

Future of Professional Certification

Introduction

In its most general sense, certification is a process by which a person masters certain skills and competencies in a field as assessed by an external body (usually a professional association or a related body) in an area.¹ The professional association certifies individual professional competence by its formal exams that test specific knowledge and skills. It 'assures employers, customers, students, and the public that the certificate holder is competent and professional'.² This title concentrates on professional certification by existing and aspiring professional associations. Certification can often be an essential step in becoming a professional. There are several models of certification, discussed below.

This title discusses the following issues:

- What is professional certification and what is its purpose?
- The costs and benefits of professional certification
- The international harmonisation of certification standards
- Future trends in professional certification.

What is Professional Certification and What is its Purpose?

Certification is a term used in a variety of ways and stages of professional life. It may be used early in professional life for a person who enrolls in a program after joining a profession as a provisional member. The certification may be granted (and full membership attained) where there has been appropriate evidence of initial professional development'.³ For example, an individual is recognised as a Certified Public Accountant ('CPA') upon completing of a degree recognised by CPA Australia and undertaking the CPA Program set by CPA Australia.⁴

To become a practising lawyer in Australia, an individual must normally have a University degree, complete a practical legal training diploma, offered by, for example, the College of Law, and be confirmed as a 'fit and proper person'.⁵ Then, after further practical legal training, they are 'admitted' by the relevant Supreme Court.⁶ Likewise professionals in the health industry can be certified through a 'registration' process. For example, doctors must be registered by the Medical Board of Australia. Different types of registration relate to different levels of training and practice.⁷

¹ James McDavid and Irene Huse, 'How Does Accreditation Fit into the Picture?' in James Altschuld and Molly Engle (eds), *Accreditation, Certification and Credentialing: Relevant Concerns for US Evaluators: New Directions for Evaluation* (Spring, 2015) (vol 145) 53, 57.

² Deb Peterson, 'How Professional Certificates Can Help Jump-Start Your Career' (30 August 2017), *ThoughtCo* <<https://www.thoughtco.com/what-is-professional-certification-31527>> (accessed 27 March 2018).

³ Mark Freeman and Elaine Evans, 'Professional Associations, Accreditation and Higher Education: Foundations for Future Relations' in James Guthrie, Elaine Evans and Roger Burritt (eds), *Relevance and Professional Associations in 2026* (Chartered Accountants Australia and New Zealand, 2016) 63.

⁴ CPA Australia, *The CPA Program* <<https://www.cpaaustralia.com.au/about-us>> (accessed 27 March 2018).

⁵ The College of Law, *Becoming a Lawyer* <<https://www.collaw.edu.au/your-career/becoming-a-lawyer>> (accessed 27 March 2018).

⁶ The Law Society of New South Wales, *Admission as an Australian Lawyer in New South Wales* <<https://www.lawsociety.com.au/ForSolicitors/practisinglawinnsw/becomingasolicitor/index.htm>> (accessed 27 March 2018).

⁷ Medical Board of Australia, *Registration* <<http://www.medicalboard.gov.au/Registration.aspx>> (accessed 27 March 2018).

Certification may also be the term used for the periodic renewal of a professional membership with members 'providing adequate evidence of continuing professional development'.⁸ This certification usually also requires evidence of maintaining 'good fame and character'. This is usually done by the individual affirming an absence of factors ranging from criminal conviction to insolvency. This is combined with an absence of professional disciplinary complaints or proceedings against the renewing member. The *Corporations Act* now requires mandatory continuous professional development ('CPD') for financial advisers following growing concerns over perceived poor ethical and educational standards.⁹ Thus, financial advisers need to complete an annual CPD component administered by an accredited provider specified in the Act.¹⁰ The Financial Planning Association of Australia accredits private educational bodies that certify the completion of the CPD component.¹¹

To maintain status as a chartered engineer, an engineer must accumulate at least 150 hours of structured CPD over a three-year period.¹² Engineers Australia, the largest professional association for engineers, has made it mandatory as a condition of chartered membership.¹³ Thus, certification is used as a tool by professional associations to ensure that members are sufficiently trained and up-to-date with current industry standards.

Later in professional life, certification may refer to the designation of some of an association's members as specialists or particularly well qualified and experienced practitioners. This may be as simple as gaining a 'certified' status in the relevant profession or aspiring profession. For example, a financial planner may gain Certified Financial Planner ('CFP') certification after completing the CFP program, meeting an experience requirement and passing the character fitness standards and background check.¹⁴ This certification sets them apart from other financial advisers. A similar mark of advanced professional status is given to medical practitioners who have been assessed to be eligible for fellowship.¹⁵ In a similar way, Engineers Australia awards Chartered Engineer Status. It is a mark that the individual is recognised globally, as well as by the local community and industry, as a professional.

Once the individual completes the course of study and/or meets other requirements, they are accredited by an association that monitors and upholds standards for the industry concerned.¹⁶ The main purpose of professional certification is to provide assurance that a person is competent to carry out an assigned task,

⁸ Freeman and Evans, above n XX, 63.

⁹ *Corporations Act 2001* (Cth) s 921B(5); See also Explanatory Memorandum, Corporations Amendment (Professional Standards of Financial Advisers) Bill 2017 (Cth) 8.

¹⁰ *Corporations Act 2001* (Cth) s 921B(5).

¹¹ Financial Planners Association of Australia, *CPD Policy and Audit* <<https://fpa.com.au/education/continuing-professional-development/cpd-policy/>> (accessed 27 March 2018).

¹² Engineers Australia, *Continuing Professional Development* <<https://www.engineersaustralia.org.au/Training-And-Development/Continuing-Professional-Development/>> (accessed 27 March 2018).

¹³ Engineers Australia, *Continuing Professional Development*, above n XX.

¹⁴ Certified Financial Planner Board of Standards, *The Professional Advantages of CFP Certification* <<https://getcfpcertified.org/downloads/Professional-Advantages-of-CFP-Certification-Guide.pdf>> (accessed 27 March 2018).

¹⁵ Medical Board of Australia, above n XX.

¹⁶ Peter Croll, 'Realising the Benefits of Professional Certification for Health Informaticians' in David Hansen, Louise Schaper and David Rowlands (eds), *HIC 2010: Proceedings, 18th Annual Health Informatics Conference: Informing the Business of Healthcare* (Health Informatics Society, 2010) 28.

job or trade. This is particularly important in jobs that involve significant potential risk to the public such as in health and medical professions.¹⁷ Without a certification framework in place, it would be difficult for employers to determine whether an individual has a suitable level or experience for the job. Even more crucially, it is a mark of competence and trust for consumers. A few main elements are present across most certification programs. The individual must:

- Fulfil the relevant education requirement set by the certification body
- Successfully complete a skills-based, experience component
- Maintain professional competence by CPD
- Remain of good character and abide by the professional code of conduct.

Benefits and Costs of a Certification Process

Benefits

Keeping up-to-date

Aside from encouraging public confidence in the profession, gaining certification can benefit the professional in several ways. It ensures that the professional is up-to-date with current industry practices.¹⁸ The fast pace of industry and technological developments means that, for many, the educational training from university ceases to be up-to-date soon after graduation. CPD, through a certification process, plays a valuable role in ensuring the quality of service supplied by professionals. Maintaining up-to-date competence is also good for the profession and for the professional association. If the body of members is more expert and ethical with few public investigations and disciplinary proceeding, it will enjoy a better reputation. The professional association will be able to spend fewer resources defending its members to politicians and the public or disciplining members. It will also be able to advance its members' causes more easily in the media and in other spheres where it seeks influence in the public interest.

Better Opportunities

Certification contributes towards differentiating the individual from other professionals in the industry. This can lead to a significant increase in earning capacity and can progress a professional's career.¹⁹ Estimates show that gaining certification may translate to a boost in salary of up to 20 per cent.²⁰ Further, certification is fast becoming an easier and less time-consuming alternative to further tertiary education, like attaining an MBA, to advance a career.²¹

¹⁷ Peterson, above n XX.

¹⁸ Continuing Education and Professional Studies, Towson University, *Why Certifications Are Important* <<http://continuingeducation.towson.edu/why-certifications-are-important/>> (accessed 27 March 2018).

¹⁹ Continuing Education and Professional Studies, Towson University, above n XX.

²⁰ Matt McFarland, The 'Poor Man's MBA' Can Boost Salaries by 20%' (12 January 2017), *CNN* <<http://money.cnn.com/2017/01/12/technology/project-management-linkedin/index.html>> (accessed 27 March).

²¹ McFarland, above n XX.

Commitment and Professional Growth

Gaining multiple certifications signals to employers a commitment to the profession and demonstrates the professional's deep knowledge of the work involved.²² Certification attests to the individual's up-to-date knowledge and experience.

Benefit to Consumers and the Public

A certification is an easy mark that consumers can see to determine the quality of the service from a professional.²³ It evokes a sense of confidence and trust as it shows consumers that the skills of the professional have been verified and tested by an independent third party.²⁴ This trust mark is valuable in specialised professions where the customer is less likely to have any familiarity with the service. Having a certification assures the public of the quality of the service and the competency of the provider.

Costs

Time Commitment

There are also costs to obtaining a certification, however. Undergoing certification normally involves a significant time investment. In some cases, the benefits of attaining a professional certification may not outweigh the cost involved.²⁵ Depending on the type of certification sought by the professional, the educational component might require them to take classes, either part-time or full-time. This may take away from work and other commitments.

Financial Cost

While total costs vary depending on the industry the professional is in, there can be considerable costs involved in certification. For instance, accountants in Australia looking to be CPA-certified can spend over \$2000 to undertake the education and examination requirements.²⁶ There are also recurring costs such as an annual membership fee of more than \$700.²⁷ This presents significant expenses that may have to be paid by the professional personally if the certification is not sponsored by their employer.

²² Alan Henry, 'Ask LH: Will a Certification Really Help Me Get a Better Job?' <<https://www.lifehacker.com.au/2013/07/ask-lh-will-a-certification-really-help-me-get-a-better-job/>> (accessed 27 March 2018).

²³ Financial Standards Planning Board, *Value of CFP Certification* <<https://www.fpsb.org/cfp-certification/benefits-of-cfp-certification-for-the-public/>> (accessed 27 March).

²⁴ Independent International Organisation for Certification, *Accredited Certification Benefits* <<http://www.iioc.org/accredited-certification-benefits/>> (accessed 27 March 2018).

²⁵ Bhavani Thuraisingham, 'Professional Certification: Pros and Cons' (29 March 2010), *The University of Texas at Dallas* <https://www.utdallas.edu/~bxt043000/Motivational-Articles/Professional_Certification_Pros_and_Cons.pdf> (accessed 27 March 2018).

²⁶ CPA Australia, *Australia* <<https://www.cpaaustralia.com.au/member-services/fees/australia>> (accessed 27 March 2018).

²⁷ CPA Australia, *Australia*, above n XX.

Comparative Dimensions and Global Standards Harmonisation

There are several bodies that set national and international standards in professional development. These include the International Organization for Standardization ('ISO'), Standards Australia ('SA'), and the American National Standards Institute ('ANSI'). The ISO is an independent, non-governmental organisation that operates internationally to set and develop global standards across different industries, although it does not certify professionals.²⁸ Rather, the ISO sets the standards for various systems including quality management systems.²⁹ To ensure that local standards are aligned with international ones, national organisations such as the ANSI in the United States and the SA in Australia operate in conjunction with the ISO. All three bodies are private, non-profit organisations. Increased global mobility means that more and more professionals are moving between jurisdictions and want their certifications recognised. The work done by these bodies helps create a coherent framework allowing this cross-border movement.

There is a growing global approach to professional certification. In 2012, ISO released an international standard called 'General Requirements for Bodies Operating Certification of Persons'.³⁰ It provides a guideline for bodies issuing certification to professionals or general members and ensures that their practices are consistent with national and international bodies around the globe.

Further, certification bodies are becoming increasingly global in their operation. For instance, the College of Law, founded in New South Wales, now has presence across multiple jurisdictions and certifies the practical training for becoming a lawyer in Australia and New Zealand.³¹ It has recently expanded its base of operation to include providing CPD requirements to lawyers in Malaysia.³²

Trends in Professional Certification

Certification seems to be a growing trend in professions and professional associations across Australia. As we have seen, this is also the case internationally. Certification is traditionally provided by a professional association. However, there has been a growth in alternative certification platforms. Two trends are worth noting. First, registered training organisations ('RTOs') are offering courses that can contribute to professional development. Second, online certification programs are becoming mainstream.

²⁸ International Organization for Standardization, *The Facts above Certification* <<https://www.iso.org/certification.html>> (accessed 27 March 2018).

²⁹ International Organization for Standardization, *ISO 9000 Family - Quality Management* <<https://www.iso.org/iso-9001-quality-management.html>> (accessed 27 March 2018).

³⁰ International Organization for Standardization, *ISO/IEC 17024:2012 – Conformity Assessment – General Requirements for Bodies Operating Certification of Persons* <<https://www.iso.org/standard/52993.html>> (accessed 27 March 2018).

³¹ The College of Law, *Admission to Practice* <<https://www.collaw.edu.au/learn-with-us/our-programs/practical-legal-training-programs>> (accessed 27 March 2018).

³² Bar Council Malaysia, *CPD Guide* <http://www.malaysianbar.org.my/cpd/?page_id=2049> (accessed 27 March 2018).

Registered Training Organisations

RTOs are training providers registered by the Australian Skills Quality Authority to deliver vocational education and training ('VET') services.³³ Broadly speaking, RTOs offer nationally recognised courses and accredited Australian Qualifications Framework VET qualifications. Accreditation is a formal recognition that the course meets an established industry, enterprise, education, legislative or community need. It also indicates that such a course provides appropriate outcomes and a satisfactory basis for assessment.³⁴ RTOs can include TAFE colleges and institutes, adult and community education providers, private providers, higher education institutes and industry bodies.³⁵ For example, Allens Training is an RTO registered with the Royal Australian College of General Practitioners and is approved to provide cardiopulmonary resuscitation ('CPR') training to general practitioners.³⁶ General practitioners can use this training to contribute to the CPD points they need to maintain their registration. Allens Training is also registered with the NSW Standards Education Authority ('NESA').³⁷ Employees regulated by NESA can complete training courses offered by Allens Training and use this to contribute towards their CPD requirements. Since RTOs are providers of nationally recognised training and qualifications, it is likely that more and more individuals will seek to complete courses provided by RTOs to obtain or maintain professional certification.

Online Certification Programs

There has been an expansion of online programs that offer professional certification. Firstly, individuals may complete Professional Certification Programs offered by Massive Open Online Courses ('MOOCs'). MOOCs are free online courses available to the public. Originally, they were designed to provide an affordable and flexible way for people to learn new skills and advance their careers.³⁸ The online structure offers on-demand, collaborative and just-in-time learning opportunities.³⁹ Recently, edX (a non-profit MOOC platform) launched a Professional Certification Program initiative. These programs typically run over a two to six-month period and include courses that are approved by industry leaders and universities.⁴⁰ Upon completion, individuals are certified with the critical knowledge and skills that are most in-demand for a specific job. There is evidence that 'organisations have either used, have strongly considered using, or in the future could see their companies using MOOCs for employees' professional development'.⁴¹ Thus, it is likely that more MOOCs will offer online professional certification programs in the future.

Secondly, it is becoming more commonplace for professionals to satisfy CPD requirements by participating in and completing online modules (see the Continuing Professional Development Programs title). For

³³ Australian Skills Quality Authority, *About RTOs* <<https://www.asqa.gov.au/about/australias-vet-sector/about-rtos>> (accessed 27 March 2018).

³⁴ Australian Skills Quality Authority, *Accreditation with ASQA* <<https://www.asqa.gov.au/course-accreditation/accreditation-asqa>> (accessed 27 March 2018).

³⁵ Training.com.au, *RTO – Registered Training Organisations* <<https://www.training.com.au/rto/>> (accessed 27 March 2018).

³⁶ Allens Training, *RTO Details* <<https://www.allenstraining.com.au/about-us/rto-information.aspx>> (accessed 27 March 2018).

³⁷ Allens Training, above n XX.

³⁸ Mooc.org, *Mooc.org* <<http://mooc.org/>> (accessed 27 March 2018).

³⁹ David Santandreu Calonge and Mariam Aman Shah, 'MOOCs, Graduate Skills Gaps, and Employability: A Qualitative Systematic Review of the Literature' (2016) *International Review of Research in Open and Distributed Learning* 67, 78.

⁴⁰ MoocLab, *EdX Professional Certificate Programs* <<https://www.mooclab.club/resources/edx-professional-certificate-programs.195/>> (accessed 27 March 2018).

⁴¹ Calonge and Shah, above n XX, 68.

example, the Australasian College of Dermatologists allows specialists to gain points towards their CPD hours by participating in online discussion groups and completing several online modules.⁴² CPA Australia has also embraced this movement by introducing an 'Online CPD Diary' feature, which is an online platform that enables members to record their training activities and CPD hours.⁴³ Similarly, members of Engineers Australia can access online training courses related to project management, technical engineering and risk management via an app called myCPD.⁴⁴ Many professional associations now offer an online platform for members to record their participation in CPD activities. This appears to be a growing trend, encouraged by the fact that online training is easily accessible and that documentation of hours in an online logbook has made updating and keeping records much easier.

⁴² College of Dermatologists, *CPD Provider Framework* <<http://www.dermcoll.edu.au/wp-content/uploads/2014/05/CPD-Provider-Framework.pdf>> (accessed 27 March 2018).

⁴³ CPA Australia, *Continuing Professional Development* <<https://www.cpaustralia.com.au/member-services/continuing-professional-development>> (accessed 27 March 2018).

⁴⁴ Engineers Australia, *myCPD* <<http://mycpd.engineersaustralia.org.au/>> (accessed 27 March 2018).

Summary

This title outlines the key issues pertaining to the future of professional certification. The term ‘certification’ can be used in variety of ways. It is a prerequisite to practice for many professions, it may be a prerequisite to periodic renewal of professional association membership and it may be used to set apart particularly excellent practitioners or those with specialist knowledge. There are various benefits and costs involved in obtaining certification. Some benefits include ensuring the professional is up-to-date with current industry practices and providing the professional with better job opportunities, since certification indicates commitment and professional growth. It may also benefit consumers and the public as certification indicates that the professional’s skill and knowledge has been verified by an independent third party. The main costs of certification are the significant time investment and financial costs involved.

As certification is relevant to most professions and at various stages of professional life, it is unsurprising that there is a growing global approach to harmonise professional certification. In general, there is a trend towards developing centralised standards to support more consistent practices internationally. Within Australia, there has been a growth in alternative certification platforms. RTOs are offering training courses that can contribute towards CPD requirements. Likewise, there has been an increase in online programs that offer professional certification.

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