

# Focus on Certification Accreditation

## Examinations: The Cornerstone of a Strong Certification

By Gary L. Diffendaffer, CFP®

*Editor's note: The following is a regular Investments & Wealth Monitor column about IMCA's commitment to strengthen and add value to the CIMA® designation in part through third-party accreditation.*



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In the March/April issue's column I stressed how important a valid and reliable examination is in creating a sound certification program and achieving third-party accreditation. The steps required to develop an exam are neither widely understood nor easily accomplished, and some may wonder, "Is all of this detail really necessary?"

Only time will tell, but what I do know is that employers, regulators, and consumer advocates are taking a closer look at the quality of designations. Consequently, the standards behind a designation should be of interest to both current and future holders of that designation and the exam process is a universal tool for measuring if a candidate has met a required level of competence.

Although most IMCA members already have attained the CIMA designation, I want to provide some insight into the type of exams future candidates for the CIMA designation will take and help you understand the necessary steps IMCA is taking to develop a good certification exam.

As a best practice, certification exams, unlike education program exams, should utilize statistical tests, or psychometric standards, to show that they meet reliability and validity requirements. An exam is reliable if it is repeatable with consistent scores. It is valid if it separates qualified from unqualified candidates, and therefore enhances the designation's value for designees, employers, and clients alike. For the CIMA designation exam to serve as a certification exam, it must be designed to test a level of knowledge, skill, and competency needed by an investment management consultant in the real world.

### How Do You Develop a Good Certification Exam?

One way to develop a valid and reliable exam based on real-world scenarios is to begin with a job analysis, which IMCA completed in 2007. This method requires a study of

the activities performed and the skills needed by a typical candidate.

Then a set of questions is written to test those skills. These questions originate with volunteer designation holders who use guidelines to assign questions by topic and classify them by educational objectives (i.e., recall, analysis, application). Exams are designed to test both lower-level requirements (e.g., recall the name of something), as well as higher-level skills (e.g.,

how to evaluate and apply information in a given situation).

For the CIMA designation program, IMCA will maintain a bank of questions that have been written, categorized, reviewed, and tested for performance. The percentage of questions selected for any one category is determined by the job analysis. A new job analysis will be conducted every five years to identify major changes in the work activities covered by the certification.

The level of difficulty for each exam is evaluated so that candidates are treated equitably regardless of which questions appear. Exams are not graded on a curve; grades are based on criteria deemed necessary for the job. For each question, statistics are maintained that show how the question performed in the testing environment and whether it sorts qualified from unqualified candidates.

### Exam Administration

Many other details are required to ensure that the exam is administered fairly and equitably to all who meet the requirements to sit for the exam. Attention to these details is necessary to ensure uniform testing conditions and to discourage cheating. Any activities that negatively affect the fair, reliable, and valid outcome of an exam can diminish the value of the designation for all stakeholders.

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**If you are interested in volunteering your time to assist IMCA in developing exam questions, please don't hesitate to contact Gary Diffendaffer at [gdiffendaffer@imca.org](mailto:gdiffendaffer@imca.org) or 303.850.3065.**

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### The Value

So why is IMCA taking on the challenges involved with creating a certification exam for the CIMA designation program? First, it's all about making a good program better. It's also an important step toward IMCA's application for third-party accreditation of the CIMA designation.

Third-party accreditation shows that the CIMA designation's reputation is built on a foundation of quality and recognized standards. It requires hard work and attention to detail, but thanks to the dedication of many volunteers

and IMCA staff, it can make a positive difference in the big picture. 

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