

CMA Certification: Where Do I Begin, and What Should I Expect?

The process of achieving CMA certification may appear daunting, but following these simple steps will get you well on your way and prepare you for what lies ahead.

The Certified Management Accountant (CMA®) credential represents practical knowledge that can be used on a daily basis, and, with more than 30,000 certifications issued since its inception, the designation is gaining popularity among finance and accounting professionals. According to IMA's 19th Annual Salary Survey, accountants who are certified earn 25% more than those who aren't. So where does your road to the CMA begin?

If you're anything like us, two questions immediately spring to mind when researching the process of becoming a CMA: Where do I begin, and what should I expect? If that sounds familiar, this article is for you! Our goal is to present a clear picture of what each applicant can expect before, during, and after the exam and to update you on the changes in the CMA certification process.

Where Do I Begin?

The first step in taking the CMA exam is to become a member of the Institute of Management

Accountants (IMA®). As of this writing, membership dues are \$195 per year for regular members, \$130 for young professionals (age 32 and under), and \$39 for students taking at least six hours per semester. There is also a \$15 registration fee (waived for students). Many companies will pay at least part of your annual dues through their continuing education or tuition reimbursement programs, so don't be afraid to ask.

Additionally, an exam entrance fee of \$200 for regular members and \$75 for student members is required prior to taking the exam. The fee allows access to numerous exam support materials and resources, including use of the CMA Assessment Tool for six months, three Advanced Exam Performance Reports, four books of sample questions and answers, retired exam questions for all four parts of the exam, electronic access to the CMA Resource Guide, a final score report, access to peer-to-peer networking, and maintenance of your CPE records. This entrance fee is nonrefundable and valid for four years. If you haven't passed all four parts of the exam after four years, you must pay the fee again. This fee may be

paid in conjunction with your IMA membership application.

When you're ready to sit for an exam part, you must complete the registration form at www.imanet.org/certification_taking_registration.asp. This form must be completed each time you plan to sit for an exam section. The cost is \$190 for each registration (\$95 for students). After completing the form, you will receive an acknowledgement of receipt, an authorization number for each part you have registered to take, the authorization period in which you must sit for the exam, and instructions for scheduling your testing time at a Prometric Testing Center. It's the applicant's responsibility to schedule the exam within the authorization period. To encourage finance and accounting professionals with other accounting certifications to obtain the CMA, Part 1 of the CMA exam is waived for applicants who possess other professional accounting certifications, such as a CPA. The full list of certifications eligible for the waiver can be found at www.imanet.org/pdf/2649.pdf. A waiver fee of \$190 and verification of your certification are required. Additional details about registration, qualification, the application



process, the testing requirements, and the exam itself can be found at www.imanet.org/pdf/Handbook.pdf and in the applicant checklist at www.imanet.org/certification_started_checklist.asp.

How Do I Study?

Study options include attending a classroom/group course or purchasing study materials and working on your own. You must be honest about which format will work best for you. If you're a disciplined, self-motivated individual, then the self-study method may be preferable. If you need a little push to stay on course or would benefit from face-to-face interaction, then classroom/group study may be the best solution.

There are several different CMA self-study systems to choose from. A list of providers can be found at www.imanet.org/certification_preparation_study_self.asp. You may want to review the providers' websites to determine the best fit for your study needs and budget.

Several universities and colleges across the United States also offer review courses through their continuing professional studies programs. These courses are approximately eight weeks in length for each exam part. When you register for the exam, you'll receive a notice from IMA if there are any upcoming live review courses in your local area.

Once you've decided on your method of preparation, here are a few tips to keep in mind when studying. First, set a **timeline** for taking each exam part, and stick to it. Passing all four parts in 12-16 months is a very reasonable goal. Keep in mind that there are sched-

uled testing windows during which certain parts are available throughout the year, so be sure to align your schedule accordingly. Second, **don't overstudy**. You may feel nervous or unsure about your knowledge on certain topics, but that's understandable. Just maintain your focus, and stick to your timeline.

Last, everyone knows the phrase "practice makes perfect." For the CMA exam, however, it should be modified to "**Practice makes passing.**" Repeat the practice multiple choice questions over and over. Not only will this burn the topics into your mind, but it will also make you feel more comfortable with the exam format and the type of questions that you can expect to see on the exam.

Now I'm Ready!

You've studied your heart out and are ready to take the exam. As mentioned previously, there are "testing windows" during which certain parts of the exam can be taken. Parts 1-3 are offered during the windows of January/February, May/June, and September/October. Part 4 is offered in April, August, and December. Exam registration begins several weeks prior to the beginning of the next testing window and continues until 15 days prior to the end of the testing window. Testing centers fill up fast, so schedule your exam early to ensure that you get a desirable date. If necessary, you can usually work with the testing center to reschedule an exam date—as long as you do so 72 hours prior to your scheduled appointment.

Once you're at the testing center

and ready to begin, it's important to know the number of questions and time allowed for each exam. Parts 1 and 3 each contain 110 multiple choice questions and are three hours long. Part 2 contains 140 multiple choice questions and is four hours long. Part 4 includes four to seven essays/problems and is four hours long. This part covers some new information along with all the topics from Parts 1-3. Exam content detail and your required knowledge level of each can be found at www.imanet.org/pdf/3.3.3.1.pdf.

Make sure you leave yourself enough time to complete each part. You don't want to have 10 questions remaining with less than a minute to go because you spent too much time on one question. This is especially crucial when taking Part 4. Because the questions are longer and open-ended, it's very easy to run out of time.

Even though the questions in Parts 1-3 are multiple choice, remember that they often include **calculations**. If you don't know how to calculate the answer, don't spend 10 minutes staring at a question trying to figure it out. Take your best guess and move on.

For Part 4, you are currently given a blank WordPad in which to type your answers. That will change sometime in 2009 when Part 4 is scheduled to include a spreadsheet-based tool. Regardless of the medium supplied for your responses, time is of the essence. Don't waste time on formatting your answers so they look perfect. **Force yourself to avoid aligning titles, numbers, and other format-**

ting frenzies. The exam is about your numbers and words, not exactly how they look or align with other rows.

What's Next?

After completing Parts 1-3, your computer screen will immediately display your results and indicate whether you passed. When leaving the testing center, you'll receive a printed, embossed copy of your results to keep for your records. For any section that you don't pass, IMA will send a Detail of Performance report outlining your results for each major topic area. You may also request an Advanced Performance Report (this is one of the services included in the entrance fee discussed above) that provides an in-depth review of your performance by subtopic. You'll receive your results for Part 4 about six to 10 weeks after you take the exam. Finally, you'll receive a final score report showing all four exam parts.

Aside from successful completion of all four exam parts, there are also education and experience requirements. These requirements can be fulfilled at any time between applying for IMA membership and paying your entrance fee and seven years after passing the final part of the exam. For the **education requirement**, you need to provide for review (a) a bachelor's degree in any field from an accredited school, (b) a score on the GMAT or GRE in the 50th percentile or higher, or (c) proof of a relevant professional qualification. Your university transcript must be an original document, written or translated into English,

bearing the logo, seal, or stamp of the issuing organization. For a list of accepted international qualifications, go to www.imanet.org/certification_started_education_professional.asp.

For the **experience requirement**, you must complete two continuous years of experience in a job that regularly requires you to make decisions using the principles of management accounting or financial management. This encompasses a wide range of positions within the financial analysis, budgeting, information systems analysis, management, accounting, auditing, research, teaching, and consulting fields. Experience following your undergraduate degree but before passing all exam sections counts toward the requirement. Experience involving only the occasional application of these principles or gained while in an internship, other training program, or within a clerical or nontechnical position isn't accepted. The necessary documents to complete this step will be sent to you once you pass all four exam parts. You may also complete them ahead of time at www.ima.net.org/pdf/3.2.4.1.pdf.

After you've passed all four parts and have had your experience and education verified, you will receive your CMA certificate number. At this point, you may begin using the designation. Six to eight weeks later, your CMA certificate will arrive.

Even though you're finally a CMA, the work doesn't stop there! You're required to keep your IMA membership current, comply with IMA's *Statement of Ethical Professional Practice*, and earn at least 30 hours of CPE (Continuing Profes-

sional Education) credits annually, at least two of which must be ethics related. There are a multitude of opportunities available to earn CPE, either through IMA or through other accounting and finance organizations. It's important to retain documentation of non-IMA CPE activity. There is no centralized system to track it, and CPE compliance is randomly verified. More details on the CPE requirement can be found at www.imanet.org/pdf/561.pdf.

The CMA Value

Auditing standards, tax regulations, and financial reporting compliance are important topics that are covered in detail in other certification exams, but most accounting and finance professionals won't encounter these topics very often, if at all. The CMA certification spans practical business knowledge from professional group interaction, business ethics, and information technology to everyday accounting and finance knowledge, including financial analysis, budgeting and forecasting, and cost accounting. The knowledge obtained from the CMA certification will lend itself to professional leadership, strategic business partnerships, and a bright future in management accounting. **SF**

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