

CMA Candidate Series Presents:

The CMA Exam: Test-Taking Tips & Strategies

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The Association of
Accountants and
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in Business

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Webinar Features and CPE Credit



Asking Questions



Help



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Learning Objectives

Upon completing this webinar, you will be able to:

1. Recognize the testing format of the CMA exam.
2. Manage your time on the CMA exam.
3. Explain how the essay responses are graded.
4. Know what to expect at the testing center.



Agenda

- Why become a CMA?
- Starting the certification process
- CMA exam structure
- Study tips
- Exam tips and strategies
- Steps to become a CMA
- Tips from a recent CMA candidate



Why Should You Become a CMA?

- The CMA is a relevant and rigorous professional certification exam
- Confirms that an individual has a mastery of the critical skills and knowledge in planning, analysis, control and decision support
- Year after year, IMA's Salary Surveys continue to show that CMA-certified individuals earn more than their non-certified peers



Polling Question 1

Do you plan to sit for the CMA exam within the next twelve months?

- a) Yes
- b) No



Polling Question 1 Results



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Starting the Certification Process

1) Join IMA

- Professional members: \$230/year + \$15 one-time processing fee
- Student members: \$39/year

2) Pay the CMA Entrance Fee

- Professional members: \$250
- Student members: \$188

3) Exam Part Fees

- Professional members: \$415 per part
- Student members: \$311 per part (*25% discount*)



CMA Exam Structure

Part 1: Financial Planning, Performance, and Analytics

-  External financial reporting decisions
-  Planning, budgeting, and forecasting
-  Performance management
-  Cost management
-  Internal controls
-  Technology and analytics

Part 2: Strategic Financial Management

-  Financial statement analysis
-  Corporate finance
-  Decision analysis
-  Risk management
-  Investment decisions
-  Professional ethics

**Each exam part is four hours long:
100 multiple-choice questions, followed by two 30-minute essay scenarios.**

Polling Question 2

Which section of the CMA exam do you expect to be the most challenging for you?

- a) Performance Management
- b) Cost Management
- c) Financial Statement Analysis
- d) Corporate Finance
- e) Other



Polling Question 2 Results



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Study Tips



- Establish a regular study schedule
- Pace yourself – don't cram
- Don't spend too much time studying content that you already know; get out of your comfort zone and study topics that you find difficult and challenging
- Create your own flashcards with formulas or terms
- Write out your own notes, in your own words
 - This enhances the learning process

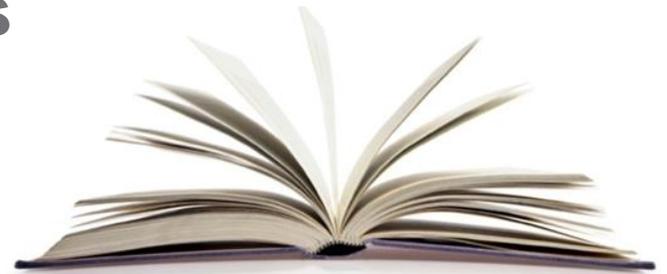
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Study Tips

- **Use CMA exam prep materials**
 - Test your knowledge with retired exam questions (both multiple choice and essay)
- **Be sure to *completely* understand all concepts**
- **The exam preparation process takes TIME**
 - Figure out how you'll plan study time into each week
 - The amount of time needed to prepare will depend on you, your experience, your skills, etc.



CMA Exam Preparation Options

- Gauge your study needs with the CMA Exam Support Package (ESP)
- Flexible exam prep options offered by review course providers worldwide
- Various learning options to fit your style



Polling Question 3

To prepare for the CMA exam, would you prefer to study on your own, with a group, or take an instructor-led course?

- a) I prefer to study on my own
- b) I prefer to study with a group
- c) I prefer to take an instructor-led course



Polling Question 3 Results



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CMA Handbook

- An important resource for CMA candidates is the **CMA Handbook**
- Find it on the IMA website

www.ima.net.org

→ CMA Certification

→ Getting Started



CMA Handbook

Your Guide to Information and Requirements for CMA Certification



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Exam Testing

- Exams administered at Prometric Testing Centers (www.prometric.com)
 - Schedule your exam date and time online, after receiving your exam authorization number from IMA
- Three exam testing windows offered each year
 - January and February
 - May and June *
 - September and October *

*** For 2020: These testing windows have been extended!**

May/June: Now includes the month of July

Sept/Oct: Now includes the month of August



What to Expect at the Testing Center

- **Arrive early – at least 30 minutes prior to testing time**
- **Bring personal identification**
 - A valid (non-expired passport), *or*
 - Two original forms of id, one with a photograph, both with your signature
 - Student ids and social security cards are **not acceptable**
- **Small lockers are available for storage of personal items**
 - Personal items cannot be brought into the testing area
- **Wear comfortable clothes**



What to Expect at the Testing Center

- **Where You'll Take the Test:**
 - Private, modular testing booth with ample workspace and lighting
- **Calculator Policy**
 - Simple 6-function model, or
 - Financial calculators models allowed:
 - HP 10 BII, HP 10BII+, HP 12C, HP 12C Platinum
 - Texas Instruments BA II+
- **Scrap Paper and Pencils Will be Provided**
 - Be neat when using your scrap paper, so that you can refer back to your notes and calculations



What to Expect at the Testing Center

- **CMA Exam Tutorial**
 - 15 minutes, does not count toward exam time
 - Learn how to navigate through testing system, mark questions, etc.
 - May use this time to write down formulas, definitions, on scrap paper
- **No food or drink allowed**
- **Bathroom breaks allowed, but will use up your exam time**
- **Fingerprinting requirement**



Exam Strategy

To pass the exam, you need:

- Knowledge
- Confidence
- Effective Time Management



Exam Strategy: Multiple Choice Questions

- **Answer a question in your mind before looking at answer options**
- **Pay close attention to wording of each question**
 - Look for words like “**except,**” “**least**” and “**most**”
- **Three-Pass Technique for Multiple Choice section**
 - 1) Read questions and answer non-computational ones; mark others
 - 2) Answer computational questions, leave questions that you are unsure about marked
 - 3) Review marked questions



Exam Strategy: Multiple Choice Questions

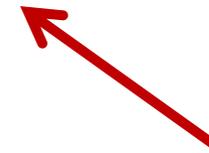
- **Answer all questions**
 - An unanswered question is automatically incorrect
- **Biggest risk: Spending too much time on one question**
 - On average, plan to spend about 1.5 minutes per question
- **Maintain a positive mental outlook!**
- **Review, correct, go back to more difficult questions**
- **You have up to 3 hours to complete multiple choice section**
 - If you finish in less than 3 hours, then you can carry forward any unused time to the essay section



Multiple Choice: Sample Screen Shot

The screenshot displays a test interface with the following elements:

- Page: 1**, **Section: 1**
- Section Time Remaining:** 02:59:49 (circled in red)
- Progress:** 0%
- Finish Test** button
- Test:** 1D-2D LOFT
- Candidate:** DURNINZZDEMO Andrew
- Question 1:** Which one of the following is the **best** reason for using variable costing?
- Calculator** icon
- Options:**
 - A Fixed factory overhead is more closely related to the capacity to produce than to the production of specific units.
 - B All costs are variable in the long term.
 - C Variable costing is acceptable for income tax reporting purposes.
 - D Variable costing usually results in higher operating income than if a company uses absorption costing.
- Navigation:** < Back, Next > (circled in red)



Use your mouse to select your answer on the screen

Exam Strategy: Essay Questions

- **Don't be afraid of the essay section of the exam!**
- **This section provides a great opportunity to earn partial credit**
 - Be sure to show your work and assumptions
- **There will be between 4 and 7 questions for each essay scenario**
- **You can scroll between questions and scenarios within the essay section of the exam**
 - Helps to determine how much time you will need for responses



Exam Strategy: Essay Questions

- **Pay close attention to verbs**
 - For example: If the question asks you to *compare* or *contrast*, don't *define* something
- **Read the entire question to understand all requirements**
 - You may have more than one requirement, for example:
 - “*Define abc and interpret its applicability to xyz.*”
- **Writing skills**
 - Focus is on use of standard English, organization and clarity
 - Graders are looking for effective writing skills



Exam Strategy: Essay Questions

- **Be brief and to the point**
 - It's ok to use bullet points
- **Do not leave a questions blank**
 - If short on time, at least write an outline of your main points
- **Graders are looking to give you points, not take them away**
 - Make it as easy as possible for graders to give you points!



Exam Strategy: Essay Questions

- **Type your responses into a text box**
 - Similar to MS Word, but with more simple functionality
- **Be sure to use all of the time available to you**



Essay: Sample Screen Shot

The screenshot displays a CMA exam interface. At the top, the navigation bar includes 'Automatic Zoom', navigation arrows, 'Page: 1 of 1', 'Question: 3 Section: 2', 'Total Test Time Remaining: 03:58:42', 'Progress: 0%', and a 'Finish Test' button. The candidate's name 'VIERS Amanda' is shown in the top right. The question title is 'Test: 1D-2D LOFT'. The question text reads: 'Han Electronics Inc. is an electronics retailer with a fitness equipment retailer subsidiary. Han is a mature company with declining sales while the subsidiary is growing and profitable. The management of Han is considering several strategic options for the company as a whole. They considered purchasing additional companies to continue to diversify their product mix, or split out some or all of the subsidiary into a separate company so that each company could go in a different direction. Ultimately, the concern is that Han is failing. Management wants to maximize shareholder value, turn the company around, and continue as a going concern.' The response area contains the prompt 'Identify three possible synergies or benefits of mergers and acquisitions.' and a large text box with the instruction 'Type your response here'. A red arrow points to this text box. The bottom navigation bar includes a settings icon, a question icon, and 'Back' and 'Next' buttons.

Here is the situation that you are analyzing



Test Anxiety

- Everybody gets nervous about exams!
- Try to channel your nervous energy in a positive way
- Focus on doing your best and remember that you can always sit for the exam again
- If you forget how to do something or draw a blank, return to the question later

Effective study and preparation is the best approach to alleviate anxiety and enhance self-confidence on exam day



Exam Structure & Feedback

- **Exam structure**
 - 3 hours of multiple choice questions ~ 75% of score
 - 1 hour of essay questions ~ 25% of score
- **Must earn at least 50% on multiple choice section in order to advance to essay section**
- **Exam results available approximately 6 weeks after end of testing month**
 - Test in May → Results available in mid-July
 - Test in June → Results available in mid-August
 - Results emailed to candidates, and also posted to your IMA profile



When the Exam is Over

- **Scaled score, with 500 maximum points**
 - Passing score = 360 or higher
- **If you pass:**
 - Start preparing for the next exam or complete the certification process requirements
- **If you don't pass:**
 - **Create a strategy to retake the exam as soon as possible**
 - Prometric will send a Performance Report ~ 2 weeks after exam results are available
 - Basic feedback provided; shows topics that need improvement



Polling Question 4

Are there other employees at your company who would benefit from learning more about the CMA or by pursuing the CMA designation?

- a) Yes
- b) No
- c) I don't know



Polling Question 4 Results



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Steps to Become a CMA

Once You've Passed the Two Exam Parts –

- Submit proof of your educational requirement to IMA
- Complete and submit the Experience Verification Form (available on the IMA website)
- You'll receive your CMA certificate number once your education and experience documents have been verified
- Your CMA certificate will be mailed in 2-3 weeks

You can now use “CMA” after your name!

Note: Your annual CPE requirement will begin in the calendar year after you pass both exam parts.



Insights from a New CMA: Brent Streeter



Brent Streeter, CMA
Director of Finance
TE Connectivity



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**Best of luck
to you
on the
CMA Exam!**



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Questions & Answers

Use the Q & A Panel to send your questions to our panelists.



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Tyler Skelton
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Thank You to Our Presenters!



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