

## **STRATEGIES FOR CERTIFICATIONS INTEGRATED THROUGHOUT THE EDUCATIONAL EXPERIENCE**

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**ABSTRACT:** This paper describes several different accounting-related professional certifications and suggests a strategy for educators to use in order to provide opportunities for students to achieve success with the certification exams as they pursue their academic education. The strategies presented will benefit educators, students, and the educational institutions that seek external assessment measures for assurance of learning.

**Key Words:** Professional certification, strategies, assessment, AACSB

### **INTRODUCTION**

careers as well as when they take professional certification exams. In recent years, the AACSB has emphasized assurance of learning as well as assessment as part of the educational accreditation process. A difficulty faced by schools is identifying instruments to use for assessment. Professional certifications offer an objective method of assessing academic credentials. Certifications and passing certification exams can also provide evidence that students possess a level of knowledge and skills that potential employers and/or graduate schools can use to evaluate students who do not attend well known universities. Some common certifications in the accounting field that will be discussed are the Certified Public Accountant (CPA), Microsoft Office (MOS) certifications, the Certified Internal Auditor (CIA), the Certified Management Accountant (CMA), the Certified Fraud Examiner (CFE), and the Certified Government Financial Manager (CGFM).

In addition to providing evidence of knowledge and skills in different areas of accounting, the certification exams provide students with experience in taking high stakes exams. Professional exam review courses often spend time preparing students for the logistics of taking the exam as well as the content of the exam. They may also provide instruction in general study skills and test-taking skills. These skills can benefit students as they progress through their academic

The purpose of this paper is to outline a strategy educators can suggest to students so that the students can document their skills beyond their grades

in college courses. Students can obtain Microsoft Office certifications at any time during their academic career. Students can take the CMA certification exam before graduating with a baccalaureate degree. Generally, to take the exams for CIA, CFE or CGFM, a student must have completed an undergraduate degree. However, students may be allowed to take the exams early in certain circumstances. The CIA, CFE, and CGFM exams could be taken after students have completed the undergraduate degree and while the students are obtaining the 150 hours to become eligible to take the CPA exam if a CPA license is their final objective.

### **LITERATURE REVIEW**

Coe, et al (2008) note that the employment of accountants and auditors is expected to grow through the year 2016 and there is an increasingly global business environment creating the demand for accounting and finance professionals with advanced skills and up-to-date knowledge. They assert that earning a certification is valuable for an accounting student's career advancement and that integrating the academic learning outcomes related to certifications is a way to ensure that the accounting curricula are providing students with the skills and knowledge they will need in the business world.

Brooks and Johnson (2002) investigated the impact of governmental accounting certifications on government finance officers' salaries. They found that the CGFM (Certified Government Financial Manager) was the certification with the most impact and that governmental certifications are positively correlated with increased compensation.

Atkinson (2003) conducted comparison/contrast research with the Certified Information System Auditor (CISA), Certified Information Technology Professional (CITP), and Certified Information Systems Security Professional (CISSP). She described the certifications in terms of the "common body of knowledge" often required for professional certification. This paper extends the current literature by suggesting a strategy to help educators create opportunities for students to take and pass professional certification exams as they pursue their academic careers. Some of the certification exams can be taken before the students complete their baccalaureate programs. The certifications discussed are the Microsoft Office Specialist (MOS), the Certified Management Accountant (CMA), the Certified Internal Auditor (CIA), the Certified Information Systems Auditor (CISA), the Certified Fraud Examiner (CFE), the Certified Government Financial Manager (CGFM) and the Certified Public Accountant (CPA).

### **DESCRIPTION OF THE CERTIFICATION OPPORTUNITIES**

While there are numerous professional certifications available, the CPA certification is the only one that provides a legal privilege associated with the ability to provide an audit opinion on financial statements presented by third parties (AICPA). Therefore, most people consider it to be the most valuable certification. The CPA designation (license) is conferred by state boards of public accountancy and candidates must pass a four-part examination administered by the American Institute of Certified Public Accountants as well as fulfill an experience requirement. The CPA designation was first conferred in 1916 and is the oldest accounting certification available. A problem for students in terms of practicality is that in some states there is a 150-credit-hour educational requirement before students are eligible to take the exam. Students may spend an extra year in college and incur additional expense before even being allowed to take the CPA exam. Students may take other certifications exams which have fewer credit hour requirements so that they can gain experience in taking a high stakes exam and in preparing for such exams. Students who take professional exams can also get an idea of the level of academic rigor that is expected on such exams.

The CPA exam must be completed within an 18-month period and has four parts:

- Business Environment and Concepts
- Regulation
- Auditing and Attestation
- Financial Accounting and Reporting

The Microsoft Office Specialist (MOS) certifications offer the least expensive and shortest exam opportunities for the students. Since Microsoft Office is widely used in the business community, expertise in the use of the Office programs can provide students important skills they will use in the workplace. A MOS certification provides evidence of expertise and allows students to set themselves apart from other applicants with whom they are competing for jobs.

While the early MOS certification exams required students to complete brief tasks, MOS 2013 and later exams provide more real-world testing with a short project that students must complete (Microsoft). Most of the MOS exams take up to 90 minutes and can be taken in different languages. The testing results are displayed on the screen immediately and successful candidates receive an official certificate in about three weeks. Some of the certifications available are:

- Word
- Excel
- Access
- PowerPoint
- Outlook

The Institute of Management Accountants (IMA) offers the opportunity to take the Certified Management Accountant (CMA) exam before the students graduate with their baccalaureate degree. The CMA exam is an excellent introductory opportunity for students to experience the academic rigors of an accounting certification exam before they continue with their 5<sup>th</sup> year of accounting education. The CMA exam was first administered in 1972 and is the most international accounting certification now. The CMA exam (IMA, 2016) is organized into two parts that can be taken in any order. Each part allows students four hours to complete and includes 100 multiple-choice questions as well as two 30-minute essays. Candidates must pass both exam parts within 3 years. The parts are as follows:

- Financial Reporting, Planning, Performance, and Control
- Financial Decision Making

The Institute of Internal Auditors (IIA) also offers accounting students the opportunity to take the Certified Internal Auditor exam before a typical 4-year graduation and is an excellent opportunity for students to take a more specialized professional certification exam. The CIA exam (IIA, 2016) began in 1973 and gives accounting professionals an excellent opportunity to communicate their ability to be an important employee in terms of applicable knowledge and positive impact for any organization or business. Both the CIA and CMA certifications are highly-recognized global certifications for internal auditing professionals or accounting managers. One important recent change (IIA, 2016) is that candidates can bypass the undergraduate degree requirement if they possess two years of post-secondary education and five years of verified experience in internal audit or seven years of verified experience in internal audit or its equivalent. There are three parts as follows:

- Internal Audit Basics – 125 questions in 150 minutes
- Internal Audit Practice – 100 questions in 120 minutes
- Internal Audit Knowledge Elements – 100 questions in 120 minutes

Because computer information systems are now so interrelated with accounting, students with a special interest in computer information systems may want to pursue the Certified Information Systems Auditor (CISA) exam so that they can be employed to audit the information systems of organizations. Another potential employment opportunity that holders of this certification might pursue is development of information systems and security for organizations. This exam is administered by Information Systems Audit and Control Association (ISACA). This organization has more than 115,000 constituents in 180 countries. ISACA was established in 1969 (ISACA, 2016) and specializes with information systems audit, assurance, security, risk, privacy, and governance. There is only one 200-question part for the exam, but it covers 1) the process of auditing information, 2) governance and management of IT, 3) information systems acquisition, development, and implementation, 4) information systems operations, maintenance, and 5) protection of information assets. They have the exam in many different languages too and students can take the exam without their degree (ISACA, 2016). If they have passed the exam they will have evidence of the knowledge, skills, and abilities that they will need to pursue career opportunities in this field.

Additionally, the Association of Certified Fraud Examiners (ACFE) offers students the opportunity to take the CFE exam before graduation. Because of the increase in large-scale financial frauds, current students are highly interested in forensic accounting. This exam provides external assessments related to the students' learning in fraud topics that are not typically covered deeply in a broad-based accounting curriculum. The four parts of the exam (ACFE) are as follows:

- Fraud Prevention & Deterrence
- Financial Transactions & Fraud Schemes
- Investigation
- Law

An advantage associated with this certification exam is that the ACFE has a CFE Prep Course with a Money-Back Pass Guarantee. If students do not pass the exam and qualify for this guarantee, they will receive a Retake Exam. All four sections must be passed in three consecutive attempts.

Finally, the students will often become involved with governmental organizations by either by being employed by a governmental entity or by auditing governmental entities while employed by a public accounting firm. The Certified Government Financial Manager (CGFM) certification exam might be best for these students. The limiting factor associated with this

certification exam is that students must have earned their degree before taking it. This exam consists of three 115-question parts:

- Governmental Environment
- Governmental Accounting, Financial Reporting, and Budgeting
- Governmental Financial Management and Control

### **THE STRATEGIES**

It is beneficial to students to gain experience with taking high stakes exams. These exams differ from college course exams in that a passing exam grade is required for the certification. In academic courses, there are often other types of assessments that can increase a grade beyond a single test score. It can, therefore, benefit students to begin early in their academic career to complete certification exams.

The strategy suggested by the authors is to require students to pass both Microsoft Word and Microsoft Excel (MOS) exams before they are admitted into the Business School. Since admission to the Business School typically takes place after 60 college credit hours, the students have 2 years to complete these certifications. They could do one in the first year and one in the second year. In their third year, they could be required to complete certification in Microsoft Access while completing the Accounting Information Systems course. These exams are the least expensive and tend to have the least amount of comprehensive information associated with them so success should be expected. They can be important to students as they provide objective evidence of their knowledge of commonly used business software tools.

In the students' senior year, they could specialize with the CMA, CIA, CISA, or CFE certification exams. While these exams are very rigorous overall, they are not as comprehensive as the CPA exam and the pass rates are higher. By getting involved with professional certification exams before they graduate, students will have a better idea of the rigor involved with these examination processes. Additionally, successful students will have an item on their resumes to help employers know that they are capable of passing a high stakes exam and that they have evidence of their level of knowledge in the fields covered in the exam.

Successful students could begin their careers with the certification exams passed in their senior year and they would have the option of either staying in those fields or continuing their 5<sup>th</sup> year to pursue the CPA certification. If they continue, they will have the confidence associated with passing four certification exams during their undergraduate experience and will have an understanding of the work associated with taking professional certification

exams. During their 5<sup>th</sup> year experience, they could take the CGFM exam to practice again for the rigors of professional certification exams or to pursue a career in public service.

### EVIDENCE OF COMPENSATION BENEFITS

Since technology is such a high-demand industry, it is estimated that entry-level employees who hold a MOS certification can earn up to \$16,000 more per year than typical employees (Anderson & Gantz, 2013). In a survey of 700 IT professionals, 60% of the respondents indicated that certification led to a new job. Five times as many high-growth/high-salary positions required competence with Microsoft Office as compared to other non-Microsoft software skills and 29% of the positions actually required Microsoft Office skills. (Anderson & Gantz, 2013).

While there is no formal salary structure information related to some of the certifications, the IMA conducts an annual salary survey. Table 1 reflects the results with respect to CMA and CPA certification. This table indicates the salary benefits that can be achieved by becoming certified in the accounting field.

**Table 1: Median Total Compensation by Age and Designation  
2015 U.S. Salary Survey ([www.imanet.org/salary\\_survey](http://www.imanet.org/salary_survey))**

Age Range	Neither CMA nor CPA	CMA Only	CPA Only	Both CMA and CPA
19 to 29	57,500	74,800	67,104	85,840
30 to 39	75,000	108,000	114,050	115,025
40 to 49	107,000	129,000	113,000	122,500
50 to 59	114,000	142,036	166,500	150,000
60 and over	115,500	140,000	135,000	122,500

### CONCLUDING REMARKS

This paper describes some different types of business and accounting certifications that can help students to become more employable in entry level positions. These certifications may also improve the compensation levels of employees as they progress through their careers. A strategy is outlined that will allow students to document their skills beyond their grades in college courses. Students can obtain Microsoft Office certifications at any time during their academic career. Other certification exams can be taken as students are near completion of an undergraduate degree. In

addition, the professional organizations associated with the exams provide opportunities for students to interact with professionals in their chosen field and build a network that can help them as they begin their careers. Student success with these certifications can also help institutions demonstrate assurance of learning with external assessments required by accrediting bodies such as AACSB.

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