

CREDENTIALING/ CERTIFICATION PROGRAM BUSINESS PLAN

INTRODUCTION

On January 26, 2019, the APPA Board of Directors requested the Credentialing Board to develop a business plan consisting of a strategic plan, with clear, measurable goals for presentation to the APPA Board in July 2019. This document (with attachments) is the Credentialing Board's response to that request. For sure, our goal is to bring the Credentialing Program to an annual operating baseline of zero over the next three consecutive years. Moreover, based on the plans from the new learning-centric model and overall recertification, we believe there is potential for income streams for both APPA and the Credentialing program for eventual drawn down of the receivable/ payable.

HISTORY – Why a Credential(s)?

In February 2005, the APPA Board approved a Business Plan Request to fund the work of an appointed task force to further study the feasibility and implications of offering a credentialing or certification program as a benefit to the APPA membership and to build upon the information developed by the Professional Affairs Committee in previous years. In February 2006, following an extensive review by the Credentialing Task Force of all information relating to credentialing and the development and evaluation of alternatives available to APPA, the Board of Directors approved establishment of the program. Their unanimous approval consisted of the development, delivery and implementation of both a curriculum-based certification program (EFP) and a full professional certification (CEFP) through an independent Board of Directors (Governance body) and provision of significant startup funding for eventual repayment.

BACKGROUND & CONTEXT

APPA's Credentialing Program has been in existence since 2007 (EFP, but was discontinued as of April 2019) and 2008 (CEFP) as a direct result of member feedback and the APPA Board of Directors' decision to invest in the future of the facilities management profession. The Credentialing Program is considered an essential component and provides validation of the educational facility professional's career path and professional development continuum. At this twelve-year mark, the directors of the Board for Educational Facilities Professionals Certification believe this is a critical juncture to establish an updated strategic plan to guide its actions and decision-making. (See Attachment A titled "*Credentialing/ Certification Program Strategic Plan 2018-2023*" for details.)

What Changed?

In 2007, the following changes were considered important factors for the association:

- People of more diverse backgrounds were coming into the profession (not just engineers and architects).
- Facilities Professionals were more mobile, expecting to make several job moves to accelerate promotion during their careers. Resume material considered a high priority.
- A labor shortage of qualified facilities professionals existed (and still does). More people will need to be prepared for leadership roles, thus more opportunities for advancement.
- Increasing rates of retirement of senior institutional officers ("Baby Boomers").
- The GenX'ers prefer short term engagement with associations.
- An "on-demand" mentality that will impact delivery and content of APPA's educational products.
- The GenX'er and Millennials will look for associations that deliver professional services they are looking for in a form that meets their needs at their time and place of choice.

Many of these change factors still ring true and are an essential part of APPA's new visionary strategic plan "*Preparing for Every Future*" by creating a future of continuous learning.

The Great Recession (2008/2009) impact on institutional (and corresponding individual) income streams had a huge negative affect on membership uptake for the credentials that were literally in their infancy. Yet, significant development costs had already been made and implementation was in full swing. Nonetheless, institutional and individual commitments to the credential did exhibit an upswing between the years 2012-2014. However, it had become time for a significant revision of the initial examination questions (a requirement by the industry for any legitimate credential). Unfortunately, this required a significant refocus and outlay of resources which dampened uptake as the exam was taken off-line. In 2015-2016, with completion of the new examination and initial work finished on a new program delivery tool – the Customized Interactive Learning (CIL) platform – we approached the six regions with a "discounted coupon purchase package" for their members. Every region engaged although at varying times, rates, and paces (i.e., it took some time to bring this approach to fruition). Yet, that strategy remains the lifeblood of the program. Unfortunately, membership uptake for the credential (beyond the regions coupon program) has not kept pace with the need operationally. In addition, the Credentialing Board finally surmised that the confusion between the EFP certificate and that of the CFP certification was a significant drag on the overall program's ability to focus and target our audience for the credential of most long-term value. Therefore, the EFP was subsequently dropped as of April 2019 with a one-year grace period for CFP attainment.

Outcomes from a S.W.O.T Analysis

Strengths:

- Industry specific
- Ease of program delivery
- Unique delivery/ hybrid
- Multiple ways to learn

Weaknesses:

- Value/ clarity
- Financials
- Brand identity
- Administration buy-in (financial support)

Opportunities:

- Business partnerships
- Big institutional uptake
- Leveraging growing awareness
- Transitioning military
- On-line opportunities for recertification
- Clarity of opportunities for recertification

Threats:

- APPA learning "units" understanding
- Perceived value
- Comparative value against competition
- Financial sustainability
- APPA's reputational risk for non-sustainment

Marketing & Membership Surveys' Responses & an Associated Marketing Plan

In early Spring 2019, we issued a survey to all CEFP certificants to gather feedback on certification's market value to its holders and for use in developing subsequent targeted marketing plans. We also drew from the Spring 2018 General Membership survey responses. Some key takeaways were:

- 72% of the APPA membership values certification but only 34% have participated in the program.
- 46.9% of the members came to FM from the private business sector.
- 58% of CEFP holders decided to earn their CEFP for PERSONAL recognition. (NOT to better employment prospects or b/c it's required or expected)
- 41% of CEFP holders choose to obtain professional development offerings in person or online to BROADEN their knowledge base. (NOT skillset improvement, advancement)
- 43% of CEFP holders view time constraints/commitments as the greatest obstacle to renewing their CEFP. (NOT money/cost, lack of support, or no value)
- 24% of CEFP holders prefer to earn their APPA Units through APPA webinars. (This was the highest percentage out of all options)

It is clear that we need to target our marketing message(s) to the individual, especially those who aspire to move up in their organization. The essence of the message is: "Stand out from the herd. Get your CEFP"; thereby focusing our efforts where we can get results; shaking the bushes in our member institutions. Further to the point, every touch-point with our membership needs to reinforce the importance of professional development and certification; the two must be seen as linked. This is in direct alignment with what our visionary strategic plan states, "creating a future of continuous learning". Indeed, these "takeaways" so strongly reinforce the importance of professional development that our new program offering "P2P" - Pathway to Professionalism" – (in development) is spot on (more to come shortly on this new program offering).

Key Membership Needs from the 2018 Membership Survey

Primary (Extremely Challenging) to our membership:

- Workforce skills gap
- Succession Management
- Budget pressures/reduced funding

Secondary (Challenging) to the above is:

- Professional development and training
- Leadership development of staff
- Leveraging and adapting new technologies

Alignment of Certification Program with APPA Strategic Plan & 4 Pillars Strategic Framework

- *Educational Content:* Develop a wide breadth of educational content and create a "course catalog" of instruction
- *Educational Delivery Channels:* Create additional, varied, convenient, and cost-effective education and delivery channels
- *Supporting Infrastructure:* Create the supporting technological and human infrastructure to address increasing demand and support variety and range of content and delivery options
- *Collaborative Learning:* Leverage APPA's network of community to create peer-to-peer learning

Identified action steps:

- Appeal to the diverse interests across workforce generations

- Prepare transitioning professionals for careers in education facilities management
- Mitigate and reverse the widening skills gap by training the workforce of tomorrow
- Equip leaders with the soft skills increasingly demanded in today's complex work environments (aided by the Certification Program's P2P learning-centric model initiative by enhancing collaborative opportunities through the group's collective engagement around the CIL platform)

The attached marketing plan (see Attachment B) provides details on each of the goals, strategies, and tactics to meet these needs, establish program viability, and financial sustainability.

Goals, Strategies, & Tactical Actions

The following items represent the goals for the Credentialing Program's product(s) and their delivery:

- Get individuals in the CEFP program (all coupon types, especially regional coupons). Regional value is enhanced by the provision of regionally purchased discounted coupons and the relationship is strengthened between APPA and the region.
- Move former EFP certificate holders into the CEFP/exam (which lays the foundation for the 'recertification' program for years to come with a target opportunity presently over 400 individuals).
- Establish new "Pathway to Professionalism" (P2P) learning-centric model for delivery institutionally (on-campus), regionally (collection of individuals from various institutions); and through chapters (collection of individuals at various institutions). This model couples APPA's Professional Development Department (PD) and the Credentialing Program in delivering an 90-day 'on-campus' learning program using the CIL platform and associated BOK materials and master facilitators/ subject matter instructors for an all-inclusive participant fee (20 minimum per delivery). PD will manage its delivery and provide the Credentialing Program with a 25% residual.
- Target "recerts" (active or inactive) for re-engagement (given Recertification Rate of XXX, the opportunity is worth the effort). Improve the general understanding of required APPA 'learning units' and the ease of recertification over the four-year period.
- Enhance professional development opportunities for architects (AIA), engineers (PE), and the military transitioning professionals (through achievement of APPA 'learning units' and resume-building/ career change potential via a CEFP).
- Increase preference of the credential for posted positions (e.g., Job Express postings).
- Enhance recognition for and appreciation of the personal achievement for earning the credential.

Again, the Marketing Plan (Attachment B) provides details for each goal's associated strategies and tactics for implementation and to achieve the desired results.

Performance Statistics & Indicators

- # CEFP'ers (after removal of retirees, etc.) = 636
- # EFP'ers (opportunity to turn into CEFP credential holders) = 475
- # Recerts to date = 151
- # Recerts in pipeline (next three years) = 429
- # total coupons used = 958 (CEFP/680; EFP/278)
- # coupons remaining = 246
- CEFP Pass Rate = average 78%

Financial Plan

Over the past dozen years, the “Due to/Due from” (receivable/payable) amount noted in both the Credentialing Program and APPA’s balance sheets (Statement of Financial Position) has continued to grow. Certainly beyond the dollar amount identified in the original BPR’s pro-forma budget. This is a matter of great concern for both governance bodies. This resulting business plan is reflective of the urgency of the situation from a number of vantage points. The situation has been openly discussed throughout this business plan and further addressed by highlighting our approaches to the:

- Marketing value and brand identity of the credential;
- Realignment with member needs and APPA’s Strategic Plan;
- Targeted marketing plan with clear goals, strategies, and tactical actions; and,
- Specified use of the program’s high-value asset – the CIL Platform – to support a new learning-centric model (“P2P”) to meet the continuous learning needs of our members head on.

The attached three-year Financial Plan (see Attachment C) forecasts the targeted budget figures (both income and expense) required for further stabilization of the program over three consecutive years. The newly developed “P2P” program provides a new revenue stream for both APPA and the Credentialing Program and represents a nice return on investment (ROI) for the robust CIL Platform asset.

As stated in the Introduction, the goal is to bring the Credentialing Program to an annual operating baseline of zero over the next three consecutive years. During this time we plan to “hold” the “Due to/Due from” amount on the balance sheet flat at which time we can establish the ability to pay this off over time.

CONCLUSION

We believe we have presented a solid business plan for the Credentialing Program that incorporates the desired results of its Strategic Plan through 2023 which are also in alignment with APPA’s visionary strategic plan; provides a detailed marketing plan identifying our goals, strategies, and tactics; and outlines a three-year financial plan to achieve financial viability and sustainability over time. We, therefore, respectfully seek your continued investment, support and commitment to this valuable program.