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YEARS OF
EXCELLENCE
1972 – 2012

CERTIFICATION

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A Tradition of Excellence and High Standards

From the minute the CMA® exam was developed, it established a standard of excellence that hasn't been surpassed. The ICMA Board of Regents has been instrumental in setting and maintaining that standard.

We'll begin this month's article by sharing memories from 1972 and then discuss the role of the ICMA Board of Regents in the CMA (Certified Management Accountant) program.

Memories

Robert Garland, who earned the highest score on the first CMA exam and was awarded the Gold medal for this achievement, was among those who took the exam at the University of Minnesota library in December 1972. He remembers that the three days of the exam were bitterly cold and that he was relieved each day to find a parking place behind the building, right next to a door leading to the exam room. Bob says he's extremely grateful for the opportunity to take the CMA exam and for his successful result. At the time, he was assistant vice president in Burlington Northern's accounting department. Later career steps were VP and controller and senior VP, Finance and

Administration. He had a second career as an executive in health-care management and finance, and then he retired in 1996. Bob is also a published mystery novelist.

Al King, who won a Certificate of Distinguished Performance for his high scores on the December 1972 exam, sat for it in New York City. His company's CEO, Ettore Barbatelli, had been IMA® President (NAA at that time) the previous year and told Al that he had to take the exam. To keep the peace (and maybe keep his job!), Al reluctantly signed up. He didn't know what to study, but that September he received a list of about 30 textbooks as suggested preparation for the December exam. He quickly realized that there was no way he could read 30 books in three months and keep his job as controller of American Appraisal. So, as he says, he compromised and read *none* of them! Al claims the graders must have been lenient since it was the first exam, but we think, rather, that Al is a very smart guy! He has had a successful career in management accounting and says the CMA has played a prominent role in that success.

Al also remembers that in 1977 he was appointed to a three-year

term on the Board of Regents and that the Regents effectively "took" each new exam before their meetings. Then, at the meetings, the Regents reviewed every multiple choice and essay question. If they couldn't unanimously agree on the one correct answer, or if the question was ambiguous, they rejected it.

The ICMA Board of Regents

The Board of Regents that Al King remembers is still the guardian of the CMA program, ensuring the integrity and high quality that was established in 1972. It continues to review all questions on the exam and rejects those that are ambiguous or aren't appropriate for the test. The Board consists of 18 Regents appointed for three-year terms. Three are representatives of the Financial Management Association (FMA), with whom IMA has an alliance, and all Regents except the FMA representatives must be IMA members in good standing and must be CMAs.

The major responsibility of the Board of Regents is to manage the CMA program, which includes establishing the policies for evaluating and validating applicants' credentials for acceptance into the certification program, as well as



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the policies for granting certifications and maintaining certificates in good standing. The Regents set policy as to what constitutes an acceptable educational credential as well as acceptable work experience and continuing education. A critically important responsibility is to periodically review the exam content specification outline to ensure that the CMA exam is testing the most relevant knowledge, skills, and abilities of the management accounting and financial management professional and then revising these specifications as appropriate.

As we mentioned, the Regents also roll up their sleeves, reviewing and revising examination questions, not only to make the sure a question is clear and the answer is right, but to also ensure that the question aligns with the content specification outline and learning outcome statements. The content specification outline spells out the specific topics on the exam, and the learning outcome statements explain exactly what a candidate needs to know within each topic. When the Regents oversee the administration of the exam, they decide the number of parts and how the exams should be given—in either a paper-based or computer-based format. They also choose the format of the exam—whether it should be multiple-choice or essay and the proportion of each. Essays are an important component of the exam because it's critical for accounting professionals to be able to organize their thoughts and communicate in a clear and compelling way. That's why the Regents recently decided that writing skills would now be

scored when grading the essay section of the exam.

Along with selecting the content of the exam, the most important task for the Regents is establishing the passing standard—determining who is a competent management accountant. Objective assessments

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with a rigorous passing standard are necessary because finance team hiring managers want to have confidence that the person they are hiring has mastered a rigorous curriculum that is verified objectively.

A Few More Duties

The Regents also decide whether to translate the exam into other languages, and these decisions are based on thorough business cases. The recent decision to translate the exam into Chinese is a good example. Supporting the promotion and marketing of the certification program and initiating new products and services as appropriate are two other responsibilities. In everything it does, the Board of Regents protects the CMA brand.

In addition, Regents are asked to envision the future and help IMA develop a certification strategy for not only next year but 10

years from now. They scan the environment to identify current trends in the profession. Then along with staff and outside experts, they research the profession to ensure the exam is covering the most appropriate material. IMA's 2008 Statement on Management Accounting (SMA), *Definition of Management Accounting*, defines management accounting as a profession that involves partnering in management decision making, devising planning and performance management systems, and providing expertise in financial reporting and control to assist management in the formulation and implementation of an organization's strategy. The CMA exam is focused on planning, analysis, control, risk management, decision support, and ethics, the skills that are imperative in the formulation and implementation of an organization's strategy. The ICMA Board of Regents sets the policies, and the staff implements them, working as a team to create and maintain the prestigious CMA credential! **SF**

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