

06 The full syllabus – professional competence level

T4 – TEST OF PROFESSIONAL COMPETENCE IN MANAGEMENT ACCOUNTING

Overview

The Test of Professional Competence in Management Accounting comprises two component parts that must both be achieved in order to complete the test. Credits are used to measure success, rather than marks. To pass the Test of Professional Competence in Management Accounting, students must achieve an aggregated minimum of 75 credits – comprising a minimum of 50 credits for Part A (maximum 50 credits) and a minimum of 25 credits for Part B (maximum of 50 credits).

Students are advised to undertake Part A and Part B concurrently, although either can be taken in any order once all strategic level examinations have been completed. The overall result for the Test of Professional Competence in Management Accounting can only be given when both component parts have been completed.

T4 – PART A INITIAL PROFESSIONAL DEVELOPMENT – WORK BASED PRACTICAL EXPERIENCE

Overview

Students must gain a minimum of three years' relevant work based practical experience. Experience may be drawn from any of the following three areas, but a minimum of 18 months must be gained within the 'Core' area.

Area 1 – Basic experience	Area 2 – Core experience	Area 3 – Supplementary experience
1a. Preparing and maintaining accounting records	2a. Preparation of management accounts	3a. Financial strategy
1b. Statutory and regulatory reporting	2b. Planning, budgeting and forecasting	3b. Corporate finance
1c. IT desktop skills	2c. Management reporting for decision making	3c. Treasury management
1d. Systems and procedure development	2d. Product and service costing	3d. Taxation
	2e. Information management	3e. Business evaluation and appraisal
	2f. Project appraisal	3f. Business strategy
	2g. Project management	3g. External relationships
	2h. Working capital control	
	2i. Risk management and business assurance	

Note: Some or all of the required experience may have been gained before registering as a CIMA student.

Practical experience must be recorded by students within a Career Profile and submitted to CIMA for assessment. An approved Career Profile is awarded 50 credits – the amount needed to meet the requirements for Part A of the Test of Professional Competence in Management Accounting.

Full details of the practical experience requirements and how to complete the CIMA Career Profile can be found on the CIMA website and within a separate publication entitled 'Practical Experience Requirements'. Employers and their students are advised to refer to these documents.

T4 – PART B CASE STUDY EXAMINATION

Overview

The examination is based upon a case study that is set within a simulated business context relating to one or more fictionalised organisations. However, the context described in the case material is based on a real business or industry.

The examination comprises a three hour assessment of competence, completed within a supervised examination environment. It provides an integrated test of syllabus content that is mainly included within the three strategic level papers – E3, P3 and F3. However, it will also draw upon content covered within the Management and operational level papers. The Case Study Examination therefore has no specific syllabus content of its own.

The Case Study Examination primarily involves the application of strategic management accounting techniques to analyse, recommend and support decisions. Students will be required to deal with material in a less structured situation than those encountered in previous strategic level papers, and to integrate a variety of skills to arrive at a recommended solution. It is unlikely that there will be a single right answer to such a complex business problem, and students will be expected to recognise the possible alternatives in dealing with a problem.

The emphasis will be on assessing the student's capabilities and competence in the application of appropriate, relevant knowledge, the ability to demonstrate the higher level skills of synthesis, analysis and evaluation, and skill in effectively presenting and communicating information to users.

Assessment aims

The purpose of the Case Study Examination is to test the capabilities and competence of students, to ensure that they:

- have a sound technical knowledge of the specific subjects within the curriculum;
- can apply technical knowledge in an analytical and practical manner;
- can extract, from various subjects, the knowledge required to solve many-sided or complex problems;
- can solve a particular problem by distinguishing the relevant information from the irrelevant, in a given body of data;
- can, in multi-problem situations, identify the problems and prioritise them in the order in which they need to be addressed;
- appreciate that there can be alternative solutions and understand the role of judgement in dealing with them;
- can integrate diverse areas of knowledge and skills;
- can communicate effectively with users, including formulating realistic recommendations in a concise and logical fashion;
- can identify, advise on and/or resolve ethical dilemmas.

Assessment strategy

There will be a written examination paper of three hours, plus 20 minutes of pre-examination question paper reading time. The paper will have a limited number of questions (requirements). They will normally be answered using a report and/or presentation, with further supporting documents, to a variety of users. The questions will be based upon:

- (a) a case study (pre-seen material), which will be published on the CIMA website at least six weeks in advance of the examination. This will provide an opportunity, before the examination, to undertake preparatory analysis based upon the pre-seen material. The volume of preseen material is likely to be between 10 and 20 sides of A4 paper;
- (b) further information regarding the case (unseen material), which will be added as part of the examination paper. This will allow further developments to be explained and additional issues to be raised. The volume of unseen material is likely to be between three and six sides of A4 paper;

Questions will test the student's capabilities and competence in the application of appropriate knowledge, and the processes undertaken in dealing with the problems identified in the examination, together with the ability to present and communicate information in a variety of formats. A 'Case Study Assessment Matrix' will be published on the CIMA website, with the pre-seen case material. The matrix will identify the assessment criteria and scoring system to be used when assessing the capabilities and competence of candidates.

To successfully pass Part B of the Test of Professional Competence in Management Accounting - Case Study Examination, students must score a minimum of 25 credits (out of a possible maximum of 50 credits).

Learning outcomes

Students will be required to go through the following stages to prepare for, and to answer, the requirements of the Case Study Examination:

A – Preparatory to the exam:

- analyse the context within which the case is set;
- analyse the current position of the organisation;
- identify and analyse the issues facing the organisation.

Note: These activities will be undertaken using the published pre-seen case study material.

B – During the exam:

- analyse the current position of the organisation;
- identify, analyse and prioritise the issues facing the organisation;
- identify, evaluate and discuss possible feasible options/courses of action available;
- recommend a course of action;
- prepare and present information in a format and to a standard suitable for presentation to senior management.

Note: These activities will be undertaken using the pre-seen and unseen case study materials.