

Setting the Standard for Training and Retraining

By Diane B. Hartman*

Not too many years ago, people earned a college degree, learned how to do a job, and performed that job for the same company until retirement. Today's working generations move several times from job to job, and from company to company, during their careers. And even if employees stay with a company over a sustained period of time, their jobs change. Why? Innovation and technology have combined over the decades to force employees and their companies to keep current and adapt to changing technology, new practices, and new rules in order to survive and stay competitive.

To increase their staying power and profit positions, companies have made enormous investments in human capital and encouraged continuous training and retraining. Sometimes encouragement takes the form of company-sponsored programs; other times, it takes the form of support for professional organizations that require continuous training and retraining for membership or recertification. Required training and retraining helps make employees perpetual students seeking specific skills and qualifications to adapt to an ever-changing workplace.

For years a number of technical and professional organizations have set the **standard** for continuous employee training and retraining. Until recently, these organizations were mostly self-governing. However, recent events that uncovered questionable and conflicting business practices, and even outright fraud by certified professionals, are fueling a public outcry for government regulation of technical and professional organizations. If that outcry becomes law, will these organizations continue to receive business support; or will businesses turn inward for training and retraining standards?

This study first explores certificates offered and recertification requirements of selected national organizations that support business professions. Excluded are state organizations and agencies that require licenses, certificates, and recertification. The study then explores public and business concerns about continued support of these organizations in light of recent events and eroded public confidence.

Continuous Learning Commitment

All except one of the business professional organizations researched stress the need for continuous learning as an essential element of "a high level of professionalism." (See summary chart of Professional Organizations, Appendix A.). Most organizations state in their online "*Who We Are*" descriptions that such learning is an earmark of being progressive and staying on top of the latest business trends, rules, and practices. For example, AICPA states in the Preamble to its Standards:

The environment within which the accounting professional functions is more dynamic and demanding today than ever before. The profession is characterized by an explosion of relevant knowledge, a changing and expanding nature, and increasing complexity as a result of advancing technology, globalization of commerce, increasing specialization, proliferating regulations, and the complex nature of business transactions. These conditions require a renewed emphasis on the continuing development of competence among accounting professionals (AICPA, 2001).

The International Association of Administrative Professionals (IAAP)® states that its mission is to be the acknowledged, recognized leader of administrative professionals and to enhance their individual and collective value, image, competence, and influence. This organization wants to "provide information, education, and training and to set standards of excellence recognized by the business community on a global perspective" (IAAP®, 2001).

Membership and Certification Requirements

All but one of the organizations researched offer certification programs to document to employers, clients, and associates that employees are committed to being professional (see Appendix A). Stressing the mobility of such certification, the International Association of Office Professionals (IAOP)® states the following: "Certification is a **mark of excellence** that you carry with you everywhere you go" (IAOP®, 2001).

Although the National Association of Insurance and Financial Advisors (NAIFA) does not offer certifications directly, it recommends its members continue their education and attain professional designations.

Professional designations signal your commitment to your career and also to the financial security of the individuals, families, and businesses you serve. They demonstrate a level of professionalism and skill that enhances your image and our industry's reputation (NAIFA, 2001).

To provide incentives for continuous learning, NAIFA offers discounts to programs for professional certifications from the Life Underwriter Training Council (LUTC) and the American College. These certifications include the following: Chartered Life Underwriter (CLU), Chartered Financial Consultant (ChFC), Life Underwriting Training Council Fellow (LUTCF), and Certified Financial Planner™ (CFP™), (NAIFA, 2001).

Where certifications are offered by professional organizations, additional fees beyond annual membership are required. Annual fees range from \$47 to \$295, and certification fees range from \$90 to \$555 (see Appendix A).

All professional organizations researched, except the Certified Public Accountants Association (AICPA), allow non-qualified members to certify. AICPA, however, limits certification to members who have a valid CPA certificate and members who meet the following additional requirements:

- Pass the Uniform CPA Examination
- Meet the Continuing Professional Education (CPE) requirement
- Practice in an Institute-approved practice-monitoring program
- Be elected to membership by the Board of Directors
- Abide by the AICPA bylaws and Code of Professional Conduct (AICPA, 2001).

AICPA enforces stringent membership rules to ensure high uniform standards. It does allow, however, individuals working toward the CPA certificate/license to be AICPA Associates for a maximum of five years.

Unique to AICPA is its Certified Information Technology Professional (CITP) designation. It is awarded to members who hold a valid CPA certificate and who achieve 100 points under the Multiple Entry Point System—a system based upon business experiences and life-long learning areas, with examination being required for those who do not achieve sufficient points (AICPA, 2001).

Recertification Requirements

In all professional organizations researched, except the National Association for Insurance and Financial Advisors (NAIFA), once professionals are certified, they are required to recertify within three to five years. An essential part of recertifying is continuous learning or retraining credit. In its *Preamble to the Statement on Standards for Continuing Professional Education (CPE) Programs*, the Association for Public Accountants (AICPA, 2001) states the following:

Individuals, firms, and regulatory bodies have recognized that the continuing development of competence involves a program of life-long educational activities. The development of standards for Continuing Professional Education (CPE) activities has been recognized as important and necessary to satisfying the objective of achieving quality in such activities.

Although each organization varies as to specific standards for continuous learning and retraining, all share the following general standards (see Appendix A):

- Qualifying programs and activities must maintain or increase professional competence of the individual in the related field.
- Participants must document claims of professional education credit.
- Sources of qualifying programs include trade association conferences, college and university classes, and seminars and workshops.
- Credits may be awarded for the following in each respective field: researching and publishing, speaking, teaching, and developing content.

As to self-study courses that qualify for recertification, the organization for the accounting

profession (AICPA) states the following: "A self-study program that primarily involves reading a publication and passing a test on the contents of the publication would not be considered a program of learning" (AICPA, 2001).

International Association of Administrative Professionals (IAAP)® allows university sponsored self-study courses, along with distance education. These courses, however, must relate to certification content, must be measurable, and must include an exit exam. The National Association of Legal Assistants (NALA) unequivocally states, "Credit is not available for self-study" (NALA, 2001).

The Society for Human Resource Management (SHRM), through its Human Resource Institute (HR), awards recertification credit for on-the-job experience if that experience is for a first-time work activity. It also awards credit for leadership responsibilities and professional membership in SHRM or "kindred" national human resource societies or associations (SHRM, 2001).

The International Association of Administrative Professionals (IAAP)® also awards credits for workplace experiences in the areas of team skill, strategic planning, and advanced administration. Setting itself apart from other professional organizations researched, IAAP® awards credits for leadership experiences outside the field. For example, credit is given for serving as president of the local PTA, being director of a credit union board, or chairing a church committee (IAAP®, 2001).

The Project Management Institute (PMI)® also awards credit for project management services to professional or community organizations that are non-employer or non-client customer groups. In addition, it awards credits for being a member or moderator of a project management panel discussion at a conference, symposium, or workshop. PMI® also awards credit for project management services of at least 1,500 hours provided to employers or others (PMI®, 2001).

Unlike most business professional organizations researched, the Project Management Institute (PMI)® and the American Institute of Certified Public Accounts (AICPA) maintain standards for program providers. AICPA (2001) in its "Statement on Standards for Continuing Professional Education (CPE) Programs" sets

standards both for program development and presentations.

Sound administration, adequate resources, competent supervision, and an effective and supportive organizational structure are necessary elements of the design, development, implementation, and monitoring of CPE programs. For each program sponsor, there should be an identifiable administrator charged with demonstrating compliance with these standards.

The Project Management Institute (PMI)® maintains a registry of approved educational organizations and designates them as PMI® Registered Education Providers (R.E.P.) "These providers adhere to quality criteria established by PMI® and are solely authorized to issue professional development units (PDU) certificates to attendees. Providers can be identified by the professional development (PDP) logo" (PMI®, 2001).

Although most organizations measure credits in terms of contact hours (hours spent in a planned, structured learning experience or activity), the National Association of Legal Assistants (NALA) measures credits in units. For example, completion of a relevant course at an accredited institution of higher education earns two units per course. Unusual work experience may also be considered for two units (NALA, 2001).

If an applicant fails to recertify in one of the organizations requiring recertification, that person may lose membership in the organization or be required to retake an exam to recertify.

Business Support for Training and Retraining

Will the public and business communities continue to endorse the training and retraining of professionals through professional organizations? Recent events spotlight huge voids in standards and expectations. At the very least, will government agencies impose mandatory certification and recertification requirements for these professionals?

In its March 5, 2002, *AICPA News Update*—a newsletter to help members stay up to date with the issues and events surrounding the Enron crisis and changes to the regulatory framework of the accounting profession—the AICPA makes the following statement:

The AICPA and its members are committed to taking the steps necessary to restore public confidence in the accounting profession and capital markets system. We will work actively with Congress to develop meaningful public policy reforms (Castellano, 2002).

Will efforts by professional organizations and the government be enough to curtail eroding support, or will businesses turn to in-house standards, certification, and recertification?

How will employees fare in their efforts to train and retrain through professional organizations? Will businesses provide increased compensation, tuition reimbursements, promotions, or recognition for individual efforts? Initial research suggests support for training and retraining (Gilhooly, 2001). Some employers feel that certifying or recertifying is a badge of honor, not to mention a path to career advancement and increased compensation. Other employers feel that training and retraining prove only that a worker is "book smart." These critics believe that certifications don't offer the hands-on knowledge that comes with experience.

Conclusions

Even though support may vary, today's higher salaries and bonuses paid to certified and recertified professionals suggest that many employers view training and retraining as a powerful asset (Gilhooly, 2001). New survey research is underway to determine if that is the case.

Selected businesses in each of the professions represented by the professional organizations researched in this study were asked about the value of certificates and recertifications, the need for government intervention and regulation, the move toward in-house programs and certifications, and especially about support they currently offer employees for training and retraining through professional organizations. The findings may well show that in response to the latest crises, a new in-house standard bearer is emerging to direct training and retraining efforts.

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