reporting and Management Accounting & Decision Making. Business skills, Interpersonal & Communication skills and Personal skills consist of three individual components of sub skills.(see Table 1)

Table 1: Structure of the PER

Skill Areas	Technical Skills	Business Skills	Interpersonal & Communication Skills	Personal Skills
Performance Objective	Achieve high level of proficiency in core financial accounting, management accounting and finance skills through practical experience	Acquire professional knowledge and competencies on organisation and business environment to make highly effective business decisions	Active cohesively to receive and transmit information for critical analysis and professional judgment to make effective decisions	Development of attitudes, values and behaviours of professional accountants
Areas of Work/Sub-Skills	<ul style="list-style-type: none"> ▪ Financial Accounting & Reporting <ul style="list-style-type: none"> - Preparation and maintenance of accounting records - Statutory and regulatory reporting ▪ Management Accounting & Decision Making <ul style="list-style-type: none"> - Preparing management accounts - Planning, budgeting and forecasting - Product and service costing - Reporting for decision making & implementation - Project appraisal and project management - Working capital management 	<ul style="list-style-type: none"> ▪ Information and Communication Technology ▪ Business Analysis & Risk Management ▪ Regulatory Environment 	<ul style="list-style-type: none"> ▪ Professional Communication ▪ Building Relations & Team work ▪ Problem Solving & Decision Making 	<ul style="list-style-type: none"> ▪ Ethics & Governance ▪ Self- Management ▪ Planning & Innovative Thinking

CMA practical experience requirements are designed considering CMA curriculum emphasizing applicability of knowledge gained through CMA examinations.

CMA calls you for an interview for applicants to assess your practical achievements due to level of attainability not satisfactory up to the assessment criteria set out by CMA.

The description given in Practical Experience Skill Areas and Sub-skills in the PER Guide (page 5-10): “Achievement in Practical Exposure” will help you to measure your practical experience gained in the work and are the indicators of your practical experience objectives of sub-skills.

Recording your PER

The PER Logbook will assist you to document your demonstration of areas of work and allow your mentor/training supervisor to authenticate the skills that you have completed.

Contents of the PER Logbook.

- A. Practical Experience Requirement Application Form
- B. Employment Summary
- C. Detailed Record of Experience
- D. A certified copy of the “CMA Final Examination Certificate”

It is recommended to keep brief notes of your work done which will help you when writing practical experience in detail.

Detail description of the contents of PER Logbook:

- A. Practical Experience Requirement Application Form

You should complete Practical Experience Requirement Application Form with mentor/training supervisor and employer. If there are changes of your mentor/training supervisor and employer during the three year period, you should obtain their signatures to cover the three year period. You must submit another Practical Experience Requirement Application Form with additional signatories.

B. Employment Summary

You should complete Employment Summary in chronological order which lists all your jobs, starting on your first job of yours. If there are any gaps in employment of three year period should be explained.

Required details are:

- Dates from/to by month and year
- Name, business sector, and approximate annual turnover of the organisation which you work, the number of staff employed
- Your job title in each post and job title of person to whom you reported

C. Detailed Record of Experience

It is recommended to obtain mentor/training supervisor's signature in a quarterly basis for areas of activities you have completed.

PER Logbook can be obtained from CMA Institute.

Submission of your PER

The hard copy of the PER Logbook should send by post/by hand with all the contents of the PER Logbook.

Postal Address is:

Membership Assessments

Institute of Certified Management Accountants of Sri Lanka
29/24, Visakha Road,
Colombo 4,
Sri Lanka.

Mentor/Training Supervisor

The role of your Mentor

Your mentor will have broad capabilities and competencies required helping you to develop and demonstrate the professional knowledge, professional skills, and professional values, ethics and attitudes.

Your mentor should be either a member of CMA, or a full member of an IFAC body such as CA, CIMA (UK), ACCA (UK) and should have sound knowledge of your work.

A listing of such member bodies can be found at www.ifac.org/about-ifac/membership/members.

It is preferable your mentor is your manager or direct supervisor who works with you closely and knows the type of work and assess of your work you do.

Responsibilities of your Mentor:

- assign work to the trainee to gain relevant practical experience to qualify as a management professional accountant
- regularly review trainee's experience
- support trainee to access varied practical experience
- communicate regularly and effectively with, the trainee and with his/her line managers where appropriate
- provide continuous supervision, mentoring, counseling, and evaluation
- provide feedback on practical experience, and assess achievement of competencies.

You may have more than one mentor in the period of practical experience due to change of organisation or you may have several mentors who may guide you on achieving your different practical experience requirements.

Mentoring will help mentors to claim continuing professional development (CPD) requirements of his/her own professional body.

Training Supervisor

If the mentor is not a qualified professional accountant of an IFAC body, the achievement of your practical experience can be authenticated by a recognized Training Supervisor.

Training Supervisor does not fulfill mentor's responsibilities but will confirm successful achievement of practical exposure.

Practical Experience Skill Areas and Sub-skills

Technical Skills: Financial Accounting & Reporting

FAR1

FAR 1: Preparation and maintenance of accounting records	
Activities	Achievement in Practical Exposure
<ul style="list-style-type: none"> ▪ Update organisation's ledger accounts ▪ Maintain payroll procedures ▪ Prepare and review trial balance ▪ Reconcile trial balance ▪ Compute depreciation charges, corporate tax, VAT other taxes and relevant returns 	<p>You will be able to record financial transactions recognizing the nature and purpose of different transaction recording techniques available, whether manually or computerized. Also will be able to gather knowledge in accounting systems and records used in the organisation.</p>

Technical Skills: Financial Accounting & Reporting

FAR2

FAR 2: Statutory and regulatory reporting	
Activities	Achievement in Practical Exposure
<ul style="list-style-type: none"> ▪ Prepare annual or interim financial statutory accounts, regulatory or compliance information for the organisation and stakeholders with supporting schedules/ notes to accounts and statements of affairs. 	<p>You will be able to prepare financial and regulatory reports including supporting schedules/ notes to accounts and statements of affairs in accordance with government legislation and accounting standards.</p>

Technical Skills: Management Accounting & Decision Making

MAM1

MAM 1: Preparing management accounts	
Activities	Achievement in Practical Exposure
<ul style="list-style-type: none"> ▪ Prepare, present and interpret of regular management accounts and related reports ▪ Compare actual performance with budget and/or forecast with analysis and interpret of variances ▪ Prepare regular reports on capital expenditure, outstanding debtors/creditors, inventory etc. 	<p>You will be able to interpret figures/variances and convey their significance to management with having understanding into the organisation's performance and the factors which influence.</p>

Technical Skills: Management Accounting & Decision Making**MAM2**

MAM 2: Planning, budgeting and forecasting	
Activities	Achievement in Practical Exposure
<ul style="list-style-type: none"> ▪ Prepare annual budgets and forecasts assistance with line management ▪ Prepare departmental/functional budgets and forecasts together with other departments ▪ Prepare business plans, capital expenditure budgets and forecasts, balanced forecasts, and 'zero-based budgets'. 	<p>You will be able to prepare financial projections within defined parameters gathering knowledge on organisation's business objectives and financial targets. You will also be able to do SWOT Analysis which influence the defined objectives and targets.</p>

Technical Skills: Management Accounting & Decision Making**MAM3**

MAM 3: Product and service costing	
Activities	Achievement in Practical Exposure
<ul style="list-style-type: none"> ▪ Prepare current and future costs of the organisation's products, services and activities applying appropriate principles and techniques, for example absorption costing, marginal costing, overhead allocation, breakeven analysis etc. ▪ Identify and analyse costs and revenues for business decisions such as for pricing, make or buy decisions, introduction of new product, amendment and deletion of a product/service etc. 	<p>You will be able to understand the cost and pricing structure of the organisation and its products/services having insight into the internal and external factors which influence the organisation's costs and the competitiveness of products/services.</p>

Technical Skills: Management Accounting & Decision Making**MAM4**

MAM 4: Reporting for decision making & Implementation	
Activities	Achievement in Practical Exposure
<ul style="list-style-type: none"> ▪ Prepare non-routine reports for analyse and interpret financial/numerical data and make recommendations for decision making. ▪ Assess alternative courses of actions and make specific recommendations and follow up results of reports. ▪ Prepare briefing papers for management 	<p>You will be able to evaluate financial statements in interpreting with logical arguments and recommendations targeting the needs of different recipients of the same.</p>

Technical Skills: Management Accounting & Decision Making**MAM5**

MAM 5: Project appraisal and project management	
Activities	Achievement in Practical Exposure
<ul style="list-style-type: none"> ▪ Evaluate capital expenditure, long-term contracts, investments and other projects using investment appraisal techniques. ▪ Conduct post- completion audit of projects and investments ▪ Attend to project management process by being a part of a project team, for example introduction of new systems or procedures, capital expenditure projects, quality improvements, business process re-engineering, launch of a new product/service or moving to a new premise. 	<p>You will be able to apply appropriate investment appraisal techniques to specific projects having understanding of organisation's policies, procedures and criteria of authorization.</p> <p>You will be able to define the objective and outputs of a specific project with identifying the tasks to complete; allocate tasks to individuals; prepare project plan; monitor, control and report progress against plan; undertake post-completion audit.</p> <p>You will be able to recognize the rules of successful project management.</p>

Technical Skills: Management Accounting & Decision Making**MAM6**

MAM 6: Working capital management	
Activities	Achievement in Practical Exposure
<ul style="list-style-type: none"> ▪ Control over working capital cycle; debt collection, control over inventory and expenditure, cash flow management. ▪ Purchase of periodic stocks, by identifying slow moving and redundant stock, negotiating credit terms with customers, suppliers and bankers. ▪ Manage supply chain of the organisation 	<p>You will be able to carry out the routine and short-term financial management functions gathering knowledge on importance of working capital control and cash flow to have control over the liquidity of the organisation.</p>

Business Skills: Information and Communication Technology**BUS1**

BUS 1: Information and Communication Technology	
Activities	Achievement in Practical Exposure
<ul style="list-style-type: none"> ▪ Develop computer literacy using software packages ▪ Use of internet and corporate intranets ▪ Use and understand range of IT and information systems controls within the organisation 	<p>You will be able to use appropriate computer software products thus understanding IT products available and IT controls within the organisation and use appropriately.</p>

Business Skills: Business Analysis & Risk Management**BUS2**

BUS 2: Business Analysis & Risk Management	
Activities	Achievement in Practical Exposure
<ul style="list-style-type: none"> ▪ Identify stakeholders ▪ Examine the business, its environment and factors which affect the future activities of the business ▪ Identify the risks and level of risks ▪ Disaster recovery planning ▪ Communicate the business analysis and risk management to appropriate individuals 	<p>You will be able to demonstrate the ability to use tools and skills of business analysis and evaluate and manage the risks.</p>

Business Skills: Regulatory Environment**BUS3**

BUS 3: Regulatory Environment	
Activities	Achievement in Practical Exposure
<ul style="list-style-type: none"> ▪ Understand the regulatory environment in which business operates (regulations relate to accounting and auditing standards, taxation, secretarial practices, securities & exchange regulations, companies, business, and particular industries and activities) ▪ Interpret and apply legislation and professional standards relevant to business ▪ Interpret and apply legislation and professional standards in their commercial context 	<p>You will be able to demonstrate the understanding of regulatory environment in which your business operates and ability to interpret and apply relevant legislation, standards and regulations relevant to your work.</p>

Interpersonal & Communication Skills: Professional Communication**ICS1**

ICS 1: Professional Communication	
Activities	Achievement in Practical Exposure
<ul style="list-style-type: none"> ▪ Communicate effectively, both formally and informally using variety of media (such as a presentation, reports, records, chairing a discussion group), verbal communications and online technology ▪ Communicate on key issues in a business context to demonstrate the ability to research and share information 	<p>You will be able to communicate effectively and professionally having identified and understood the needs of the target audience and context.</p>

Interpersonal & Communication Skills: Building Relations & Team work**ICS2**

ICS 2: Building Relations & Team work	
Capabilities	Achievement in Practical Exposure
<ul style="list-style-type: none"> ▪ Develop effective working relationships by developing contacts, relationships and suitable networks both internal and external ▪ Identify individual and team goals, tasks, responsibilities and schedules ▪ Operate effectively in a team environment towards shared goals 	<p>You will be able to interact at any level in a team to achieve team goals demonstrating professional courtesy.</p>

Interpersonal & Communication Skills: Problem Solving & Decision Making**ICS3**

ICS 3: Problem Solving & Decision Making	
Capabilities	Achievement in Practical Exposure
<ul style="list-style-type: none"> ▪ Identify problems/issues and undertake problem solving techniques using available resources to identify potential alternative solutions ▪ Recommend or contribute to decision making based on analysis undertaken 	<p>You will be able to demonstrate the role of gathering information and the use of available resources to solve problems and make decisions within a defined timeframe.</p>

Personal Skills: Ethics & Governance**PRS1**

PRS 1: Ethics & Governance	
Capabilities	Achievement in Practical Exposure
<ul style="list-style-type: none"> ▪ Demonstrate the ability to apply professional values and judgment through an ethical framework, in adherence with relevant professional codes, laws and regulations ▪ Understand how governance is evident within an organisation, and the ability to identify risks where relevant ▪ Identify the need for effective adherence of good governance 	<p>You will be able to demonstrate personal integrity and ethical behaviour as an individual, and as part of organisation, the profession and the community.</p> <p>Also you will be able to identify the need for good governance and how effectively it is discharged in organisation.</p>

Personal Skills: Self-Management**PRS2**

PRS 2: Self-Management	
Capabilities	Achievement in Practical Exposure
<ul style="list-style-type: none"> ▪ Identify your objectives/targets and organize your work to achieve them under different environmental conditions ▪ Continuously enhance your professionalism ▪ Adapt to and manage change ▪ Internalise the organisation's core values 	<p>You will be able to demonstrate the awareness of the qualities you should display as a professional in the workplace.</p>

Personal Skills: Planning & Innovative Thinking**PRS3**

PRS 3: Planning & Innovative Thinking	
Capabilities	Achievement in Practical Exposure
<ul style="list-style-type: none"> ▪ Review of existing systems and processes as part of an internal or operational audit ▪ Search for and generate new ideas, based on analysis and/or creative thinking including contingency planning ▪ Involve in the design, development and implementation of new or replacement systems and procedures 	<p>You will be able to demonstrate the importance of planning and their contribution to improve business plans and processes.</p>

Frequently Asked Questions (FAQs)

1. Are the practical experience requirements same for those working in different employment sectors?

Yes. The requirements are same for everyone regardless of employment sectors. The CMA Practical Experience Requirement has been designed taking into account Sri Lankan context and international standards.

2. When should I submit my application for assessment?

As soon as you think the practical experience that you have gained in the work is sufficient to apply for membership with the completion of all the CMA exams.

In the event of inadequacy of the submission of requirements, we will either call for an interview or ask to submit further detail in your work experience.

3. How can I find a mentor?

It is your responsibility to find a mentor in your workplace. A mentoring relationship helps ensure that you receive guidance and assistance to develop and demonstrate the skills required to advance you to ACMA status. Mentoring is a mutually beneficial relationship both trainee and the mentor. The mentor willingly passes their knowledge to the trainee. Mentoring gives opportunity to share experiences and to develop skills that will benefit them professionally and personally for both.

4. How do I get my employer to support my PER?

When you are thinking about completing your practical experience, you should make sure you are able to explain to your employer, the numerous benefits that will result as you achieve your performance exposure. For example, you will develop Interpersonal & Communication skills in areas such as communication, building relations & team work.

5. When should I use the letters ACMA?

ACMA letters can use after your name completing your all the CMA exams and having your practical experience requirement successfully assessed and admitted to associate membership.



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Practical Experience Requirement Application Form

Trainee Details

Personal Details

Member number

Title

Mr

Mrs

Miss

Other

Full Name

Name with Initials

Your Contact Details

Home Address

Home Phone

Mobile Phone

Your Employment Details

Organisation
Name

Position Title

Organisation
Address

Business Phone

Communication Preferences

Your email
address

Please tick on preferred postal address

At work

At Home

Employer Details

Title Mr Mrs Miss Other

Full Name

Name with Initials

Organisation Name

Position Title

Business Phone

Email Address

Mentor/ Training Supervisor's Details

Title Mr Mrs Miss Other

Full Name

Name with Initials

Organisation Name

Position Title

Business Phone Mobile Phone

Email Address

Your mentor's/Training Supervisor's Declaration

The start date of your mentoring/employment period relate to PER

From / / To / /

DD MM YYYY DD MM YYYY

I agree to act as the trainee's mentor/training supervisor for the purpose of the practical experience requirement and can confirm that I have been doing for the period stated above.

I acknowledge that CMA Sri Lanka may contact me to verify any of the information provided on this form. I declare that I have reviewed the sub-skills in The CMA Practical Experience Requirement Guide and performance of the Trainee was satisfactory during that period.

Signature:

Date:

Trainee's Declaration

I hereby certify that the information given by me in this Application for Membership is true and correct. I understand that any false information in this Application lead to disqualification from applying for membership of the Institute of Certified Management Accountants of Sri Lanka.

Signature of Applicant:

Date:

Institute of Certified Management Accountants of Sri Lanka

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