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# DEFINING THE FUTURE OF INVESTMENT ADVICE

Industry Dynamics & CIMA® Job Analysis Study



**INVESTMENTS & WEALTH INSTITUTE™**  
formerly **IMCA**

# Defining the Future of Investment Advice

## Industry Dynamics & CIMA Job Analysis Study

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# OVERVIEW

## Report

The Investments & Wealth Institute™ and its board of directors regularly monitor industry-wide risks and opportunities related to the delivery of professional investment consulting and wealth management services. The Institute partners with a variety of reputable third-party research firms to conduct ongoing surveys within the financial services industry and with the investors they serve to better understand industry trends and broaden public understanding of investment consulting and wealth management.

The research findings contained in this report complement a series of studies conducted by the Institute throughout the past 12 months, focused on:

- High-net-worth client expectations and satisfaction.  
([Absolute Engagement Study: Investments & Wealth Client Research 2017](#))
- Certification, advanced education, and credentialing importance for advisors in better serving their clients.  
([Aite Study: The Value of CIMA Certification to an Advisor's Practice, 2017](#))
- The advantages advisory teams offer clients, as well as the importance of teams in practice development.  
([Cerulli Research Study: High Performing Advisor Teams, 2017](#))

This report details the Institute's latest research study, "Future of Investment Advice," conducted by Human Resources Research Organization™ (HumRRO) in partnership with the Investments & Wealth Institute. It describes the process and outcomes of a job analysis of investment professionals worldwide conducted in late 2017.

## Industry Dynamics and Trends

The financial services industry and the delivery of investment and wealth management advice is dynamic and complex. The following is a list of industry trends, many of which have been well reported:

- Consolidation of smaller independent firms
- The rise of teaming within larger firms
- Increased reliance on passive investment management and reduced reliance on active management
- Increased effectiveness of technology tools to aid in asset allocation and rebalancing
- Increased attention to fiduciary responsibilities by advisors and firms
- General rise in expectations due to greater consumer awareness, education, and access to information about advisors, firms, products, and services
- Slow rise in trust following a prolonged period of eroding trust by consumers toward the financial sector (*Source: Edelman Trust Barometer, 2008-2017*)

## Investor Dynamics

Investment management has become increasingly complex and investors have become more critical and demanding. The Investments & Wealth Institute commissioned a study among high-net-worth (HNW) investors in North America who actively work with a professional advisor. Expectations are high, but so is satisfaction. (Source: *AbsoluteEngagement study of more than 1,000 clients in Canada and the United States, August 2017*)

1. **Clients report high satisfaction with their advisor:** 94 percent of HNW clients said they were very (71 percent) satisfied or somewhat (23 percent) satisfied with their advisor and 92 percent said they were extremely (72 percent) or somewhat (20 percent) likely to continue to work with their advisor.
2. **Qualitative services align with expectations:** Eighty percent of respondents rate ethical standards as critically important, followed by trustworthiness (80 percent) and knowledge (77 percent). On these matters, clients are relatively satisfied, with 75 percent reporting satisfaction with their advisor's ethics, 77 percent with their advisor's trustworthiness, and 73 percent with their advisor's knowledgeability.
3. **There is a gap between the knowledge-based technical services an advisor provides and the expectations of the client:** Three-quarters say that long-term investment returns are important to them, but only 60 percent report satisfaction. Other gaps can be found in value relative to fees (67 percent say it's important; 53 percent are satisfied), as well as levels of risk in the investor's portfolio (77 percent say it's important; 67 percent are satisfied).
4. **Clients place greatest value on investment management expertise.** When asked what they are paying their advisor to do for them, clients listed investment management (59 percent), followed by financial planning (46 percent), wealth management (36 percent), and retirement solutions (35 percent). The responses were mirrored when clients were asked to rank the importance of these four types of support/services provided.

As suggested by the AbsoluteEngagement study's findings, a principal way to close the gap between expectations and results for their clients is the pursuit of advanced education beyond what is legally required. The survey found that mass-affluent and HNW investors look for their advisors to obtain voluntary standards, with 62 percent of respondents saying it was very (24 percent) or somewhat (38 percent) important that their advisor hold these designations.

In addition to supporting credibility, clients believe that having advanced certifications sets advisors apart in a competitive marketplace. Sixty-seven percent of respondents said they completely (36 percent) or somewhat (31 percent) agree that the designations or credentials held by their advisor set him or her apart from other advisors.

## Advisors and Teams

What characteristics do successful investment advisory practitioners and teams share? Recent research released by Cerulli Associates on high performing teams in the United States, and Aite Group research conducted on the business impact of various credentials may shed a light on these business trends. (Sources: *Aite Business Impact and Value of Credentials*, October 2017; Cerulli Associates and Janus Henderson Investors, “High-Performing Advisor Teams,” December 2017—both studies focus on U.S. advisors/teams).

- More than 60 percent of advisors work in a team, while only one-third collaborate in their decision-making processes.
- Top-quartile teams offer an average of 3.8 HNW services compared to 3.2 for other quartile teams.
- More than half (52 percent) of top-performing teams hire specialized staff roles, compared to 37 percent of other quartile teams.
- The top-quartile teams have a broader mix of advanced credentials and are 1.5 times more likely to hold CIMA certification compared to other quartile teams.
- Mean assets per client for practices with a CIMA certificant are nearly 3 times that of a practice without a CIMA professional.
- Practices with CIMA professionals generated 25 percent more revenue over the past 12 months than those without CIMA professionals.
- Sixty percent of advisors surveyed are satisfied with their careers. CIMA professionals show more satisfaction with their careers than do advisors without CIMA certification; over 40 percent of CIMA professionals surveyed indicate that they are very satisfied with their careers, whereas 21 percent of non-CIMA financial advisors say the same.

# EXECUTIVE SUMMARY

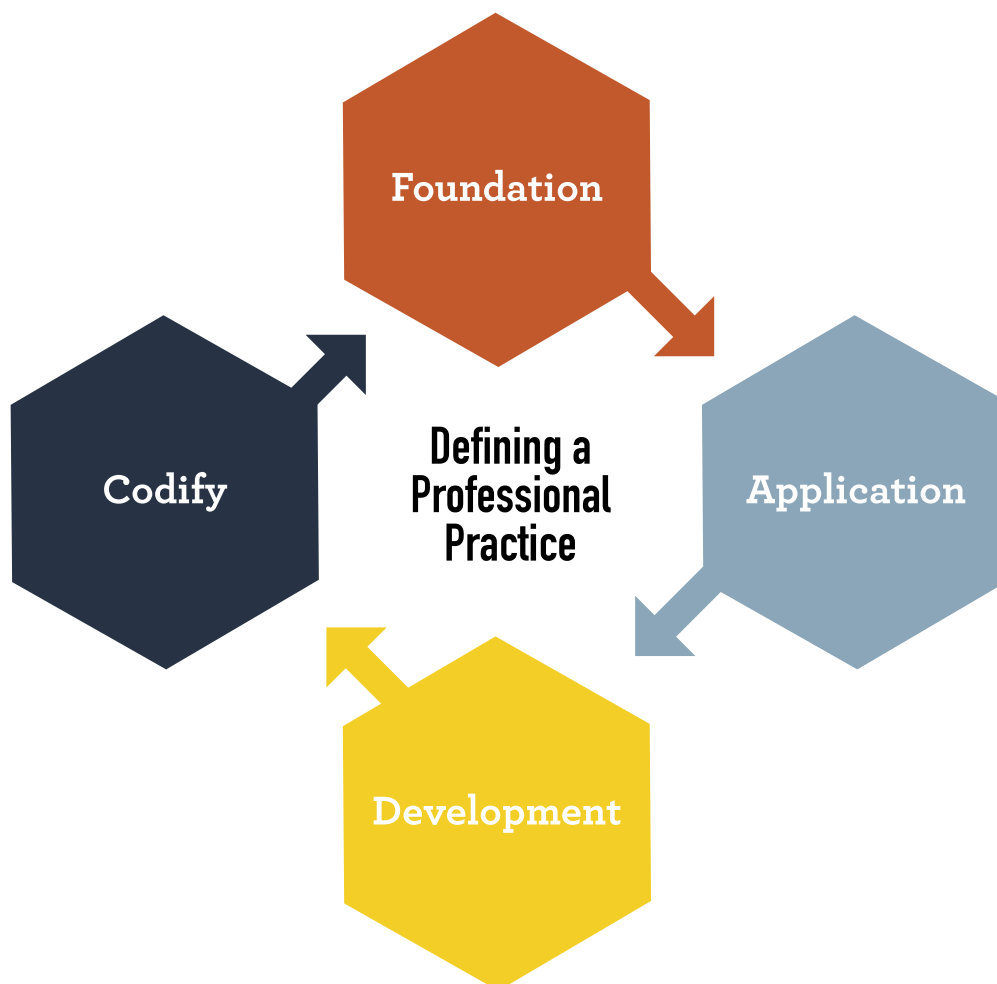
## Defining the Future of Investment Advice

The future of investment advice is tied inextricably to an evolving body of knowledge. Like all organic systems, the knowledge and skills delivered by investment professionals worldwide evolves within that context.

Research conducted on clients, advisors, and teams shows conclusively that the investment advisory profession is alive and well. Those who thrive are those who have earned advanced professional designations—They experience (1) high client retention, loyalty and engagement, (2) enhanced team performance on a variety of metrics, (3) accelerated growth in the client base, and (4) greater job satisfaction.

The evolution of professional bodies of knowledge occurs in many ways. The most common, and arguably the most effective, occurs when an intellectual discipline (such as finance) evolves through new technologies, processes, and applications. Practitioners in the field experiment and compete—often with each other—and new best practices emerge and are shared through conferences, publications, communities, and other media. At regular intervals during this process, certification bodies play an essential role: To codify a body of knowledge and qualify practitioners through a certification process (see figure 1). This “codification” of the knowledge and skills required for contemporary professionals is best done through an extensive and thorough job analysis.

**FIGURE 1: DEFINING A PROFESSIONAL PRACTICE**



This job analysis study was conducted by independent research firm, Human Resources Research Organization™ (HumRRO) in partnership with the Investments and Wealth Institute™ (formerly IMCA®) to better define investment advisor and consultant responsibilities including the knowledge, skills, and abilities required to perform daily activities both accurately and effectively.

The Institute regularly conducts job analysis studies to ensure that initial and ongoing certification requirements reflect current professional practices, and to establish the voluntary Certified Investment Management Analyst® (CIMA®) certification global standard for financial professionals. The last CIMA job analysis was released in 2013. As part of the study, HumRRO conducted a large-scale survey of 2,050 investment advisors and consultants between August and September 2017. This was followed by focus groups with subject matter experts to thoroughly examine the advanced competencies needed to provide the highest level of investment advice. HumRRO also analyzed existing materials including previous CIMA job analysis reports and the CIMA examination blueprint.

Based on HumRRO's findings, it was concluded that the knowledge and skills delivered by investment professionals worldwide continues to evolve. In January 2018, the Institute in conjunction with its CIMA Certification Commission, announced several enhancements to the knowledge competencies and certification requirements for CIMA to meet the future needs of investment professionals. Key enhancements include:

## New or Revised Knowledge Competencies

- The CIMA Core Body of Knowledge was consolidated and simplified into five knowledge domains, culminating in an expanded application domain, “Portfolio Construction and Consulting Process,” which also now includes application of ethics and fiduciary principles and guidelines.
- Substantial additional emphasis was placed on passive investment vehicles and strategies, including a new section covering investment philosophies and styles.
- A new topic area outlining “responsible investing,” which includes environment, social, and governance (ESG), impact investing, and socially responsible investing was added.
- The exam weightings for behavioral finance were enhanced.
- The investments section split out “real assets” into a new content section.

## New Certification Requirements

- Investment advisors and consultants with at least three years experience will be required to know 469 topics organized within five domains and 22 sections.
- Commencing in June 2018, registered CIMA education providers will be required to address relevant, country-specific tax and regulation topics as part of their registered executive education program.
- Commencing August 2018, the CIMA certification examination will be administered as a five-hour, 140 question multiple-choice examination at an established testing center.
- Commencing in January 2019, CIMA certificants must demonstrate that they have completed at least one hour of relevant continuing education in the field of tax or regulation.

# PROCESS AND METHODOLOGY

The job analysis process included three phases: (1) prepare content for survey, (2) develop and administer survey, and (3) analyze and finalize CIMA certification requirements based on results.

## **(1) Prepare Content for Survey**

HumRRO used available documentation, interviews with investment management professionals, a subject matter expert (SME) workshop, and a survey of job incumbents to describe the requirements of the CIMA professional. First, HumRRO job analysts conducted individual telephone interviews with five SMEs to learn more about the profession as a whole, and to gain a better understanding of the major changes taking place within the field.

Equipped with a clearer understanding of the profession, job analysts next reviewed previous job analysis results, and updated lists of task and knowledge statements. The task and knowledge lists were reviewed and revised by a Job Task Analysis (JTA) Task Force comprised of volunteers from the Institute Board of Directors, CIMA Certification Commission, and additional CIMA certificants during an in-person workshop. HumRRO analysts asked SMEs their overall reaction to the lists, and, going through one category at a time, asked specifically which task and knowledge statements should be revised, dropped, or added to ensure the lists reflect the requirements of CIMA professionals. Feedback from these experts was used to review, update, and finalize the lists of task and knowledge statements. See Appendix A for background and demographic information for the members of the JTA Task Force.

## **(2) Develop and Administer Survey**

The feedback results were programmed into an online job analysis survey in which respondents were asked to rate the importance of the task and knowledge statements. The survey link was emailed to all Institute members and a list of other industry professionals.

The survey was comprised of three sections: A background questionnaire, which included a set of questions inquiring about respondents' opinions regarding CIMA program requirements, and separate ratings were randomized for task and knowledge statements. After both the task and knowledge sections, feedback questions were asked to allow respondents to enter comments about the survey content, and any important task or knowledge statements they felt were missing from the list.

## **Rating Scale**

There was a single rating scale for both the task and knowledge sections. Respondents were asked to rate the importance of each knowledge or task statement. Specifically, respondents were asked to judge “How important is this knowledge (or task) for effective performance by a CIMA professional?” A single scale was used instead of also including a frequency rating scale because HumRRO analysts have found repeatedly that frequency and importance ratings yield very high correlations, while unnecessarily lengthening the survey. The importance scale used is shown below.

- 1- Not part of CIMA work
- 2- Minimally important
- 3- Moderately important
- 4- Important
- 5- Very important
- 6- Extremely important
- 7- Don't know



## **Survey Pilot Testing**

SMEs from the first workshop, HumRRO staff, and Institute staff pilot tested the survey to ensure functionality, usability, and readability. Participants responded to background questions, rated task and knowledge statements, entered comments, navigated back and forth among pages and sections, and logged out and back into the online survey. Programmers downloaded the data and provided it to HumRRO to review and ensure that the server captured data and full text comments accurately and completely.

## **Sampling and Launch**

Concurrent to the development stage and before issuing survey invitations, the Institute and HumRRO developed communications to invitees. The survey was distributed to Institute members, CIMA certificants and Certified Private Wealth Advisors® (CPWA®) certificants, as well as financial advisors who typically have characteristics similar to those of current CIMA certificants, such as higher assets under management (AUM), larger account sizes, common investment strategies, and a higher likelihood of earning a designation. The survey was also made publicly available through social media to financial services professionals worldwide and distributed internationally to investment advisors in Australia and Canada through global partner organizations.

The survey link was emailed to 10,176 members and 24,529 nonmembers for a total of 34,705 individuals invited to take the survey. For a detailed summary of survey participants, see Appendix B.

### **(3) Analyze and Finalize CIMA Certification Requirements Based on Results**

HumRRO used the survey results to prepare recommendations for a revised examination blueprint. The CIMA Certification Commission, comprised of 11 subject matter experts, modified the recommendations slightly, considering issues such as ongoing regulatory changes, the investment landscape, and testability. As a result of the Commission meeting, the requirements to earn and maintain CIMA certification were updated, and HumRRO used the results to update the exam blueprint, test specifications, and item bank structure.

In October 2017, HumRRO facilitated a two-day, in-person workshop with the CIMA Certification Commission to review and finalize the exam content outline and specify domain and section weights. The CIMA Certification Commission is composed of subject matter experts who are solely responsible for setting the requirements for initial and ongoing certification. Each year candidates are nominated for open Commission positions and are appointed by the Commission. They have a broad range of experience in investment consulting/advising, represent diverse demographics and educational/experience backgrounds, and work in various business models in a variety of geographical locations. See Appendix C for background and demographic information for the members of the CIMA Certification Commission.

During a workshop, the CIMA Certification Commission was provided with the survey results (i.e., descriptive statistics including sample size, mean, standard deviation, and percent important for each rating) and instructed to review them independently and make notes about unexpected ratings, potential anomalies in the data, and task or knowledge statements to consider dropping.

HumRRO facilitated discussion asking the Commission to make a judgment about the results to determine which tasks and knowledge requirements are critical for competent practice, paying particular attention to tasks and knowledge statements that bore ratings at or near the decision rule threshold values. Next they made knowledge drop/keep decisions. A “drop” decision for the knowledge statements indicates that the knowledge areas will not be included on the August 2018 (and beyond) CIMA certification exam.

To establish new content weights for the exam blueprint, “exam section weightings” were established by the Commission to determine how many questions are administered on the CIMA Certification Examination within a domain or section. Decisions for this activity were based on the current test blueprint weights derived from the previous 2013 job analysis, empirical weights based on the 2017 job analysis data, and CIMA Commission discussion. A complete listing of all approved knowledge statements and section weightings for the 2018 CIMA Certification Examination is detailed in Appendix D.

Finally, HumRRO asked the CIMA Certification Commission to participate in a rating task regarding the appropriate level of knowledge required for the job of a CIMA professional. The exercise involved participants independently providing a single rating for each knowledge statement in response to the question: “At what cognitive level is this knowledge necessary for effective CIMA professional performance?”

0-No Knowledge	CIMA professionals do not need this knowledge.
1-Recall	Requires only the identification, recall, or recognition of isolated information, such as specific facts, generalizations, concepts, principles, or procedures. The information generally does not vary relative to the situation.
2-Application	Requires comprehension, interpretation, or manipulation of limited concepts or data, in which the response or outcome is situationally dependent but not overly complex (e.g., application of knowledge that varies based on patient characteristics and environment). Tasks that require candidates to recognize elements and relationships among data and to classify, explain, or differentiate are usually application level.
3-Analysis/Evaluation	Requires the integration or synthesis of a variety of concepts or elements to solve a specific problem situation (e.g., evaluating and rendering judgments on complex problems with many situational variables).

All ratings were compiled and tabulated, and the Commission approved the final weightings during their meeting. This input will be shared with practitioners who volunteer to write and review test questions over the next several years, so that the level of knowledge assessed matches the exam specifications.

# SURVEY RESULTS

## Defining Knowledge and Skill Requirements for Investment Advisors and Consultants

The current CIMA certificant population is engaged in a variety of roles throughout the financial services industry: broker, advisor, analyst, consultant, financial planner, wealth advisor, corporate executive, product and service wholesalers.

The definition of a CIMA professional was discussed and finalized as:

*CIMA professionals integrate a complex body of investment knowledge, ethically contributing to prudent investment decisions by providing objective advice and guidance to individual and institutional investors.*

As described in the Survey Development section, we asked respondents to make one rating for each task and knowledge statement. We used the importance rating to determine if the task or knowledge statement reflects critical work content and competency.

Overall, nearly all task and knowledge statements were highly rated. This is likely because (a) this is a job analysis update, and job requirements are somewhat stable over time, (b) phase one survey development process was accurate and supported by the survey respondents, and (c) incumbents tend to see all aspects of their work as important.

The job analysis identified 469 knowledge, skills, and tasks required to perform investment advisor/investment consultant activities accurately and effectively at an appropriate level. As a group, the CIMA Certification Commission prioritized and organized these competencies into five knowledge domains and 22 sections (see Appendixes D and E).

Overall, the CIMA Core Body of Knowledge was consolidated and simplified into five knowledge domains, culminating in an expanded application domain, “Portfolio Construction and Consulting Process,” which also now includes application of ethics and fiduciary principles and guidelines.

Substantial additional emphasis was placed on passive investment vehicles and strategies, including a new section covering investment philosophies and styles. A new topic area outlining “responsible investing,” which includes environment, social, and governance (ESG), impact investing, and socially responsible investing was added. The exam weightings for behavioral finance were again enhanced, reflecting continued emphasis on the importance of this skill (as seen in 2013 survey). The investments section split out “real assets” into its own new content section.

## CIMA Certification Core Body of Knowledge—Knowledge Competencies

Investment advisors and consultants with at least three years of industry experience will be required to know 469 topics organized within the following five domains and 22 sections (see table 1).

**Table 1: CIMA Certification—Summary Content Outline (domains and section)**

<b>I. Fundamentals</b>
1. Statistics and methods
2. Applied finance and economics
3. Global capital markets
<b>II. Investments</b>
1. Vehicles
2. Equity
3. Fixed income
4. Alternative investments
5. Options/futures
6. Real assets
<b>III. Portfolio Theory and Behavioral Finance</b>
1. Portfolio theories and models
2. Behavioral finance
3. Investment philosophies and styles
4. Tools and strategies
<b>IV. Risk and Return</b>
1. Attributes of risk
2. Risk measurements
3. Performance measurement and attribution
<b>V. Portfolio Construction and Consulting Process</b>
1. Ethics and fiduciary responsibilities
2. Client discovery
3. Investment policy
4. Portfolio construction
5. Manager search and selection
6. Portfolio review and revisions

*Note: See Appendix D for detailed content outline.*

## CIMA Certification Core Tasks and Skills—Process Competencies

Investment advisors and consultants with at least three years of industry experience should exhibit advanced competency in 56 skills and tasks organized into six process competencies. See Appendix F for detailed outline.

- I. Client Discovery and Engagement Process
- II. Investment Policy
- III. Portfolio Construction
- IV. Manager Search, Selection, and Monitoring
- V. Portfolio Review and Revisions
- VI. Throughout the Process

### Country-Specific Knowledge

The CIMA certification represents a global standard for investment advisors and consultants. As such, the CIMA Certification Exam covers a global body of knowledge, including tax-efficient investing, ethical principles, and basic regulatory concepts.

Commencing in June 2018, registered education providers will be required to address relevant, country-specific tax and regulation topics as part of their executive education program. Commencing in January 2019, CIMA certificants must demonstrate that they have completed at least one hour of continuing education in the field of tax or regulation.

Though not a complete list of approved country-specific topics, the following topics were identified through the Job Task Analysis study as being relevant for these requirements:

- Fiduciary responsibilities for different types of clients (e.g., individuals, endowments, trusts, foundations, retirement plan clients)
- Circumstances that may cause a person to be identified as a fiduciary
- Country-specific laws and regulations pertinent to investment management (e.g., ERISA, UPIA, UMIFA, UPMIFA, SIS ACT, or APRA regulations in Australia; IIROC and CSA in Canada) and investor/purchaser qualifications
- Differences between accredited investors, non-accredited investors, and qualified purchasers
- Region or country-specific tax laws related to the delivery of investment advice and consulting

## Eligibility and Recertification Requirements

Three questions were included on the survey to validate the current CIMA recertification requirements. At present, CIMA certificants must hold three years of related industry work experience, must demonstrate continued competence through continuing education, and must recertify every two years. Only respondents who held the CIMA certification were instructed to answer these questions (see Table 2 below). Consistent with current practices, the vast majority of respondents thought at least three years of experience are necessary. Similarly, nearly all respondents indicated that they thought continuing education was an acceptable way to demonstrate continued competence in the field.

**Table 2: Responses to Program Requirement Questions**  
(Note: The questions below were only presented to CIMA certificants)

	Frequency	Percent
How many years of financial services work experience do you think are necessary before a candidate can obtain the CIMA certification?		
1	73	4
3	895	50
5	762	43
Other	48	3
What would be an acceptable method to show continued competency? (check all that apply)		
Continuing education	1,711	96
Re-examination on topic list	257	14
On-site assessment	106	6
Other	56	3

*Note: Percentages for the last question add up to more than 100 because respondents checked all that applied.*

# Summary of CIMA Certification Requirements—Initial and Ongoing Requirements for Certification

In order to be a CIMA-certified advisor or consultant, professionals must meet the “Four E’s” required by the CIMA Certification Commission:

**Experience** – Candidates must exhibit three years of relevant experience in financial services before certification.

**Ethics** – Applicants must disclose any potential or real violations to the Institute’s *Code of Professional Responsibility*, and must successfully complete comprehensive background checks before certification.

**Education** – All candidates must complete an executive education component through a registered education provider before certification: The Wharton School at the University of Pennsylvania, the University of Chicago Booth School of Business, the Yale School of Management, or the Investment Management Research Program at the University of Technology-Sydney.

**Examination** – All candidates must successfully complete the examination requirement before certification. Commencing August 2018, the CIMA Certification Examination will be administered as a five-hour, 140-question multiple-choice examination at an established testing center.

**Continuing Competency and Ethics** – In addition to ongoing adherence to the Institute’s *Code of Professional Responsibility*, CIMA certificants must demonstrate continued competence every two years through earning and reporting at least 40 hours of relevant continuing education, including two hours in the field of ethics. Commencing in 2019, CIMA certificants must also demonstrate that they have completed at least one hour of relevant continuing education in the field of tax or regulation.

## Conclusion

The CIMA Certification job analysis, initiated in the summer of 2017, has been completed and the results used to revise the CIMA certification requirements and examination blueprint. The job analysis was conducted to ensure valid and reliable exam development methodologies, using a process that complies with all NCCA and ANSI 17024 personnel certification standards.

The job analysis results suggest the task and knowledge lists are comprehensive and current, reflecting a contemporary, relevant body of knowledge for advanced investment advisors and consultants.

# ABOUT INVESTMENTS & WEALTH INSTITUTE

Established in 1985, the Investments and Wealth Institute™ (formerly IMCA®) is a not-for-profit professional association, advanced education provider, and standards body for financial advisors, investment consultants, and wealth managers who embrace excellence and ethics.

Its Certified Investment Management Analyst® (CIMA®) certification is an advanced competency standard for investment professionals who work directly with investors, either as an investment advisor to individuals, households and families, or as an investment consultant to institutional clients such as foundations, endowments, companies, municipalities, and unions.

For more information about the Investments & Wealth Institute, please visit our website at:

[www.investmentsandwealth.org](http://www.investmentsandwealth.org)

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## Appendix A: Task Force Participants' Background

### JTA Task Force Participants—Background information (11 participants)

	Frequency
How long have you worked in your current position?	
Mean	11.86
SD	9.17
Range	2-33
How long have you held a CIMA certification?	
Mean	11.86
SD	9.17
Range	1-21
Current Job Title/Role	
Professor	1
Executive/Managerial Position	4
Senior Internal Consultant	1
Mutual Fund Distribution	1
Financial Advisor/Portfolio Manager	3
National Director, Advisor Coaching	1
In which countries have you worked?	
United States	10
New Zealand	1
Australia	1
South Africa	1
Canada	1
What is your highest level of education?	
Some College	1
BA	2
BS	2
MBA/MSIT	5
PhD	1
Other Certifications Held	
AIFA	1
CAIA	1
CDFA	1
CFA	1
CFP	2
CLU	1
CMA	1
CPWA	2
Fellow of the Inst of Actuaries of Australia	1
None	4
Gender	
Female	4
Male	7

## Appendix B: Survey Response Rate and Respondent Characteristics

After the survey was closed, HumRRO downloaded the response data and reviewed it to identify response records that were incomplete or demonstrated problematic response patterns.

Table B1 provides the number of cases impacted by each screening rule. Specifically, cases were screened out for those who spent less than five minutes completing the survey (170 cases), left more than 20 percent of the survey questions blank (258 cases), wrote in the open-ended “other” field for position type that they were retired or working in an unrelated field (2 cases), or had less than three years of investment industry experience (10 cases).

With this remaining sample, data was examined for identical responding (e.g., a respondent rated everything the same way, such as all 1s or 5s), but there were no cases with identical responses to every item. Based on this analysis, 270 participants with data were dropped from the sample, resulting in a final survey sample size of 2,050. All “Don’t know” values were coded as missing data, so as not to impact the quantitative analyses.

**Table B1: Screening Rules for Survey Data**

Screening Rule	n
Unscreened sample	2320
Less than 5 minutes	170
More than 20% missing	258
Irrelevant position	2
Less than 3 years’ experience	10
Valid analysis sample	2,050

The final response rate was 6.7 percent, which at first glance appears low. However, 1,778 (86.7 percent) of the valid sample reported being an actual CIMA certificant, suggesting that nearly all of the valid responses resulted came from the member list of 10,176 invitees. The member valid response rate was 17.5 percent. Both of these response rates are higher than the 4.8 percent response rate obtained for the 2013 job analysis survey. This is a reasonable response rate, and it is consistent with and even greater than many job/practice analysis response rates observed in recent years. The result is a powerful sample size from which to make inferences about the population as a whole.

Table B2 provides a breakdown of respondents’ responses to the background questionnaires. The background characteristics include demographic, education and experience, and employment characteristics. Recall that respondents were informed that the questionnaire was not required to move onto the main section of the survey. However, all respondents answered most questions, as can be seen in table B2.

**Table B2: Background and Experience of Survey Sample. (2,050 final sample)**

	Frequency	Percent
How many years of investment industry experience do you have?		
3–5 years	50	2.4
6–10 years	193	9.4
11–20 years	724	35.3
More than 20 years	1,079	52.6
Which of the following professional designations do you have?		
Certified Financial Planner (CFP)	453	22.1
Chartered Financial Analyst (CFA)	67	3.3
Certified Public Accountant (CPA)	53	2.6
Certified Investment Management Analyst (CIMA)	1,759	85.8
Certified Private Wealth Advisor (CPWA)	264	12.9
Certified Investment Management Consultant (CIMC)	65	3.2
Chartered Alternative Investment Analyst (CAIA)	55	2.7
Chartered Retirement Planning Counselor (CRPC)	144	7.0
Other	389	19.0
Which of the following best describes your current position at a broad level?		
Advisor/consultant (client-facing)	1,241	60.5
Management/executive (in charge of advisors, platform, product, etc.)	209	10.2
Product or service distribution (e.g., wholesaler)	382	18.6
Analyst for a team or firm (little to no client contact)	76	3.7
Client relationship support	38	1.9
Other	100	4.9
What is your primary client type? (majority of your clients and/or client revenue)		
Individual clients	1,253	61.1
Institutional clients	251	12.2
Intermediary clients (e.g., advisors)	435	21.2
I am part of an internal investment team	57	2.8
Other	50	2.4
Identify the primary country in which you do business.		
United States	1,857	90.6
Australia	111	5.4
Brazil	0	0
Canada	42	2.0
China	0	0
Hong Kong	2	0.1
Japan	0	0
Malaysia	0	0
Republic of Korea	0	0
South Africa	1	0.0
Other	33	1.6

	Frequency	Percent
<b>Gender</b>		
I prefer not to disclose	27	1.3
Female	338	16.5
Male	1,680	82.0
Other	1	0.0
<b>What is your highest degree obtained?</b>		
High School Diploma	36	1.8
Bachelor's degree	1,316	64.2
Master's degree	632	30.8
Doctoral degree	33	1.6
Other	29	1.4

### Respondent Characteristics and Comparison to 2013 Respondents

- More than half of respondents reported having more than 20 years of investment industry experience (52.6 percent), followed by 11 to 20 years' experience (35.3 percent). This is consistent with the 2013 sample, which had an average number of years' experience of 18.6.
- The vast majority of respondents hold the CIMA certification (85.8 percent), followed by one-fifth of the sample holding the Certified Financial Planner (22.1 percent) designation, and nearly one-fifth holding other designations (19.0 percent). These proportions are similar to the 2013 sample, which included 88 percent CIMA certificants and 22.7 percent CFP designees.
- More than three times the proportion who chose "other" in the current survey chose "other" in the 2013 sample, which is evidence of more designations being represented in survey response options than five years ago. For those with other designations not listed, AIF, CRPS, and CHFC were among the most common designations.
- Most respondents report holding client-facing advisor or consultant positions (60.5 percent), which is slightly less than the 70.0 percent present in the 2013 sample. The next largest group with 18.6 percent was for wholesaler positions.
- Very few respondents reported being non-client-facing analysts, or client relationship support (3.7 percent and 1.9 percent, respectively). Of the 4.9 percent who chose "other," nearly all were forms of position titles already included in the response options, such as Management/Executive -Asset Manager, Relationship Manager, and Industry Consultant.
- 60.1 percent of the sample reported working with individual clients, 12.2 percent working with institutional clients, and 21.2 percent working with intermediary clients (e.g., advisors). The 2013 sample yielded similar proportions with 63.5 percent primarily working with individual clients. Of the 2.4 percent who chose "other," the majority reported working with a mix of individual, intermediary, and institutional clients.
- 90.6 percent of the sample worked within the United States, with the next highest being 5.4 percent who worked in Australia. Of the 1.6 percent who chose "other," New Zealand, Mexico, and Colombia were the most common.
- The vast majority of the sample was male (82 percent), similar to the 2013 sample (83.3 percent).

## Appendix C: CIMA Certification Commission Background

### CIMA Certification Commission background information (11 participants)

How long have you worked in your current position?	
Mean	13.64
SD	11.99
Range	1-39
How long have you held a CIMA certification?	
Mean	14.11
SD	7.77
Range	5-26
Current Job Title/Role	Frequency
Professor	1
Executive/Managerial Position	2
Financial Planner and Investment Management Consultant	1
Director/Senior Institutional Consultant	2
Senior Personal Portfolio Manager	1
International Wealth Advisor	1
Regulation Specialist	1
Portfolio/Research Analyst	2
In which countries have you worked?	
United States	9
United Kingdom	1
Australia	1
Canada	2
What is your highest level of education?	
BA	1
BS	1
MBA/MS	7
PhD	2
Other Certifications Held	
CFP	6
CFA	2
CIMC	1
ACC	1
DIR	1
CRA	1
FCIS	1
CLU	1
None	4
Gender	
Female	2
Male	9

## Appendix D: Detailed CIMA Content Outline

Certification Examination Detailed Content Outline	Percentage of Exam
<b>I. FUNDAMENTALS</b>	<b>15%</b>
<b>A. Statistics and Methods</b>	<b>5%</b>
1. Basic statistical measures (e.g., measures of central tendency, dispersion, variability, skewness, kurtosis)	
2. Basic statistical concepts (e.g., the normal distribution, probability, sampling from a population, significance testing)	
3. Interpretation of potential investment outcomes of statistical results from probabilistic models (e.g., Monte Carlo simulation)	
4. Correlation, regression, and multiple regression concepts, methods, and interpretation	
5. Time series and trend analysis concepts, methods, and interpretation (e.g., seasonality, mean reversion, multi-period forecasting, smoothing)	
<b>B. Applied Finance and Economics</b>	<b>5%</b>
1. Methods and concepts pertaining to calculation of time value of money (e.g., nominal and effective interest rates, compounding, discounting, rate of return, present and future value)	
2. Major areas of economic thought, including Keynesian economics, Austrian School economics, and monetarism	
3. Economic concepts and principles (e.g., supply and demand, equilibrium through graphical representation, micro- and macroeconomic theory)	
4. Monetary and fiscal policy (e.g., role of central banks, interest rates [determination of, nominal and real], yield spreads and curve, velocity of money, taxation, government spending)	
5. Stages of a business/economic cycle, including expansion, peak, contraction, and trough; price level environments/concepts, including inflation, deflation, stagnation; business cycle dating; and the effect of monetary and fiscal policy on business cycles	
6. Macroeconomic measurements, including leading, coincident, and lagging gross domestic product (GDP) indicators and price level indicators	
7. Demographic effects on economies	
8. Global economics, theory, and trade (e.g., comparative and absolute advantage; balance of payments; roles of the International Monetary Fund, World Bank, and World Trade Organization)	
9. Global currency valuation (global exchange-rate system, spot and forward exchange rates, dollarization, currency pegs, fixed and floating rates, reject purchasing power parity, special drawing rights)	
<b>C. Global Capital Markets History and Valuation</b>	<b>5%</b>
1. Interest rates and inflation in developed and emerging markets, including history of government and corporate defaults and the gold standard	
2. Equity valuation in developed, emerging, and frontier markets (e.g., cyclical and secular bull and bear markets, extremes of equity valuation over time and within various secular market cycles)	
3. Linkages between economic growth and capital market return	
4. Equity and fixed income returns for developed and emerging markets (e.g., historical equity and fixed income returns for secular market cycles, secular and cyclical equity market cycles, methods for developing equity, historical correlations of equities, fixed income, and alternatives)	

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<b>II. INVESTMENTS</b>	<b>20%</b>
<b>A. Investment Vehicles</b>	<b>4%</b>
1. Differences between investment vehicles (e.g., exchange-traded products [ETPs], mutual funds, closed-ends, mandates, separately managed accounts [SMAs], unit investment trusts, individual securities, annuities)	
2. Concepts in evaluating investment vehicles, including the due diligence of their distinct structures, holdings, tax treatment, and performance metrics	
3. Trends in the use of exchange-traded products (ETPs) and the impact of their wide adoption on markets	
4. Cost, transparency, and liquidity of various investment vehicles (e.g., exchange-traded products [ETP], limited partnerships [LP], fund of funds, mutual funds, closed-end funds, annuities)	
<b>B. Equity</b>	<b>5%</b>
1. Equity characteristics by size (capitalization), style (growth or value), volatility (defensive vs. cyclical), capital structure (preferred stock), domestic vs. international, developed vs. emerging vs. frontier, Global/American Depositary Receipts (GDRs/ADRs) vs. ordinary shares	
2. Equity valuation methods (i.e., security analysis, economic analysis, fundamental analysis)	
3. Global indices of equity (e.g., price-weighted, cap-weighted, fundamentally weighted, equal-weighted)	
4. Potential benefits and risks of international equity diversification in a portfolio	
5. Changes in correlations of investment returns over time across sectors, countries, and regions	
6. Equity market valuation methods (i.e., price-earnings ratio [P/E ratio], growth rate, book-to-market ratio, Q ratio)	
7. Individual equity security analysis (e.g., fundamental analysis, valuation techniques, screening techniques)	
<b>C. Fixed Income</b>	<b>5%</b>
1. Types of fixed income securities (e.g., government, municipal, corporate, money-market instruments, convertibles, high-yield)	
2. Characteristics of fixed income investments including basic features (priority of claims with capital structure), coupon structures, payment methods, and options based on several parameters (i.e., quality; maturity, duration, and convexity; issue size; fixed or floating rate coupons; call features; yield to maturity [YTM] and yield to worst [YTW])	
3. Pricing of fixed income securities (e.g., relative rates, discounts and premiums, inflation-adjusted valuation, duration)	
4. Common fixed income indices and benchmarks	
5. Potential benefits and risks in international fixed income diversification	
6. Individual fixed income security analysis (e.g., fundamental analysis, valuation techniques, screening techniques)	

<b>D. Alternative Investments</b>	<b>2%</b>
1. Distinction between alternative investment strategy (e.g., long-short, merger arbitrage) and structure (e.g., limited partner [LP], mutual fund, exchange-traded products [ETP])	
2. Differences between liquid and illiquid strategies	
3. Differences in alternative investments (e.g., real estate, commodities, private equity, venture capital, private debt, infrastructure), characteristics, risks, tax ramifications, and expected returns	
4. Alternative investment structural considerations (e.g., transparency, liquidity, leverage, compensation/fee structures; significance of third-party custodianship and independent auditing; funds of funds; heightened due diligence; hedge fund vs. marketable vs. redeemable security structures)	
5. Use of alternative investment strategies in asset allocation design	
6. Concepts in evaluating alternative investment strategies (e.g., absolute return, arbitrage, long/short, managed futures, dedicated short bias, market neutral, event-driven, reinsurance, global macro)	
7. Alternative investment indices and benchmarks	
8. Share classes and their implications for various investment vehicles	
<b>E. Options, Futures, and Other Derivatives</b>	<b>2%</b>
1. Characteristics and concepts regarding options (e.g., puts, calls, and put-call parity; protective puts, put writing, covered calls, straddles, spreads, and collars; index options, futures options, and foreign currency options; options-like securities, including callable bonds, convertibles, and warrants)	
2. Futures contracts, pricing, and valuation and the use of other derivatives in a portfolio, including futures contract basics; futures markets strategies; spot prices, spreads, and forward vs. futures pricing; and use of other derivatives in a portfolio	
3. Differences between hedging and speculating	
<b>F. Real Assets</b>	<b>2%</b>
1. How specialty assets perform differently from traditional assets	
2. Types of investment market access (e.g., direct and indirect ownership, listed and unlisted)	
3. Real asset market valuation methods, cycles, and dynamics	
4. How real estate, infrastructure, commodities, and other real assets fit into client overall asset allocation (including different sectors, benchmarking, and investment strategies)	
<b>III. PORTFOLIO THEORY AND BEHAVIORAL FINANCE</b>	<b>20%</b>
<b>A. Portfolio Theories and Models</b>	<b>6%</b>
1. Modern portfolio theory (MPT) assumptions, key aspects and criticisms of MPT, capital allocation line, positive diversification effects, and the Black-Litterman model for portfolio allocation	
2. Efficient market hypothesis: weak, semi-strong, and strong	
3. Capital asset pricing model (CAPM), including systematic (market risk), non-systematic (idiosyncratic risk) and security market line (SML)	
4. Arbitrage pricing theory (APT) explanatory models regions	
5. Downside risk assessment using post-modern portfolio theory (Post-MPT) theories, methodologies, and strategies	
<b>B. Behavioral Finance Theory</b>	<b>6%</b>
1. Cognitive biases and mental heuristics related to existing beliefs and information processing concepts	
2. Biases and mental heuristics (e.g., loss aversion, overconfidence, self-control, status quo, endowment, regret aversion, affinity)	
3. Portfolio construction based on behavioral bias	
4. Common behavioral investor types (e.g., preservers, followers, independents, accumulators) and how to work with each effectively in practice	
5. Methods of overcoming cognitive and emotional bias	



<b>C. Investment Philosophies and Styles</b>	<b>5%</b>
1. Factor-based indexing (e.g., smart beta, fundamental indexing), including factors (Fama and French, etc.)	
2. Benefits/risks of multi- and single- factor portfolios	
3. Factor-based investing in active management and risk management	
4. Responsible investing (e.g., socially responsible investing [SRI]; environmental, social, and governance [ESG]; sustainable; impact) benefits/risks of strategies; history, trends, and the challenges investors face when implementing such a strategy)	
5. Tax-aware investment strategies (e.g., tax efficiency, deferral vs. exemption, implementation of tax-efficient strategies, location)	
6. Investment styles (e.g., active, passive) and the conventional rationale for each	
<b>D. Tools and Strategies</b>	<b>3%</b>
1. Market trends (time cycles), continuation, and corrections	
2. Technical analysis (e.g., Dow Theory, trend analysis, intermarket analysis, momentum indicators)	
3. Tactical and dynamic asset allocation strategies	
<b>IV. Risk and Return</b>	<b>20%</b>
<b>A. Risk</b>	<b>6%</b>
1. Tools and techniques to leverage investments in a portfolio, including margin	
2. Concepts of risk and uncertainty	
3. Types of risk (e.g., loss of principal, purchasing power, liquidity, geopolitical, currency, sovereign, interest rate, credit, reinvestment, shortfall, sequencing)	
<b>B. Risk Measurements</b>	<b>6%</b>
1. Knowledge of statistical concepts and metrics related to risk (e.g., standard deviation, tail risk, downside risk, beta)	
2. Differences between volatility and downside risk	
<b>C. Performance Measurement and Attribution</b>	<b>8%</b>
1. Investment return calculation (e.g., income, capital appreciation, absolute and relative performance, rolling-period vs. annual returns, time-weighted and dollar-weighted rates of return, arithmetic and geometric average returns)	
2. Strengths and weaknesses of different types of risk-adjustment analysis (e.g., alpha, R-squared coefficient)	
3. Benchmarking methods (e.g., synthetic benchmarks, using indexes, attributes of effective benchmarks, use of peer groups, customization)	
4. Attribution analysis methods, including scatter grams and floating bar charts, returns-based and holdings-based, and sources of return and risk	
5. Universe biases (e.g., survivorship, reporting bias)	
<b>V. Portfolio Construction and Consulting Process</b>	<b>25%</b>
<b>A. Investments &amp; Wealth Institute Code of Professional Responsibility</b>	<b>4%</b>
1. Investments & Wealth Institute Code of Professional Responsibility	
<b>B. Client Discovery</b>	<b>3%</b>
1. Investment management models such as goals-based investment management (including accumulation and decumulation) and liability-driven strategies (e.g., portfolio immunization, cash-flow matching)	
2. Relationship between time horizon and expected return vs. terminal value result of investment management models	

<b>C. Investment Policy</b>	<b>5%</b>
1. Asset allocation methodology (e.g., spending policy and its implications on asset allocation, strategic vs. tactical asset allocation, core and satellite strategy, total return)	
2. Client-specific concepts to cover in an investment policy statement (e.g., goals and objectives, risk tolerance, time horizon, asset class interest, asset allocation, diversifying concentrations, tax concerns, liquidity, target rate of return)	
3. Investment-related concepts to cover in an investment policy statement (e.g., investment and tax management strategies, rebalancing approach, passive to active spectrum, location of assets)	
4. Governance and ethics-related concepts to cover in an investment policy statement (e.g., liability policy, disclosures, duties and responsibilities such as proxy voting and monitoring requirements)	
<b>D. Portfolio Construction</b>	<b>5%</b>
1. Risk budgeting, including risk factors, traditional asset-based and risk-based asset allocation approaches, and risk parity investment strategies	
2. Uses/advantages/disadvantages of Value-at-Risk (VaR) and Monte Carlo simulations of investment management models	
3. Scenario and stress testing methodologies (e.g., historical simulation and prospective simulation)	
<b>E. Manager Search, Selection, and Monitoring</b>	<b>5%</b>
1. Components of manager due diligence	
2. Active share	
3. Manager styles and asset class structures	
4. The benefits and caveats of manager structuring including a multi-manager approach	
<b>F. Portfolio Review and Revisions</b>	<b>3%</b>
1. Rebalancing methodologies and considerations	
<b>Totals</b>	<b>100%</b>

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## Appendix E: CIMA Knowledge Competencies



## Appendix F: CIMA Certification—Detailed Task Outline (processes, skills, and tasks)

<b>I. Client Discovery and Engagement Process</b>
1. Gather information related to the clients' situation (e.g., financial position, liquidity, risk tolerance, goals and objectives, time horizons, tax expectations, legal constraints, investment experience, behavioral biases, investment preferences, and family/organizational dynamics).
2. Determine the scope of the engagement.
3. Inform clients about the steps involved in the asset allocation process.
4. Explain to clients how different investments will impact taxes.
5. Customize own communication style based on clients' behavioral investment types.
6. Analyze economic and capital market assumptions and expectations.
7. Evaluate the realism of capital market assumptions and how they relate to clients' expectations for meeting goals.
<b>II. Investment Policy</b>
1. Explain the components of an investment policy statement (IPS) to clients.
2. Prepare investment policy statements (IPS).
3. Discuss the role of economic concepts with clients.
4. Discuss risks involved in their investments with clients.
5. Discuss statistical analyses and metrics with clients.
6. Discuss clients' biases and mental heuristics to illustrate potential impact on outcome.
7. Evaluate investment management models such as goals-based investment management and liability-driven strategies and modeling.
8. Review the investment policy statement (IPS) for compliance at least annually and modify as necessary.
<b>III. Portfolio Construction</b>
1. Evaluate diversification strategies including strategic, tactical, and dynamic asset allocation as they address risk.
2. Evaluate potential benefits and risks of international diversification in a portfolio, including currency risk.
3. Analyze market conditions in equity, fixed income, and other asset categories to inform asset allocation.
4. Analyze fixed-income security market to inform asset allocation strategy.
5. Evaluate derivative strategies to enhance returns and/or manage risk in a portfolio.
6. Evaluate tools and techniques to leverage investments.
7. Evaluate existing model portfolios to determine appropriateness for clients.
8. Evaluate distribution strategies for presentation to the client.
9. Perform an asset allocation study for a client.
10. Identify asset allocation that meets clients' risk and return criteria.
11. Use statistical methods (e.g., mean-variance optimization) to develop proposed asset allocations.
12. Evaluate the tax implications of asset selection, location, allocation, investment vehicles, etc. to determine investment recommendations.
13. Evaluate the tradeoffs between active and passive investment management.
14. Evaluate investment products to fulfill asset allocation.
15. Evaluate investment products to manage or hedge portfolio risk.

16. Choose investment vehicles (e.g., separately managed accounts [SMA], mutual funds, exchange-traded funds [ETFs], limited partnerships [LP]) that are appropriate for the portfolio.
17. Build model portfolio for advisor-managed discretionary portfolios.
18. Apply tools and techniques for managing investment risk.
19. Monitor currency risk in a portfolio.
20. Identify appropriate factors to use in factor investing.
21. Evaluate the potential benefits/risks of single- and multi-factor portfolios.
22. Conduct scenario analysis and modeling for inflation, deflation, stagflation, and growth of various investment management models.
<b>IV. Manager Search, Selection, and Monitoring</b>
1. Establish expectations and criteria for manager search.
2. Conduct manager search.
3. Conduct due diligence on managers.
4. Develop a process for ongoing manager due diligence.
5. Evaluate qualitative manager attributes.
6. Analyze manager performance using benchmarking and attribution analysis.
7. Evaluate manager composite reporting to identify issues.
8. Evaluate managers' short-term vs. long-term results relative to expectations.
<b>V. Portfolio Review and Revisions</b>
1. Review and update with client their goals, time horizon, circumstances, and constraints.
2. Review economic and market conditions and expectations as well as absolute and relative performance of the portfolio to determine if changes are necessary.
3. Make portfolio adjustments within investment policy statement (IPS) guidelines, considering costs, timing, and taxation given client constraints.
<b>VI. Throughout the Process</b>
1. Apply ethical standards throughout the client process.
2. Comply with laws and regulations.
3. Document conversations with clients and key decisions.
4. Conduct statistical analyses of data.
5. Interpret basic statistical data.
6. Calculate financial metrics using formulas (e.g., time value of money, investment returns, basic option valuation).
7. Interpret macroeconomic data.

## Appendix G: Top 15 Knowledge Competencies as Ranked in Importance to the Job of an Investment Advisor (out of 100+ statements)\*

Knowledge Statement	M	%Important
Fiduciary responsibilities for different types of clients (e.g., individuals, endowments, trusts, foundations, retirement plan clients)	5.39	97
Differences between investment vehicles (e.g., Exchange-Traded Funds [ETFs], Mutual Funds, closed-ends, mandates [SMAs], unit investment trust, individual securities)	5.3	97
Types of risk (e.g., loss of principal, purchasing power, liquidity, geo-political, currency, sovereign, interest rate, credit, reinvestment)	5.25	97
Circumstances that may cause a person to be identified as a fiduciary	5.25	95
The concepts of risk and uncertainty	5.24	97
Client-specific concepts to cover in an investment policy statement (e.g., goals and objectives, risk tolerance, time horizon, asset class interest, asset allocation, diversifying concentrations, tax concerns, liquidity, target rate of return)	5.19	96
Concepts in evaluating investment vehicles, including the due diligence of their distinct structures, holdings, tax treatment, and performance metrics	5.17	97
Asset allocation methodology (e.g., spending policy and its implications on asset allocation, strategic vs. tactical asset allocation, core and satellite strategy, total return)	5.13	97
Investment return calculation (e.g., income, capital appreciation, absolute and relative performance, rolling-period vs. annual returns, time-weighted and dollar-weighted rates of return, arithmetic and geometric average returns)	5.13	95
Differences between volatility and downside risk	5.12	96
Potential benefits and risks of international equity diversification in a portfolio	5.1	96
Knowledge of statistical concepts and metrics related to volatility (e.g., standard deviation) and risk (e.g., tail risk)	5.09	95
Cost, transparency, and liquidity of various investment vehicles (e.g., Exchange-Traded Funds [ETF], Limited Partnerships [LP], fund of funds, mutual funds, closed end funds)	5.08	94
Types of fixed income securities (e.g., gov ernment, municipal, corporate, money-market instruments, convertibles, high-yield)	5.07	95
Code of Professional Responsibility	5.07	91

\*Source: Future of Investment Advice Study: Industry Dynamics & CIMA Job Analysis Study," Investments & Wealth Institute and Human Resources Research Organization, 2018

## Appendix H: Top 15 Task Competencies as ranked in importance to the job of an investment advisor (out of 50+ statements)

Task Statement	M	%Important
Comply with laws and regulations.	5.78	99
Apply ethical standards throughout the client process.	5.75	99
Gather information related to the clients' situation (e.g., financial position, liquidity, risk tolerance, goals and objectives, time horizons, tax expectations, legal constraints, investment experience, behavioral biases, investment preferences, and family/organizational dynamics).	5.58	97
Document conversations with clients and key decisions.	5.53	98
Identify asset allocation that meets clients' risk and return criteria.	5.43	98
Discuss risks involved in their investments with clients.	5.41	98
Review and update with client their goals, time horizon, circumstances, and constraints.	5.39	97
Choose an optimal portfolio based on the clients' needs.	5.38	98
Choose investment vehicles (e.g., separately managed accounts (SMA), mutual funds, exchange traded funds (ETFs), limited partnership (LP)) that are appropriate for the portfolio.	5.19	96
Determine the scope of the engagement.	5.12	94
Evaluate investment products to fulfill asset allocation.	5.1	96
Apply tools and techniques for managing investment risk.	5.1	96
Evaluate potential benefits and risks of international diversification in a portfolio.	5.08	97
Evaluate diversification strategies including strategic, tactical, and dynamic asset allocation as they address risk.	5.05	95
Make portfolio adjustments within Investment Policy Statement (IPS) guidelines, considering costs, timing, and taxation given client constraints.	5.02	93

Question language: "This section lists tasks that CIMA professionals may perform in their role. Please read each task and rate its importance for successful CIMA professional performance using the scale provided. As you rate the tasks, keep in mind you are not rating how proficient you are at these tasks but rather, the importance of these tasks on the job."