

# 1 BELIEVE THAT YOU CAN PASS!

Passing the Uniform Certified Public Accountant (CPA) examination is not easy. Ever since 1917, the CPA exam has been challenging candidates. With a first-time passing rate of 12 to 18% on the pencil-based exam and a less than 50% per exam section passing rate on the computer-based test (CBT), it is assumed that most people will fail one or more sections on their first attempt. That's right, the odds are against you. Yet the only way to become a CPA is to keep on trying. Completing the exam is one of the greatest accomplishments an accountant can achieve. Completing a degreed accounting program is an accomplishment to be proud of, but passing all four sections of the CPA exam is the crowning glory. The old story goes, anyone can earn an accounting degree, but only the best accountants can pass the CPA exam. Without the three initials CPA, you are just another accountant. How could three initials mean so much?

Being a CPA sends certain signals. People know that you have achieved a very difficult goal—you have passed the Uniform Certified Public Accountant exam, one of the most difficult certification examinations in the nation. In the business world, the CPA designation instills confidence and trust. Compared to an accounting graduate who has not yet attained certification, CPAs command higher salaries, are in greater demand in the workforce, and are given greater respect by the general public. The recent accounting problems experienced by a few large corporations have made the CPA certificate more valuable, rather than less valuable. With the Securities and Exchange Commission and various oversight boards watching the profession, the CPA designation sends the signal of professional achievement. You have attained a minimum level of competence required to perform your work.

Who wouldn't want more money, more job choices, and more respect? The desire to become a CPA should be yours. You must believe that you have the skills and knowledge necessary to pass this exam. If you can look at yourself in the mirror and say, "I can pass the CPA exam," you are ready to proceed. Believing that you can pass the exam is the first step. Now, what's next?

## STEPS TO CPA EXAM SUCCESS

In today's highly technological and informational age, it is amazing how many people take the CPA exam without knowing much about the process. Perhaps this is the reason why over half of the people taking the exam fail on their first attempt. To complete the CPA exam successfully, you must understand much more than the technical material. The three to four hours

that it will take you to read this book will save you countless hours of study time, not to mention the stress and anxiety that goes along with a high-stakes exam. *Get Motivated* is designed not only to keep you pumped throughout the study process, but also to help you

- Increase your memory power
- Design a personalized study plan that is customized to fit your busy lifestyle
- Eliminate the fear of failure by understanding the exam process
- Decrease test anxiety by increasing your overall knowledge of the exam process
- Improve your study habits for the CPA exam, other professional certifications, and other study programs, such as graduate and certification programs
- Maximize the efficiency and effectiveness with which you study

Taking the CPA exam is a costly venture. When you add up the cost of a review course, textbooks, software, the exam application and related fees, the time off work, and the cost of travel to and from review courses and the exam, the total investment can easily exceed \$3,000. Yet many exam candidates have the attitude that they will just “go try the exam to see what I can learn.” If you were running a business, would you waste time and money just to understand the process? I doubt it. You would hire a consultant who not only understands the process but who can quickly teach you how to make the most out of the experience. This book provides you with just such tips and strategies. For over twenty years I have assisted thousands of people from all over the world pass the CPA exam. I have witnessed firsthand what it takes to pass. I know why people fail. I know how the successful people proceed. Why take chances? Learn how to attack the CPA exam and beat the odds of failure. Learn from other people’s mistakes. Learn from other people’s successes. Why reinvent the wheel? Utilize a best practices management plan that has been developed, tested, and found to be successful. Use the tips in this book as if a CPA exam consultant personally developed them for you.

You are ready to proceed. You have the desire to pass the CPA exam. The next step is to understand why so many people fail; failure is what you want to avoid.

### **FAILURE**

Failure is the act of nonperformance. Failure means you were not successful at this attempt. Failure is temporary. Failure does not last forever. If you did not pass the exam, you are not awful, stupid, or careless. You just did not perform in the manner that was required. There is no need to provide excuses as to why you did not or will not pass the CPA exam. Making excuses takes time, bores the person who is listening to you, and reminds

you that you were not successful. Move on; failure is the wrong focus. Spend a brief amount of time analyzing why you or others before you have failed. Then use your knowledge to move on. Learn from other people's mistakes.

Why do so many candidates fail the exam? Less than half of the people taking each exam section pass. What makes this exam so difficult?

First, the exam probably is not similar to any other exam you have ever taken. The total exam time is fourteen hours; the longest section, Auditing and Attestation is four and one half hours. Most exams you took in college were much shorter in length, perhaps one to two hours. A four and one half-hour exam would be considered very long.

Next, the exam is given in a place and format that is unfamiliar to you. You are accustomed to taking your exams in a college classroom, not at a Prometric test center. Not only is the place unfamiliar to you, but the format of taking an exam on a computer is new to most CPA exam candidates. The exam is administered under the rules set by the American Institute of Certified Public Accountants (AICPA) and the Prometric test center using a well-defined navigational process. Most CPA candidates are not informed about the exact exam-taking rules or of how to navigate the computerized format.

Finally, the exam covers material you learned over four to five years during your college studies. Although you are permitted to schedule each exam section over several testing windows, you must successfully complete all four sections within an eighteen-month period. Learning about the exam process, the format, and then reviewing course content and material that you learned several months or years before is a daunting task. If you stack up your college textbooks and professional reference materials that support each of the four CPA exam sections, you will have a pile that is at least a foot high. Add the four piles together and you quickly see the tremendous amount of material that is tested. Dealing with such breadth of material is enough to destroy your confidence.

After the exam, you must wait for your scores. Unlike the timely feedback you received in college, receiving your CPA exam score may take as long as six to eight weeks. Your kind college professor will not be grading the exam. Accounting professionals and AICPA examinations staff, who do not personally know you, will be grading your responses using a predetermined grading guide. You will be expected to achieve at a certain level that has not been clearly demonstrated or defined for you. The passing level often is established well before the exam is given. When the scores are released, you will not see your answers. You will see only your overall score for each section and a brief summary of your performance called the "Uniform CPA Examination Performance Information" report. The uncertainty of the content, the exam format and environment, the grading process, and the sheer volume of material may make you want to give up. Don't give up!

If you give up, you will never become a CPA. Read this book and learn how to develop a customized study plan to maximize your study effectiveness. Learn how to remain motivated and confident during both the study process and the exam-taking process. On exam day, learn how to attack and control the exam. Learn step-by-step how to remember concepts, apply exam strategy, and achieve a passing score section by section. Don't think about what you can't or don't know how to do. Believe and it can happen. Believe that you have what it takes to become a CPA. If you don't believe in yourself, who else will? You must convince the exam graders that you possess the necessary knowledge to have earned the right to call yourself a CPA. If you keep saying "I can't pass the CPA exam," you are probably correct. A successful candidate does not accept an "I can't" attitude. If you so easily discount your ability to perform, imagine what the exam graders will do! From now on, even when you are feeling low or doubtful about your abilities, remind yourself that you *can* pass the CPA exam. You will believe in yourself. Believing is your first step to becoming a CPA.

The CPA exam is not a new experience. Ever since 1917, people just like you have been passing the exam. You aren't the only person in the world who will struggle from time to time in your exam preparation. You are not the only person in the world who will have distractions, crises, and problems during your study process. You are not the only person in the world who is anxious, fearful, or worried about the exam. Remember, you are not alone. If you dwell on your doubts, you will become distracted and lose focus. Take a lesson from the people who have failed. Failure on the CPA exam occurs for a variety of reasons including

- Fear of failure—not believing in yourself
- Lack of technical knowledge
- Lack of knowledge of the computer-based test format and navigational system
- Lack of knowledge about the exam environment at the Prometric test center
- Loss of focus on the task on hand

From this list, it's easy to see that people fail because of both a lack of knowledge about the exam and a lack of knowledge about themselves and their capabilities. Unfortunately, some people fail even after hours of studying. They study the wrong material. Using out-of-date study materials is one of the biggest mistakes a person can make. Material that is more than six months to one year old may be out of date. Currently the CPA exam is adjusted for professional changes every six months. If people spend hours studying old college textbooks, they probably are not only using out-of-date materials, but they also are studying material meant for a college course rather than material meant for a professional, computer-based exam. The CPA exam is written using a unique method. People can arrive at the testing

center and find no correlation between the materials they studied and the material tested. Why study just to study? Your time is too valuable. Spend your time learning and using the concepts and the formats used on the real exam.

Well-studied people can fail because they allowed themselves to be overcome with test anxiety. Taking a computer-based exam in an unfamiliar test center, next to strangers, under strict time conditions, all while being videotaped on camera can be very stressful. What a shame to have spent weeks preparing for a section and then to be overcome with fear just because the setting and format were not what you had expected.

If you have attempted the CPA exam and did not pass, you are not a failure. You have just hit a temporary setback. You have the power to turn failure into success. Once you have passed the CPA exam, no one will ask you how many times you sat for each section before you passed. The question is always: "Are you a CPA?"

What can you learn from other people's mistakes? It takes more than just technical knowledge to pass. The successful candidate will

- Prepare an organized study plan
- Use the proper study materials
- Learn about the exam environment, the grading process, and the exam requirements
- Remain motivated throughout the study process
- Use knowledge about the exam process to control the exam
- Remain confident that you are better prepared than the average candidate
- Always believe that he or she can pass the CPA exam

Enough talk about failure. You must focus on obtaining positive results. Use your energies toward achieving a positive outcome. Believe that you are a successful person. Your focus is to pass the exam section by section. Your focus should never be failure, even if you learn that you have failed a section. Once you abandon the failure focus, you can begin to work on the steps to success. Success is easier to talk about than failure. However, success does not come easily or quickly. Wouldn't it be nice if someone could develop a CPA potion that you could purchase from a drive-up restaurant? You could drive through and order a burger with onions and one large CPA success drink. The inventor of the CPA success drink would be one very rich person. No, it is not that simple. There is no fast track to success. You must go one step at a time. Slowly, step-by-step, you learn the concepts. Slowly, step-by-step, you gain exam confidence by learning more about the exam process. Slowly, step-by-step, you understand the exam content, the grading process, the computer navigational format, and how to control the exam before it controls you. You are in command of the CPA exam.

## HOW TO USE THIS BOOK AND THE CD

Each chapter is designed as a separate informational unit. After you read Chapter 2, Content and Overall Exam Format, feel free to skip around. If at the moment family, friends, and coworkers seem to be your biggest problem, read Chapter 13, Coping with Family, Friends, and Coworkers. Closer to exam day, read the chapter that pertains to the section that you are taking and review Chapter 22, Time Management. As you read this book, tab and label certain pages to refer to frequently.

This book serves as a useful reference source to supplement your actual review materials. Often review materials cover the technical issues only. Who's going to help you with the emotional side of passing the exam? What should you wear to the exam? How do you apply to sit for the exam? Which section should you take first? How do you navigate the computer-based test? How can you practice simulation format questions? How can you improve your long-term memory? This book will walk you through the complete CPA exam journey step-by-step. The following chapters will guide you from the moment you think you want to be a CPA to the moment when you receive your final results and a letter that says: "Congratulations—you are a CPA!"

At the end of each chapter, you will find a section entitled "*Personally Speaking*." Here I speak frankly to you about former candidates' fears, mistakes, and successes. Let these real-world situations teach you how to be a successful exam taker.

Use the CD recording to motivate yourself. When you are feeling totally overwhelmed, listen to my friendly voice reminding you that passing the CPA exam is an achievable goal. Enjoy your preparation process. If you begin your studies with a positive outlook, you might be surprised. You actually could *enjoy* studying.

As you read, listen, and study, always keep the end result in mind. Picture yourself walking across a stage receiving a certificate that names you as successfully completing the Uniform Certified Public Accountant exam. You are now a CPA! Don't lose hope. Visualize yourself as a CPA. Believe that you can pass!

### PERSONALLY SPEAKING

At the beginning of every CPA Review course, the most common statement made by the candidates is: "I am not your typical CPA candidate. Do I have a chance to pass?" The answer is always the same: "Yes, you can pass if you are willing to correct your weaknesses, remain focused, and at all times continue to believe in your abilities." In other words, the key to passing is not to be categorized as the "typical CPA candidate." The key to passing is willingness to work toward your goal; there is no typical candidate. There is no magic age to sit for the exam. The youngest candidate I

have ever worked with was a child genius who received his college degree early and sat for the exam at age eighteen. The oldest candidate was a seventy-year-old grandfather who sat for the exam with his twenty-six-year-old granddaughter. One was a recent college graduate; the other had completed his accounting coursework and degree several years before. They both worked very hard, and they both passed. When it comes to the CPA exam, being categorized as a “typical” candidate does not help you pass.

Part-time college students who earned their accounting hours over ten years have the same chance of passing the exam as recent college graduates as long as they all are willing to work for it. The person who received all A’s in college courses is not guaranteed a better chance to pass than the person with a C average. You may be very bright, but perhaps you will not be able to cope with the stress and pressure of taking a technical computer-based exam administered with strict time constraints.

Let’s face it, when we look around we can always find someone who seems to be brighter and who is younger, thinner, richer, and better-looking than we are. What do these things have to do with passing the CPA exam? Don’t worry about other people and other situations. Use your time and energies to assess where you are and what you can improve. My age is out of my control, and I am not going to worry about it. I am going to enjoy today and use today to improve my life. I am concerned with what I can control and what I can improve. Focus on what you can do to improve your chances of passing the exam. All other concerns are not important now. Understand that you are the typical CPA candidate no matter how old you are, where you went to college, or what grade point average you earned. The typical CPA candidate is just like you—concerned about passing the exam. Believe me and believe in yourself. No matter who you are, you are the kind of person who, with hard work and dedication, can pass the CPA exam. To begin planning a successful CPA exam journey, complete the checklist in Exhibit 1.1 to determine your basic awareness level about the exam.

**Exhibit 1.1: CPA Exam Awareness Level Questionnaire**

<i>Statement</i>	<i>Yes</i>	<i>No</i>
1. With hard work and dedication, I believe I can pass the CPA exam.		
2. Candidates should apply to sit for the CPA exam three to four months in advance of the date in which they plan to take the first exam section.		
3. Candidates must prove certain educational requirements to qualify to sit for the exam.		
4. Candidates should select the exam section order and make a conscious decision about which section(s) to take in each testing window.		
5. Candidates should obtain and use study materials that have been printed within six months to one year from the date they plan to sit.		
6. Passing the CPA exam takes a great deal of time and effort, but if I plan ahead, budget my study time, and stick to a study plan, I will greatly increase my chances of passing.		
7. The CPA exam tests a candidate's writing skills as well as ability to research certain technical issues.		
8. Today's CPA exam tests more analytical, research, and critical thinking skills and less memorization.		
9. The CPA exam is a computer-based exam that can be taken one section at a time. However, all sections must be passed within eighteen months of the date in which a candidate sits for the first section that he or she successfully completes.		
10. By passing the CPA exam, I can increase my salary, earn the respect of others in the field, and increase my job mobility.		

The correct answer to all of the questions in the exhibit is “Yes.” If you checked “No” to question 1, please stop here. You are not ready to attempt this difficult exam. You do not believe in yourself. If you checked “no” to questions 2 through 10, use this book to learn more about the exam and how you should prepare for it. Learn how to manage your time. Learn how to control your fears by controlling the exam. Someday you, too, will sign your name and add the three initials “CPA.” Go for it—the results are well worth it.

