

40

YEARS OF
EXCELLENCE
1972 – 2012

CERTIFICATION

By Rick Thompson, CMA, CFM, and Dennis Whitney, CMA, CFM

Integrity and the CMA Program

The Board of Regents and the ICMA (Institute of Certified Management Accountants) staff are committed to quality and to delivering the most prestigious management accounting certification in the world.

Integrity is a word that has many meanings. For the CMA® (Certified Management Accountant) program, we use the term in three senses: (1) consistent outcome; (2) pure, whole, and undamaged; and (3) standing for something. The CMA exam yields *consistent outcomes* because it would yield the same result if it were administered multiple times and because we are confident that those who have passed the exam have demonstrated competence in the management accounting and financial management skills necessary to perform at a consistently high level. The CMA program is *pure* in that the standard for earning the certification has remained high, always requiring the candidate to pass a rigorous exam. And the CMA program *stands for something*—the advancement of the profession of management accounting and the careers of those working in the profession.

Maintaining the Highest Standards

Since its inception 40 years ago, the CMA program has been committed to the highest standards of quality and consistency. Many activities go into making the program consistent, including robust processes, strong internal controls, and a commitment to continuous improvement. In 1972, Jim Bulloch, the first managing director of the CMA program, established a mind-set of unwavering attention to detail and quality. Priscilla Payne, the second director of the program, continued that tradition, and we are proud to say we maintain that commitment today. The Board of Regents and the ICMA (Institute of Certified Management Accountants) staff are committed to quality and to delivering the most prestigious management accounting certification in the world.

One tool that ICMA uses to assure the quality of the exam is psychometrics, a scientific field of study focused on testing. From a psychometric standpoint, a certification exam has integrity if it's both valid and reliable, which in turn leads to consistent outcomes. An exam is valid when it tests what should be tested and reliable

when the results are consistent.

Validity is assured in part by identifying the knowledge, skills, and abilities needed to do the job. ICMA does this by performing a job analysis study, including detailed research into what management accountants do on the job and what they need to know to do that job competently. As the profession evolves, the skills required on the job change as does the knowledge required—hence the need to update the exam content over time. Our recent research resulted in an exam that focuses on planning, analysis, control, risk management, decision support, and ethics—skills most in demand today. It isn't enough for the exam to test the right topics. It's also critical that the questions properly reflect that content and are tested at the right difficulty level. To achieve this goal, ICMA publishes a detailed Content Specification Outline along with Learning Outcomes Statements that let candidates know exactly what they need to know to pass the exam. Every exam question links directly to the Content Specification Outline and the Learning Outcome Statements. For the exam to be valid, the questions also must measure this spe-

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cific content effectively.

CMA exam questions are developed by subject matter experts, edited and reviewed by staff, and then reviewed again by other subject matter experts. Members of the Board of Regents and the Exam Review Committee then meet to review the questions and either accept or reject them. Even when a question is accepted, it is pretested first before it becomes operational; that is, the question is introduced into the exam but isn't scored. The questions are psychometrically analyzed on a regular basis to ensure that they are effective and a true test of the body of knowledge. Several statistical measures are used to identify questions that are performing well and those that aren't. The latter questions are deleted from the database and aren't scored.

The final element of validity is setting the appropriate passing standard. This is done by using another psychometric tool called the Angoff process. Subject matter experts convene to judge an actual exam and set the passing standard (or "cut score") based on a definition of what a competent CMA should know. This standard-setting meeting results in an empirically justified cut score and meets the requirements of the accepted standards of educational and psychological testing.

The Angoff process is also related to the second psychometric term mentioned above, reliability, which is a necessary condition for validity. Reliability is another way of saying that you'll get the same

results if you administer the test again at a different time. The key determinants of reliability are good exam questions and a consistent passing standard.

Valid and Highly Reliable

The CMA exam is valid and highly reliable, achieving consistent outcomes, the first component of integrity. The second component of integrity is "pure, whole, and undamaged." The CMA program has maintained an excellent repu-

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tation throughout its 40-year history. The program has not been compromised, and its standards have remained high. ICMA has never "grandfathered" the CMA. To earn this credential, you have to prove your competence. We strongly believe in the requirement to evaluate competence through an objective, rigorous, and relevant exam.

The third component of integrity is that the CMA program stands for something. The CMA designation is a prestigious mark of excellence, highly regarded throughout the world. We believe that demonstrating

competence in management accounting and financial management through a comprehensive professional certification program that includes a rigorous exam in addition to education and experience requirements is the only objective way of assuring competence on the job. Our customers are CMAs, CMA candidates, and the organizations that employ them. We are confident that our program—like no other—attests to competence in management accounting and financial management. It advances the careers of individual professionals and increases the effectiveness of finance teams. In their role as strategic business advisors, CMAs contribute to organizational success and increase shareholder value. Certified Management Accountants enrich organizations, economies, and society as a whole. We are proud of our 40-year history and the more than 36,000 professionals who have earned the credential. **SF**

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