



Dear Part 1 Candidate,

Studying for and passing the CMA Exams is a mission that requires dedication and hard work. From our experience at HOCK with thousands of candidates, we know that planning makes this process much easier. Because the exam is available on an ongoing basis and there is no date by which you need to be prepared, studying can seem endless without a proper plan. We know it is easy to "put things off until tomorrow."

We believe that you will find studying easier and less time consuming if you have a solid plan that targets passing the Part 1 Exam within three months after you begin studying. Set out below is a 12 week plan, studying 8 to 10 hours per week. This is simply a guide based on the expected amount of study time for a person with some accounting background who is familiar with the basic exam concepts.

For those of you without a background or education in economics, you will probably need to expand this schedule. However, if you have studied economics at a university or worked with the ideas in economics, you may be able to shorten the schedule.

As you go through your schedule, you may find yourself getting ahead or somewhat behind due to changes in your work or personal commitments. This does not matter. Each person should study at his or her own pace and feel comfortable with the study process and time required to prepare for the exams.

While studying, there are sure to be topics that are not clear to you and perhaps some that you find incredibly difficult. When encountering these topics, you can always contact HOCK and we will help you as much as possible. Also, keep in mind that you do not need to have 100% knowledge of 100% of the exam content in order to pass. At certain points you will need to decide whether the extra time spent learning something is worth the extra knowledge gained. When in doubt about what to do, contact us and we will guide you.

I wish you great success in your studies and look forward to helping you pass the exams.

Sincerely,

A handwritten signature in black ink that reads "Brian J. Hock". The signature is written in a cursive style with a large, stylized "B" and "H".

Brian Hock, CMA
President and CEO

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CMA Part 1 Study Plan

Unit 1: 2 Weeks

Section A – Microeconomics

The Section A material is divided into two sections – Micro and Macroeconomics. We start with Micro. For candidates who have a strong economics background, this section will be a little bit easier. However, it is also a very understandable section for those who do not have a background in economics. The coverage of microeconomics is at a fairly basic level and does not get into advanced theories. You need to limit your studies to the topics that are covered in the materials and also to the depth in which they are covered. Other questions that may arise or other topics that you may have studied in the past related to economics are outside the scope of the exam.

You must be certain to understand the difference between a movement **along** the demand curve (or supply curve) and a movement **of** the demand curve (or supply curve). You also need to know what causes each of these. The main calculations that you need to know in microeconomics are the calculations related to elasticity. There are a number of them, but they are all related to each other.

The last part of economics is a discussion of the different forms of market structure. This can also become very detailed very quickly, but you need to know the characteristics of each structure and the way in which a company will determine their level of output.

ExamSuccess

After completing each subtopic in the reading, create and complete a Study Session in ExamSuccess consisting of the questions in the topic under *Section A – Microeconomics* that go with the section you just read (e.g., “Demand” questions after studying the topic of Demand). Re-study all questions missed by creating a new Study Session from all incorrectly answered questions.

Class Recordings

The *Section A Microeconomics* Class Recordings follow the textbook.

Administrative Task: If this is your first exam, be sure to become a member of the IMA and to register your candidacy as soon as possible with the ICMA (there is a one-time credentialing fee in addition to your membership fee.) You need to be a member of the IMA and a declared candidate before you will be able to register for any specific exam.

If you have already become a member of the IMA and declared your candidacy with the ICMA, you can register for the Part 1 exam anytime. Your exam registration will authorize you to take the exam within a 120-day window, so you do not want to register too soon.



CMA Part 1 Study Plan

Unit 2: 2 Weeks

Section A – Macroeconomics

In the second of the two parts of Section A, we expand on the microeconomics discussion, looking now at the economy as a whole and not just an individual market.

There are a few main topics within this section that you will need to focus on. The first is national income accounting and the calculations of GDP, GNP and other related figures. These questions could be numerical or theoretical, asking about what each measure includes or does not include.

The business cycles are also something that you need to understand. You must know the characteristics of each of the phases of the cycle as well.

Monetary and fiscal policy are two more of the larger topics within Microeconomics. You must know the difference between the two and how each of them work, as well as the main tools available under both monetary and fiscal policy.

Macroeconomics ends with a brief discussion of the main macroeconomic schools. This is a topic that you do not need to go into depth into, but you should be aware of the main beliefs or ideas of each of the schools. Again, keep your studying of this topic to what is included in the materials.

ExamSuccess

After completing each subtopic in the reading, create and complete a Study Session in ExamSuccess consisting of the questions in the topic under *Section A – Macroeconomics* that go with the section you just read. Re-study all questions missed by creating a new Study Session from all incorrectly answered questions.

Class Recordings

The *Section A Macroeconomics* Class Recordings follow the textbook.



CMA Part 1 Study Plan Unit 3: 1 Week Section B – Global Business

The largest computational topic within this section relates to comparative advantage. This is something that may not come to you immediately, but you will need to spend the necessary time to understand this topic. You need to be able to determine which country should produce which product as well as the price that will be charged in the trading process.

Within this section is also a discussion of international trade. You should be familiar with the benefits of international trade as well as the different barriers that countries establish in order to limit the amount of international trade.

The last large topic in this section is the foreign currency exchange market and the ways in which exchange rates are determined. You also should be able to identify the impact on trade that will occur as a country's currency appreciates and depreciates.

ExamSuccess

After completing each subtopic in the reading, create and complete a Study Session in ExamSuccess consisting of the questions in the topic under *Section B – Global Business* that go with the section you just read. Re-study all questions missed by creating a new Study Session from all incorrectly answered questions.

Class Recordings

The *Section B* Class Recordings follow the textbook.



CMA Part 1 Study Plan

Unit 4: 1 Week

Section C – Internal Control

This is not a numerical section. Rather, this is a theoretical section that relates to internal controls and internal audit.

In the part on internal controls, you need to make certain that you understand the concept of the segregation of duties. You will probably need to know it from both a theoretical standpoint as well as in application. The application questions are difficult to prepare for because there are so many possible situations that can be created. If you get a question that asks who should not do what two jobs or something similar, make a best assessment of the question, answer it and move on. If you think additional time considering it would be useful, you can mark the answer and come back to it later, but do not spend a great deal of time on this question.

In the internal audit section you need to be familiar with the general concepts and ideas that are central to internal audit. This includes the type of work that is performed by internal auditors as well as their place in the organization.

This section also covers the internal control issues related to computer systems. You need to be familiar with the specific terminology and issues of information systems.

ExamSuccess

After completing each subtopic in the reading, create and complete a Study Session in ExamSuccess consisting of the questions in the topic under *Section C – Internal Control* that go with the section you just read. Re-study all questions missed by creating a new Study Session from all incorrectly answered questions.

Class Recordings

The *Section C* Class Recordings follow the textbook.



CMA Part 1 Study Plan

Unit 5: 1 Week

Section D – Quantitative Methods

This is a section that some candidates do not look forward to. However, despite the topics that are covered on the exam, the actual coverage is not bad. Given that this is one of three smaller sections on the exam, we do not recommend that you spend a great deal of time here. You should read the material and look through the examples so that you are familiar with them, and then do the past exam questions. Some of the questions on this section will be very basic and will focus on areas that many of you already know without studying.

If this is an area where you do not have a lot of previous education or experience, do not try to learn statistics in your preparation for the exam. Learn the terminology and the main methods (and what they are used for), and that will be sufficient. If you are weak in this area to begin with, your time is better spent making a general preparation for this topic, then spending additional time in the other sections.

ExamSuccess

After completing each subtopic in the reading, create and complete a Study Session in ExamSuccess consisting of the questions in the topic under *Section D – Quantitative Methods* that go with the section you just read. Re-study all questions missed by creating a new Study Session from all incorrectly answered questions.

Class Recordings

The *Section D* Class Recordings follow the textbook.

Administrative Task: If you have not yet received your IMA member number and/or your exam registration number, contact the IMA. If you have received your exam number, it is time to start thinking about when you will be ready and schedule your exam time accordingly. If you don't know when you will be ready, it is still best to schedule an exam time, typically a week or two after you think you will be ready. Without a scheduled exam date, it is very easy to put off studying.



CMA Part 1 Study Plan Unit 6: 2 Weeks Section E – Financial Statement Analysis

This is a very important section on the exam and one that requires you to memorize all of the different ratios, the way they are calculated and what they are used for and measure. This section also includes the study of accounting standards development and what constitutes Generally Accepted Accounting Principles (GAAP). Another topic included in this section is an understanding of the external audit function. This is a section in which the flash cards will be very helpful in this memorization process.

ExamSuccess

After completing each subtopic in the reading, create and complete a Study Session in ExamSuccess consisting of the questions in the topic under *Section E – Financial Statement Analysis* or *Section E – US GAAP and Auditing* that go with the section you just read. Re-study all questions missed by creating a new Study Session from all incorrectly answered questions.

Class Recordings

There are no Class Recordings for Section E because Section E is not taught in the classroom. Section E is mostly memorization of formulas, and there is little that could be added in a class.



CMA Part 1 Study Plan Unit 7: 3 Weeks Review

Prior to your exam and after you have completed studying, you will want to at least skim through the entire material one more time. While doing this, you won't want to focus on any individual idea or topic or try to memorize the formulas. Simply make certain that you are familiar with all of the topics, both large and small, and refresh your memory as to the key terms and ideas.

After you skim through the materials, you will want to focus on the main topics, which are identified in the Section Overviews.

If you have not been using them up to this point, now is a good time to use the flash cards. The flash cards do not cover every little detail in the materials, but they address the main topics, definitions and formulas that are most likely to be tested. Get out the flashcards whenever you can, even for a few minutes. Use them to drill on any formulas you need to memorize.

The past CMA Exam problems are also a very good final study tool. You may have done some of these during your study, but you can go back over them again as a review. Remember that there are no problems like these on the actual exam that you will take, but after these, the multiple-choice questions on the exam will be that much easier.

During the final week or two before your exam, create several Exam Simulations in ExamSuccess. Each of these Exam Simulations will contain 110 questions selected randomly from the entire question base in approximately the same distribution as the questions will be on the real exam. For example, if a particular major section will account for 25% of the questions on the real exam, 25% of the questions on the simulation exam will also come from that section. The simulation exams will be timed for 3 hours, so set aside a three-hour period when you will not be interrupted for taking each test. You need to become accustomed to sitting for three hours in one place and answering questions on the computer.

Also, use this as an opportunity to practice your time management skills. The exam simulation works the same way as the Prometric exam will work. You can use the keyboard instead of the mouse to select your answer and move to the next question by hitting the key for the letter that corresponds to your answer choice and then hitting Alt-N to move to the next question. This may save you a few seconds on each question, and over the course of a 110-question exam, that could make the difference between completing the exam and not completing it.

And as always, if you have any questions at all, contact the HOCK team and we will be happy to help you.

Mock Exam: You should be prepared to take the Part 1 Mock Exam and then pass the real exam shortly after. Email us at cma@hockinternational.com and ask for the mock exam to be emailed to you. It is a paper and pencil exam containing 110 questions to be completed in 3 hours.