

Can We Talk?

Five strategic conversations you need to have about your certification programs.

By Lenora G. Knapp and James Kendzel

Talk may be cheap. But when it comes to making strategic decisions about certification programs, many associations fail to do enough talking. Or at least they don't do enough of the right kind of talking.

Strategic conversations help you step back from the tendency to do and encourage you instead to think. While pondering the whys and "what fors" underlying what you're doing, you gain insights that lead to better decisions.

The following are five examples of strategic conversations that virtually all certification sponsors have (or should have) at some point. We've given you some of the essential ingredients for these conversations—the signs that it's time to talk and the questions to ask to get the most out of the discussion. Just add your board and staff and mix. The result will be your own formula for strategic conversation.

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Conversation 1: How Can You Create Value for Your Credential?

We all know that value is important. But how much time did your certification board spend discussing value at its last meeting? See a problem?

Although those who run certification programs should hold strategic conversations about value on an ongoing basis—at least once per year—such conversations are all too rare. Usually the conversation gets overlooked until problems arise, such as declining volumes, low recertification rates, or the emergence of a competitor. Yet value is critical to the success of every certification sponsor. Defining your value proposition and your organization's role in the value-creation process defines the nature of your certification business and your strategic and operational priorities.

So now is the time to talk about value. Here are some questions to get the conversation rolling:

- What needs does—or could—your certification fulfill?
- What are your desired target markets? Which segments can you offer the greatest value to, which can you effectively reach, and which provide the best opportunities for generating revenue?
- What benefits does your certification provide? How are those benefits distinct from and more valuable than the offerings of your competitors, both direct and indirect?
- What are the elements of your value network (the other entities that help to create value for your credential)? How can you support these value-creating entities and leverage them?
- How can you enhance the value of your certification program?

Case in point. The Competency Credentialing Institute, which certifies perioperative nurses, undertook a year-long program of strategic conversations and research around the topic of value. Looking at the issue through the eyes of its market (rather than its board), CCI asked, “What do nurses value about certification?”

The answer wasn't higher pay, a job promotion, or recognition. Nurses value certification because they believe it improves patient care.

This “a-ha moment” evolved into an “a-ha year,” says CEO Shannon Carter, CAE. It also led to a significant change in CCI's mission and business. “We have come to understand that our business isn't just about an exam,” Carter says. “Rather, it is about the entire scope of work that supports the commitment to patient safety, which we share with our certificants and all members of the healthcare team.”

CCI continues to offer its flagship certification programs. But its scope of work now includes competency-assessment learning modules, a certificate program, pharmacology reference guides, and think tanks to develop a framework for continued competence driven by the principles of patient safety.

Conversation 2: Should You Add a New Certification Program?

This strategic conversation is typically precipitated by circumstances such as an occupation or profession evolving into specialties and subspecialties, entirely new roles emerging within the field, or your flagship credential becoming the victim of its own success, perceived as so commonplace that certificants begin seeking something “more” or “better” to distinguish themselves from the rest of the crowd.

Certification is a risky business, even for experienced veterans, so you should deliberate thoroughly before introducing a new credential. During the conversation, be sure to ask the following:

- Will offering this new credential help accomplish your mission?
- How will it enhance value, not just for your new market but also for current certificants and stakeholders?
- What impact might the new credential have on your existing programs? Will it damage them or cannibalize their volumes?
- Would it be a better use of your resources if, instead of adding a new

credential, you made your flagship credential more successful (or bolstered your current portfolio)?

Case in point. In the mid-1980s, the Dental Assisting National Board (DANB)—sponsor of the Certified Dental Assistant (CDA) credential—created three new certifications. Among the reasons: The board perceived a need for the specialty credentials, and they had the potential to provide an additional source of revenue. So the board members evaluated how the new programs would contribute to DANB's mission to promote the public good. Then they carefully considered the new additions' impact on DANB's existing policies and its flagship CDA credential.

But the new certifications never met their potential. Why? One reason is that DANB's strategic conversation didn't include quantitative data to assess the certifications' likely value to key stakeholders—particularly employers, who ultimately declined to support the programs.

DANB's current executive director, Cynthia Durley, has helped the board revamp its strategic conversations about potential new credentials. Now the group's decisions are based on qualitative data (such as from focus groups) and quantitative survey data (gathered from prospective stakeholders to verify the true purpose of each proposed credential, its value to employers, whether other organizations will support it, and whether a certification program is what the market actually needs).

“Without a clear understanding of purpose and without buy-in by the major stakeholders, a new certification program is likely to be doomed to fail,” Durley says. “Rather than generating revenue, it could cost an organization in financial and professional resources and diminish the organization's reputation.”

Conversation 3: What Should You Do About Declining or Plateauing Volumes?

No program can remain a blockbuster forever. At some point, volumes will

level off or shrink. When you reach this defining moment in a program's life cycle, you must decide whether to try to reverse the decline or, instead, redefine expectations and operate a more circumscribed certification business that's consistent with your lower volumes.

Ideally, however, your strategic conversation will take place before this difficult moment arrives. Here are signs that it's time to talk:

- Your profession or occupation is contracting.
- The traditional pathway into the field is changing, such that potential candidates are no longer exposed to sources that promote certification or believe their background obviates the need for the credential.
- Your program is well on its way to capturing most of those who are likely to pursue certification.
- The certification's value is declining.
- Your competitors are gaining ground.

Use the following questions to keep the conversation on track:

- What factors are contributing to the decline or plateau? What could you do (realistically) to mitigate these factors?
- Is attempting to counteract these factors a wise use of resources? Or is circumscribing the program (and conserving your resources) the best way to ensure its future survival?
- Does today's market need something different than what you've been offering? Is what you've been offering needed by different markets?
- How can you best leverage your current assets to reenergize your growth?
- How can you minimize the impact of the decline or plateau on your finances?

Case in point. At the American College of Healthcare Executives, volumes for its two credentials appeared to be entering a decline in 2005. So ACHE staff laid the groundwork for what became a series of strategic conversations. As ACHE Vice President for Membership Cynthia Hahn explains, members of the staff set the stage to evaluate the programs by positioning

the review as a strategic planning initiative. In initial conversations with the board, they reviewed the trends and got the board's agreement on the need for the initiative. A consultant then conducted a strategic program audit, including an evaluation of trends affecting the programs and research on the credentials' value in the marketplace.

Over nearly two years of information gathering and analysis, staff and board discussed the latest research findings at each quarterly board meeting. But the discussions did not stop there. ACHE extended the conversation to regional leaders and local chapters. It also notified all members of proposed changes and invited them to provide feedback during a 30-day comment period.

Hahn sums up the keys to success this way: "Throughout the process, we kept the discussion focused on our ultimate objective: improving the field of healthcare management by ensuring commitment to lifelong learning and ongoing professional development. Also, the research we conducted provided all the participants in the conversation with the same factual frame of reference and enabled us to take an evidence-based approach to the discussion."

In the end, ACHE decided to discontinue one credential and re-engineer the other. Ultimately, doing so leveraged the most valuable assets of each in the process. The single-credential approach kept the high-quality examination of the discontinued credential while strengthening the brand equity of the remaining designation.

Conversation 4: Should You Discontinue Your Certification Program?

Is euthanasia the best solution for your gasping certification program? The signs that it's time for this conversation are clear-cut: Your volumes are declining or have never lived up to expectations, the program consistently fails to meet financial goals, or the credential has become passé.

But this strategic conversation is the one that associations are most likely to

avoid. Why? It's hard to admit failure. You can always point to something that could be done to revive the program ("We need to market it better" being the most common assertion). And it is difficult to agree how bad things must be before they are bad enough to warrant pulling the plug.

These questions will help you sort through the issues and arrive at an answer.

- What internal and external factors are hampering your success? What could you do (realistically) to mitigate the impact of these factors?
- What program characteristics and features are impeding your success? Can they be changed?
- Are there reasons to continue the program, despite its low volumes?
- Do the resources expended justify the number of individuals served (or the benefits to the individuals participating in the program, the association, the industry, or the public)?
- If you discontinue the credential, what could you do with the resources formerly devoted to it?
- What is the worst-case scenario if you discontinue the credential? If you keep it?

Case in point. In 2005, the Certified Purchasing Manager (C.P.M.) program—sponsored by the Institute for Supply Management (ISM)—was at a crossroads. International demand for the credential was on the rise. But domestic demand was falling, and overall volumes had plateaued. The organization had recently undergone a name change (it was formerly the National Association of Purchasing Management) to reflect the expanded and more strategic focus of the profession. Yet the name and content of its flagship C.P.M. credential remained rooted in the past.

The board was reluctant to discontinue the credential, since it meant eliminating both a substantial source of revenue and an effective vehicle for expanding ISM's global reach. Ultimately, however, a series of strategic conversations, supported by

extensive market analysis, made it clear that the C.P.M. had to be discontinued. Market interest was shifting toward supply-management credentials, and the gap between current practice and the C.P.M. credential would only continue to grow. “It simply was not realistic to try to retrofit the C.P.M. program,” says Christina Foster, vice president for professional credentials and diversity.

But discontinuing the C.P.M. was only part of the solution. Says Foster, “Through our discussions, we realized that what would be in the best interest of the profession and the organization would be to introduce a new, global supply-management credential—one which would meet the needs of both our domestic and international markets and support ISM’s mission to ‘lead supply management.’”

Conversation 5: Should Your Program Go Global?

Talk to certification program sponsors about international markets and you can’t help being reminded of the California gold rush. Before hitching up your wagon, pause for a conversation about what going global truly means for your organization. Redefining your certification business as a global one has far-reaching implications that affect governance structures, operations, psychometrics, marketing, and more.

Although a strategic conversation about going global can take place at any time, you certainly should launch a discussion when the occupational or professional role the credential targets is becoming increasingly global, candidates from other countries begin to make inquiries or apply for the certification, or entities in other countries express an interest in your certification activities.

To further evaluate the complexities of going global (and avoid a hunt for fool’s gold), consider the following questions:

- What is the real reason for your interest in going global?
- How will this affect your domestic business?

- What impact will this have on how you’re viewed globally? For example, will your efforts be welcomed or as seen as an encroachment?
- Which international/global model is best for you—and for your occupation or profession?
- What infrastructure will you need to support a global program?
- Which markets should you enter and why?

Case in point. CFA Institute’s Chartered Financial Analyst (CFA) program evolved into a global certification in parallel with the globalization of financial markets. In all of its strategic conversations, the CFA Board of Governors was steadfast in its focus on the needs of its candidates and the firms employing them, says Raymond DeAngelo, managing director of CFA Institute’s member and society division. The board constantly asked itself, “What can CFA Institute do to meet the evolving needs of our constituents in an environment that is rapidly changing and globalizing?” And the board always considered the organization’s core competencies when answering.

A series of boards tackled the issue of whether to adapt the CFA program for each country. But ultimately they decided that doing so would divert resources from the organization’s core competency of building a comprehensive body of investment knowledge—which would be difficult to do from its U.S. headquarters. Both board and management concluded that the CFA program’s great strength was uniform delivery, DeAngelo says. “The same questions were presented in the same format and graded the same way, no matter whether the candidate was in Argentina or Austria or Australia. It provided firms with an assurance that the CFA charter was a truly global passport.”

The Final Question: How Can You Fail?

This question, in and of itself, can be the basis for an entire strategic conversation. But it can also be used as a probe during each of the conversations we’ve

discussed.

Ask people what’s necessary for success and you’ll get a laundry list of “must dos” and “must haves.” All of this is good information.

Ask about failure and you’ll get a different list, which includes omissions, oversights, and errors.

Taken together, these questions about success and failure give you a comprehensive view of the issue. By asking “How can we fail?” you may find the answer to how to succeed with your certification program. **an**

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