

# The CMA Distinction for Young Professionals

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In today's increasingly competitive and regulated finance and accounting profession, organizations have a growing desire to enhance the development of their young professionals and their corporate financial leaders. They have identified a need for well-versed and versatile accounting professionals who can act as strategic business partners. Consequently, organizations are actively seeking ways for their employees to acquire and hone such skills through continuing education and professional certification. The Certified Management Accountant (CMA®) is one professional certification that can aid organizations and their employees in demonstrating technical proficiency and the management and leadership skills that are instrumental in business.

### What Is the CMA?

The finance and accounting industry has numerous certifications, such as Certified Public Accountant (CPA), Certified Internal Auditor (CIA), Certified Fraud Examiner (CFE), and Certified Management Accountant, among others. Each of these indicates that the employee has a specified/specialized body of knowl-

edge. So, with all the certifications available today, the question becomes "Which one should I pursue and support?"

The CMA certification, offered by the Institute of Management Accountants (IMA®), targets corporate finance professionals requiring the skills related to management accounting. Individuals attaining

CMA certification possess a fundamental understanding of accounting, financial analysis, and qualitative evaluation of business decisions. The CMA is a rigorous certification that requires a demonstration of the CMA body of knowledge through a four-part exam and through educational and experience requirements. It also requires a commitment to continuing professional education from the candidate. The CMA exam tests knowledge of a variety of financial and nonfinancial business topics as outlined in Table 1.

CMA certification indicates proven knowledge of a variety of business-related topics, which allows finance professionals to act more as strategic business partners than "numbers crunchers." The exam tests knowledge at six cognitive levels: knowledge, comprehension, application, analysis, synthesis, and evaluation. Certification helps differentiate employees by signifying a commitment to continuous learning and enhancement of existing knowledge.

Pursuing the CMA is indicative of a young professional's drive and ambition. It takes commitment and follow-through to earn the certification. It goes beyond a fact-based,



educational assessment and implies a desire to achieve. Young professionals should take advantage of opportunities like CMA certification to truly distinguish themselves from other recent graduates and show aspiration for continuous professional growth.

### What Are the Benefits of Being a CMA?

As a member of IMA, a CMA may take advantage of a wide range of opportunities in networking, continuing education, and professional

development offered through the organization. IMA provides unique opportunities through its webinars, seminars, chapters, and conferences to share information on the latest accounting and finance trends, standards, and regulations. Additionally, local and regional events offer invaluable opportunities to network and connect with other CMAs who can share professional experiences and best practices while providing support and encouragement. These connections and learning opportunities often bring new perspectives and

insights that can be shared with your organization to drive positive change.

### Put into Practice

It's one thing to say that CMA certification is a powerful tool for the professional growth of employees, and it's another to see it play out in actual business settings. Let's look at how two well-respected companies are using CMA certification to develop, motivate, and drive future financial leaders.

### Johnson & Johnson

"It's all part of a profile of a high performer. They're going to figure out a way to pass the exam," says Don Kohlhepp, director, Finance Learning & Development, Johnson & Johnson (J&J). All of J&J's Finance professionals are encouraged to pursue certification.

J&J highly values training and education opportunities and invites IMA representatives to training classes to discuss CMA certification and IMA member services and benefits. J&J's strong belief in certification and continuing education dates back to Clark Johnson, a former J&J CFO, who promoted CMA certification as an avenue for continuous learning

**Table 1. CMA Exam Topics**

SECTION	CATEGORY	TOPICS
Part 1	Business Analysis	Business Economics, Global Business, Internal Controls, Quantitative Methods, and Financial Statement Analysis
Part 2	Management Accounting and Reporting	Budget Preparation, Cost Management, Information Management, Performance Management, and External Financial Reporting
Part 3	Strategic Management	Strategic Planning, Strategic Marketing, Corporate Finance, Decision Analysis, and Investment Decisions
Part 4	Business Applications	Organization Management, Organizational Communication, Behavioral Issues, Ethical Considerations, and Capstone case studies of parts I-III

that would sustain a strong finance organization. Johnson thought the CPA had a public accounting focus, while the CMA dealt with accountants inside organizations.

J&J's strong support of certification is even incorporated into employees' goals and objectives as a "stretch goal." Corporate support for CMA certification consists of both tools (online courses, support funding for self-study or classroom study) and incentives (a bonus upon certification).

The three drivers for success are a commitment from the top, recognition of certification when making rotation and promotion decisions, and utilizing the CMA expertise in driving continuous innovation, compliance, and improvements. Not only does the individual benefit, but the organization also improves its financial capability. An added benefit

is that external stakeholders can be confident that they are dealing with true financial professionals who have a proven body of knowledge and business acumen.

### *Rolls-Royce*

Rolls-Royce globally supports and encourages professional certification through its established Professional Development Framework. For its finance and accounting professionals, the Rolls-Royce Energy Business in Mount Vernon, Ohio, even goes beyond encouragement and makes professional certification a requirement of its Finance Associate Graduate Trainee program, a two-year rotational program geared toward leadership development.

Rolls-Royce employees engage in four different areas of the business during their time in the program, and there's enough flexibility to

allow them to take advantage of specific project opportunities and timing in the business cycle. Therefore, each individual's experience will be different from that of his or her counterparts. Success depends on two elements: (1) the business's contribution and dedication to development and (2) the individual's passion and ambition to take on responsibilities they are given and expand their role. The company encourages employees to go beyond established precedents and create new and innovative ways to contribute to the organization.

By the end of the program, associates have a unique perspective on the total business model and can better understand the associations between the units. Jeremy Westlake, CFO, Rolls-Royce Energy Business, says it "creates rounded individuals who

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## *Attention CMAs:*

**Effective September 1, 2008, IMA's CMA members will, upon renewing their membership, be charged a recertification fee instead of an annual IMA membership fee.**

**The new annual CMA fee schedule is:**

**Regular members — \$225,**

**Student members — \$69,**

**Associate 1<sup>st</sup> year members — \$95,**

**Associate 2<sup>nd</sup> year members — \$160, and**

**Academic members — \$128.**

**With this fee comes new benefits exclusive to CMAs!**

In addition to the usual benefits that come with IMA membership, you will now have access to a discounted annual Professional Development Package. For the first year, CMAs can purchase either of the IMA Ethics Series courses for \$20 each (a savings of over \$90 if both are purchased). In addition, CMAs will have free access to a collection of risk management publications.

Most importantly, though, the recertification fee will help IMA promote the CMA program. You will be able to view samples of our promotional campaigns in an online gallery of external advertisements that are being used to promote the benefits of certification.

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can deploy anywhere in our business, and that is much more effective than hiring from the outside.”

The program searches for recent graduates who display the qualities necessary to become leaders in the organization, such as data-based problem solving, an international business perspective, and a drive for success. These are complemented by the CMA. Rolls-Royce wants to ensure that young professionals are going through the rigor of getting professional qualifications. The CMA is a good fit for the company's requirement to grow operationally competent professionals, and Westlake sees the benefits in his people. “The CMA represents strong evidence of your skills,” he notes. “By getting [certified], you're investing in yourself and your future. The world changes, and, when it changes, the CMA is a good [confirmation] that you have portable skills.”

### What Can My Company Do?

As an employer of finance and accounting professionals looking to improve and upgrade your department's knowledge and skills, there are a variety of things that you can do to support current (and future)

employees in pursuit of the CMA.

1. Communicate a unified message that the business values certification. Recognize the skill set behind the CMA designation and the potential benefits/enhancements it can bring to your organization.
2. Provide financial support to your staff for CMA review courses and the four CMA exam parts. The CMA can be a significant investment in study materials, exam fees, and review courses. There are many options to find the types of review courses that best suit your employees: online, self-study, classroom-study. Many local universities offer instructor-led review courses for each section through their continuing education programs. Additionally, IMA offers an online review program through its Professional Learning Center.
3. Encourage participation in IMA-sponsored learning opportunities, such as webinars, seminars, chapter meetings, and conferences. These events often fulfill the continuing education requirement of certification and expose your employees to the latest schools of thought on accounting- and

finance-related topics.

4. Discuss how your organization can market the advantages of CMA certification with recruiting personnel and human resources. Ambitious graduates will want to take advantage of unique opportunities offered by recruiting organizations and businesses.

CMA certification benefits not only the development of young finance and accounting professionals, but also our businesses. Through certification, organizations will obtain a talented management accounting workforce that can think strategically, critically analyze financial information, provide leadership, and serve as a valuable strategic partner.

For further information on CMA certification, please visit [www.imanet.org/certification.asp](http://www.imanet.org/certification.asp). ■

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