



*IMA's Certification for
Accountants and
Financial Professionals
in Business*

New Certified Management Accountant (CMA[®]) Certification Program

Announcement date: December 1, 2009

New program launch date: May 1, 2010

Overview

- Why did ICMA decide to update the curriculum and change the format of the CMA examination?

Like other leading certification programs, the Institute of Certified Management Accountants (ICMA[®]) regularly reviews the content of the Certified Management Accountant (CMA[®]) exams to ensure that current topics are appropriately updated and relevant to business practice. Connectivity of a practical Body of Knowledge to the workplace is important. The organization of the new two-part exam more closely aligns with the knowledge, skills and abilities that an accountant or financial professional in business uses on the job today - **financial planning, analysis, control, and decision support**. These skills are critical to the success of finance teams. The CMA exam updates will allow an employer to more readily understand the applicability of the CMA to a corporate career path and allow the candidate to more efficiently demonstrate the skills evidenced by the CMA. The goal of the new CMA program is to ensure that the CMA remains the most appropriate designation in the world for accountants and financial professionals working in business.

- What are the benefits of the new CMA program?

The current CMA program is rigorous and relevant. The new CMA program maintains this relevance and rigor and focuses the content on the critical skills of financial planning, analysis, control, and decision support. It requires a mastery of the critical skills and knowledge involved in planning, analysis, control and decision support and ensures that the CMA certification is attractive to employers. In addition, the new CMA is market-oriented, unique, and differentiated from other certifications and degrees.

- **How did ICMA come to this decision?**

The changes to the CMA program are based on extensive market research and the recommendations of a committee that was specifically charged to review the CMA program and the market it serves. The committee included academics, current CMAs, certification experts and business leaders in accounting and finance. The decisions are data-based and market-tested.

- **What are the changes to the CMA Program?**

The CMA Exam will focus on financial planning, analysis, control and decision support skills in a newly constructed two-part exam testing format.

The New CMA Program

- **What is the format of the new CMA program?**

The new CMA exam format consists of two parts:

Part 1: **Financial Planning, Performance and Control**
(4 hours - 100 multiple-choice questions and two 30-minute essay questions)

Part 2: **Financial Decision Making**
(4 hours - 100 multiple-choice questions and two 30-minute essay questions)

- **What is the content of the new exam parts?**

Part 1 - Financial Planning, Performance and Control (Levels A, B, and C)

Planning, Budgeting and Forecasting (30%)
Performance Management (25%)
Cost Management (25%)
Internal Controls (15%)
Professional Ethics (5%)

Part 2 - Financial Decision Making (Levels A, B, and C)

Financial Statement Analysis (25%)
Corporate Finance (25%)
Decision Analysis and Risk Management (25%)
Investment Decisions (20%)
Professional Ethics (5%)

- **Do I have to take the exam parts in order?**

No, you can take the exam parts in any order.

- **Can I take both of the exam parts the same day?**

Yes, the new two-part testing format offers candidates the option of sitting for both parts on the same day. This is an efficient way to earn your CMA certification if you are sufficiently prepared for both exams and the testing center has available testing appointments.

- **How many questions will be on each exam and how much time will I have?**

On each part of the exam, there will be 100 multiple-choice questions and two 30-minute essay questions. You will have 3 hours to complete the multiple-choice section and one hour to complete both essays. The essays will be presented after you have completed the multiple-choice section of the exam or after 3 hours, whichever comes first. Once you complete the multiple choice section, you cannot go back. You must stay in the essay section to complete the exam. *Note: You MUST score at least a 50% on the multiple-choice section of the exam to be eligible to take the essay section.*

- **What material will the essays cover?**

The essays can cover any topic within the specific part. An essay in Part 1, for example, can cover any of the topics in Part 1, but not topics in Part 2.

- **When will the new CMA examinations be available to candidates?**

May 1, 2010.

- **When can I enroll in the new program?**

New candidates can enroll in the new CMA program beginning December 1, 2009. Registration for exam parts will open in Spring 2010. The time limit to complete the new program will not start until registration is available.

- **When can I register for an exam part in the new program?**

You can register for an exam part in the new CMA program beginning in the Spring of 2010.

- **Will the exams be offered during specific testing windows?**

Yes, both Parts 1 and 2 will be given during the following three testing window periods:

- January and February
- May and June
- September and October

The first testing window for the new program will be May/June 2010. The exams will continue to be administered by computer at Prometric testing centers. If a candidate registers to test during a specific window and fails to take the exam, the candidate must register again and pay the full registration fee.

- **Will I receive an immediate Pass/Fail score?**

No. Immediate results will not be provided because the essay questions will be graded off line. The scores for the multiple-choice section will be added to the scores of the essay section for a total weighted score of pass/fail reflected in a scaled score for the entire part. Candidates are not required to “pass” both sections; the total score determines pass/fail status. The scores will be mailed approximately 6 weeks after the end of the month in which you took the test. For example, if you test in May, you would have your results by mid-July, and if you test in June, you would have your results by mid-August.

- **Will I receive feedback on my score?**

Yes. ICMA will continue to provide a performance report for the multiple choice section of the exam for those who did not pass the exam.

- **Can I take an exam part more than one time during a testing window?**

No. Exam scores will not be available until after the testing window closes.

- **Will there still be opportunities to waive examination parts?**

No. Waivers/exemptions from exam parts will not be permitted.

- **What does it mean that all topics will be tested at a Level C?**

All topics in both parts will be tested up to Level “C” competence. Level C questions test a candidate’s ability to synthesize information, evaluate a situation and make recommendations. Levels A (knowledge and comprehension) and B (application and analysis) will still be tested, but an appropriate percentage of Level C questions for all major topics will be presented as well.

- **Does the CMA exam assume a certain level of accounting and business knowledge?**

Yes, assumed knowledge includes economics, basic statistics, and financial accounting. Prior courses in accounting and finance are highly recommended. Examples of how this assumed knowledge might be tested in the exam include: 1) the candidate would need to know how to calculate marginal revenue and costs, as well as understand the relevance of market structures when determining prices; 2) the candidate would have to know how to calculate variance when managing financial risk; and 3) the candidate would be asked to construct a Cash Flow Statement as part of an analysis of transactions and assess their impact on the Financial Statements.

- **What new subject areas are being tested?**

Consistent with changes in the profession, the following topics have been added or given greater emphasis:

- Top-level planning and analysis: pro forma income, financial statement projections, and cash flow projections
- COSO Internal Control Framework
- Analytical issues in financial accounting including off-balance sheet financing and fair-value accounting
- International Financial Reporting Standards (IFRS)
- Corporate restructuring: mergers and acquisitions, divestitures, and bankruptcy
- Risk assessment: definition and scope of operational risk, hazard risk, financial risk, and strategic risk, risk mitigation strategies, and ERM
- Valuation for acquisitions and divestitures
- IMA's Statement on Management Accounting: "Values and Ethics: From Inception to Practice"

- **Are there any subject areas being deleted?**

Yes. The following topics are no longer specifically tested: linear programming, network analysis, decision tree analysis, queuing theory, Markov process, development of accounting standards, financial statement assurance, information systems, TQM, strategic marketing, organization management, organization communication, and behavioral issues. A number of topics in business economics, strategic and tactical planning, and external financial reporting are also not being specifically tested.

Several topics within economics, global business, external financial reporting, and strategic and tactical planning have been moved to other sections. These topics include elasticity, market structures, foreign exchange, the cash flow statement, changes in accounting treatment, accounting for foreign operations, value-added concepts, and ABM. A strong foundation in financial accounting is assumed in areas such as budgeting and forecasting, performance measurement, and financial statement analysis.

- **Where can I find more detailed information on the content of the revised exam parts?**

The revised [Content Specification Outlines](#) for CMA and relevant [Learning Outcome Statements](#) are available for review.

- **Besides the change to the exams, have any other requirements changed?**

A bachelor's degree from an accepted college or university is still required. However, there are now no alternatives. The GMAT/GRE and Professional Designation alternatives to the Bachelor's degree education requirement are eliminated.

- **How long will I have to complete the new CMA program?**

Candidates must complete the new CMA program within three years from the date of entry into the program. Candidates also must register for an exam part within the first 12 months of entering the program. If you do not register for an exam part within the first 12 months or complete the program within three years, you will have to repay the entrance fee. If you do not successfully complete both parts within three years of entering the certification program, the passed part will expire.

- **Will the exam fees change?**

The exam registration fee will be \$350 per part. If a candidate registers for both parts at the same time for the same testing window, the fee will be \$300 per part. The total cost for all parts will decrease from \$760 to \$700 (or \$600 if the candidate registers for both parts at the same time for the same testing window). The \$200 entrance fee into the program will not change.

North American student and academic members are entitled to a one-time per part 50% discount on the exam fee. These members will pay \$175 per part or \$150 per part if they register for both parts at the same time for the same testing window. In addition, the entrance fee for students and academics will remain unchanged at \$75. [Click here](#) to see a listing of the fees.

- **Are there study materials available for the revised CMA exams?**

Yes. IMA's CMA Learning System has revised its materials and will be available for sale in January 2010. Many of the same Review Course Providers, who have traditionally provided study materials for our certification programs, have developed new materials to reflect the new exam format.

- **Why was the decision made to retain written-response (essay) questions in the exam?**

Written-response questions provide a comprehensive way to test some of the more advanced skills, such as the ability to evaluate a given set of data, make a judgment given alternative solutions, or justify a selected course of action. While these skills can be tested through the use of objective questions, the written-response questions more closely reflect live business situations where a written response would be expected.

- **How will the essay questions be delivered and what kind of software will be used for the responses?**

The written-response questions will be delivered by computer at Prometric Testing Centers in the same manner as the multiple-choice questions. For essay questions that require a purely written answer, you will have a text box in which to type your response. For some of the problems that require quantitative responses, we are planning to include a spreadsheet tool in which to present your calculations.

- **How will the essay questions be graded?**

The written-response essay questions will be graded by subject matter experts. The questions will not be graded online and, therefore, you will **not** immediately receive your grades.

- **Will partial credit be given?**

The graders do give partial credit. For example, if you are asked to give three reasons why a selected alternative action is beneficial for a business and you provide only two correct reasons, you will receive partial credit for these two responses. Likewise, for questions requiring a calculated response, partial credit will be given for a correct formula even though a mathematical error may have been made in the final number.

- **Are candidates penalized for mistakes in grammar and spelling?**

Points will not be deducted for poor writing skills; however, your answer must be clear enough for the grader to understand the intent of your response. If the response cannot be understood or is contradicted later in your answer, credit will not be given.

Current Candidates

- **If I have already completed one or more CMA exam parts, what does this change mean to me?**

CMA candidates may continue to take any remaining parts of the current CMA program. All of the current CMA examination parts (Parts 1, 2, 3, and 4) will be available at Prometric Testing Centers until December 31, 2010 in accordance with the [current exam schedule](#). Entrance into the current CMA program ends February 28, 2010. Registration for exam parts in the current program ends September 30, 2010 for parts 1, 2 and 3, and ends December 15, 2010 for part 4. No extensions will be granted, so please plan accordingly. Candidates also have the option to transition into the new program and a transition plan exists for each situation (see table below).

- **What if I don't pass all the exams in the current CMA by the deadline?**

If you do not pass all four examination parts of the current CMA program by the deadline, December 31, 2010, you will automatically be transferred into the new program and the following transition program will apply:

Current Exam Parts Passed	New Exam Parts Needed
Part 1 - Business Analysis (only)	Part 1 - Financial Planning, Performance and Control, and Part 2 - Financial Decision Making
Part 2 - Management Accounting and Reporting	Part 2 - Financial Decision Making
Part 3 - Strategic Management	Part 1 - Financial Planning, Performance and Control
Parts 2 and 3	"Transition exam" (Part T)

The deadline to complete the new CMA program for those transferring from the current program is February 28, 2013.

- **How many hours is the transition exam and how many questions does it have?**

The transition exam (Part T) is two hours in length, and will consist of four 30-minute essay questions that will test the subject matter outlined in Parts 1 and 2 of the new program [content specification outline](#).

- **When will the transition exam be available?**

The transition exam (Part T) will be available May 1, 2010 (during the May/June testing window) and will be available each testing window thereafter until February 28, 2013. Most candidates will therefore have three years to pass the Transition exam.

- **How much will the transition exam cost?**

The transition exam (Part T) will cost \$225.

- **How long do I have to pass the transition exam?**

You have until February 28, 2013 to pass the transition exam (Part T).

- **How many times can I take the transition exam?**

You can take the exam three times per year until February 28, 2013, and you cannot take the exam more than once during a testing window.

- **If I passed or waived part 1 only, can I receive a credit for my exam fees if I enter the new program?**

All candidates who enter the new program and have passed or waived part 1 only as of December 1, 2009, will receive a one-time credit of \$95 toward the purchase of a new CMA program exam part registration. This credit will be good for six months.

- **Do I have to switch to the new exam program immediately?**

No. The current CMA examinations will be available until December 31, 2010, allowing sufficient time to complete these exams. If you have passed any of the current CMA exams, you are encouraged to stay in the current program and complete the CMA program as soon as possible.

- **If I have already applied for certification, can I switch to the new CMA program?**

Yes. CMA candidates in the current program, particularly those who have not yet passed any exam parts, have the option to convert to the new CMA program at no cost.

- **Can I still join the current CMA program?**

Yes, you can apply to enter the current CMA exam program until February 28, 2010. All of the current CMA examination parts (Parts 1, 2, 3, and 4) will be available in accordance with the current exam schedule at Prometric Testing Centers until December 31, 2010. If you do not complete by that time, the transition rules outlined above will apply.

- **Will these program changes affect the Chinese language version of the CMA exam?**

ICMA is currently evaluating the Chinese language CMA exam and a decision to translate the new CMA format into Simplified Chinese remains under consideration. To ensure our candidates in the Chinese language program have an opportunity to complete the program, the Chinese language exam will be available until December 31, 2011.

- **I have more questions about the new CMA program. Whom do I call?**

Existing CMA candidates and those interested in the program can contact IMA Customer Service at 1-800-638-4427 or by e-mail at ima@imanet.org.