

Focus on Certification Accreditation

Experience Requirements and Why They Matter

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® certification in part through third-party accreditation.

The CIMA certification is recognized as an advanced certification because of the elevated level of coursework, the high quality of instruction, and the stringent testing that it requires. Beyond these requisites, however, are lesser-recognized—but no less important—requirements that strengthen the credential and help establish it as the advanced certification for investment management consulting and advising.

The three-year work experience requirement for the CIMA certification implies that the certification is not entry-level. Experience in a business, industry, or profession helps develop a vocabulary and working knowledge that serves as a common denominator for those enrolled in the certification program. Certifications can be established at any level of a job, trade, or profession. IMCA's volunteer policymakers have set the experience requirement for the CIMA certification at three years of experience related to financial services.

Rigorous credentialing programs sometimes incorporate background checks to ensure that a candidate's work experience has been screened for a variety of issues. IMCA's CIMA certification is one of those programs. This is increasingly important in the wake of the Madoff scandal and other activities that have rocked the financial services world.

Think of the statement you make to your clients when you inform them that you have made a voluntary commitment to ongoing standards and professional review by a third-party entity as a CIMA certificant. These standards include continued adherence to IMCA's *Code of Professional Responsibility*, a work experience review, and background checks before applicants are admitted as candidates. The scrutiny continues with a second background check after a candidate has passed the certification examination and is perpetuated by disclosure statements every two years at the time of license renewal.



Gary L. Diffendaffer, CFP®

If items from any of those decision points merit investigation, the necessary steps are taken to resolve the issues.

Third-party service companies are emerging to provide background checks of advisors that can be shared with clients. You, as a CIMA certificant, submitted to similar reviews when you applied for the program and now regularly disclose necessary information for each certification renewal period.

Although it may not always be top of mind, the fact that rights to use the certification marks can be revoked shows stakeholders that we are serious about advancing the CIMA certification into the future and protecting the building blocks that have been so laboriously laid by previous leaders.


“ You can help leverage your investment in IMCA's certification programs by developing ways to effectively inform your clients about the ongoing monitoring of professionalism and conduct carried out by your mark's licensing body. ”

All of these experience-related requirements are in place to protect the marks, to help assure the public about the quality of the certification, and to add value to the holders of the certification. A portion of the certification and certification renewal fees are used to accomplish these tasks. Additionally, fees are used to pay for legal support to defend the marks and follow procedures that attempt to mirror due-process standards to strive for fairness to all parties.

You can help leverage your investment in IMCA's certification programs by developing ways to effectively inform your clients about the ongoing monitoring of professionalism and conduct carried out by your mark's



licensing body. All four E's—education, examination, ethics, and experience—play an important role in building a professional certification. It is important for all stakeholders, from certificants to clients, to have an appropriate understanding of what a certification stands for.

Accreditation, the subject of this series of articles, examines the requirements within each of the four E's to see if they meet third-party standards set forth by accrediting bodies such as the American National Standards Institute or the National Commission for Certifying Agencies. IMCA staff and volunteer policymakers continue to work diligently to ensure the CIMA certification program meets those standards. 

Gary L. Diffendaffer, CFP®, is IMCA's director of certification. He previously served as executive vice president and interim executive director of Certified Financial Planner Board of Standards, Inc. He has served as one of the American National Standards Institute's accredited assessors and was a financial planning practitioner. Contact him at gdiffendaffer@imca.org.

Model RFPs Available for IMCA Members

Three model requests for proposals (Model RFPs)—focusing on equity investments, fixed income investments, and real estate investments—are available electronically to help smaller institutional investors streamline and improve their processes of selecting money managers. The Model RFPs are the result of collaboration between IMCA, the CFA Institute, the Institute for Private Investors, and the Investment Adviser Association, and the templates showcase a variety of universal best practices for carrying out the RFP process. The Model RFPs complement IMCA's Hedge Fund of Funds and Investment Manager questionnaires, which offer due diligence guidance through customizable templates. All five resources are available for download by IMCA members at www.IMCA.org in the "Membership" section of "My IMCA."

2010 Educational Programs Calendar

January 11–12, 2010

IMCA 2010 New York Consultants Conference
Grand Hyatt New York
New York, NY

January 24–29, 2010

CIMA Level II Class*

February 8–13, 2010

CIMA Level II Class**

February 22–23, 2010

2010 Specialty Conference: Asset Allocation
Fairmont Scottsdale
Scottsdale, AZ

March 8–12, 2010

CWPA Class***

March 14–19, 2010

CIMA Level II Class*

May 17–19, 2010

2010 IMCA Annual Conference
Hilton Orlando Bonnet Creek
Orlando, FL

June 14–19, 2010

CIMA Level II Class**

July 19–20, 2010

**IMCA 2010 Advanced CIMA® Workshop:
The Best of Wharton**
Philadelphia, PA

July 25–30, 2010

CIMA Level II Class*

September 20–24, 2010

CPWA Class***

November 8–9, 2010

**IMCA 2010 Advanced Wealth Management
Conference**
The Palace Hotel
San Francisco, CA

December 5–7, 2010

IMCA 2010 Practice Management Conference
Vail Marriott, Vail, CO

May 16–18, 2011

2011 IMCA Annual Conference
Bellagio
Las Vegas, NV

* The Wharton School, University of Pennsylvania

** The Haas School of Business, University of California, Berkeley

*** The University of Chicago Booth School of Business