

Certification: Corporate America's Secret Weapon

This white paper provides information on how certification can directly impact your business bottom line. A typical ROI is 50-100 percent for the first year alone.

The paper also provides an overview of certification, the benefits of certification, and lists the important differences between high-stakes and low-stakes certification.

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Executive Summary

This white paper provides information on how certification can directly impact your business bottom line. Companies invest in certification for three main reasons:

1. They want to retain the best and brightest employees and partners and are likely to attain a higher rate of customer satisfaction, 2. They can boost their ROI by charging their customers a higher rate for certified employees, and 3. They are required by law to prove mastery of a topic on behalf of their employees and/or partners.

This white paper will briefly outline the benefits of certification, the differences between high and low stakes exams and the Return On Investment (ROI) that is possible with a certification program.

“We believe partners who are certified will realize new business and revenue opportunities, larger deals and an overall competitive advantage.” Allyson Seelinger, VP of Enterprise and Consumer Channels, Symantec.

What is Certification?

Certification is the ability to prove through testing if an individual has achieved a mastery of skills, knowledge and attitude. Certification can also prove the ability of an individual to apply those skills and knowledge in specified areas and job functions.

Benefits of Certification

Higher Productivity

The benefits of certifying your employees or partners are impressive. Certified employees or partners tend to be more knowledgeable and have a greater commitment to professional growth. They also tend to work more efficiently, saving you time and money.

Industry studies show that certified employees demonstrate higher productivity, make fewer errors and possess more skills valued by your customers than those who only attend standard training programs.

Marketplace Differentiation

Certification can differentiate a company and create a competitive advantage in today's tough business climate. A certified employee is an asset, and companies that continue to invest in certification will establish a culture of growth and excellence. Your customers and competitors will come to realize the additional value a certified employee brings through increased productivity through reduction of time and errors, increase in sales, customer satisfaction and consistency or performance.

Hiring and Retaining Employees

Offering certification may help you attract the best prospective employees. A Gartner survey found that companies offering a strong training and education program often attracted the strongest job candidates.

Certification is also a cost-effective way to reward valued employees while investing in the future of your company. One of the main benefits of continual training is enhanced credibility.

Certified employees are more likely to stay at your company longer because they feel greater job security. A certified employee is in greater demand and helps your company by providing long-term value.

Return On Investment

As mentioned above, certification programs increase your overall reputation. Just as certification lends credibility to an individual, having certified employees on staff enhances your reputation by implying a certain level of proficiency. And that can translate into a competitive advantage when looking for new business opportunities.

In today's economy, retaining employees who are certified helps leverage the value of your training investment. Training and certification are one of the first places you may look to cut budget dollars, but such a decision can prove to be costly. If you maintain your investment in certification and professional growth you'll end up saving time and money in the long run through employee retention.

Industry research shows that the typical payback on certification is nine months to one year. That return can be measured by a reduction in downtime, an increase in productivity or sales and a decrease in costs due to mistakes or inefficiencies.

That same research shows that a typical return over a one-year period is 50–100 percent, depending on the type of certification and the size of the company. Smaller companies average 30-90 percent, while larger companies with more certified employees see returns of 65-200 percent.

Dan Lowrey, CEO of LSI-Lowrey Systems (and an IBM Business Partner) says this about his certified technicians: “I can charge more for their services and therefore I earn more margin on our product”.

Studies have shown that on average, you can expect to get at least 10% more for each certified employee.

Which Type Of Certification Is Right For You?

There are two general types of certification: high stakes and low stakes certification. Each has its pros and cons, depending on your training objectives.

High Stakes

High stakes certification means that something is at stake (a raise, a promotion, a bonus, termination) based on the results of the training. High stakes certification therefore must be legally defensible. A high stakes exam will certify that the candidate has important skills and knowledge that will allow the candidate to perform at the current level or higher, determine mastery of a capability or determine complete understanding of a rule or standard.

High stakes exams are usually administered in a secure and proctored environment. They test against multiple objectives and the ability to apply the knowledge and skills of that objective on the job.

Caution: High stakes certification is a science, and if it isn't done right it can lead to serious legal issues. Don't try this at home – work with a trained certification expert!

Low Stakes

Low stakes exams do not need to be legally defensible and are likely used to measure the transfer of skills and knowledge after completing a training program. Most of the exams associated with online courses are low stakes exams.

The differences between high and low stakes exams are shown in the table below:

Differences Between High and Low Stakes Exams

High Stakes	Low Stakes
Security that includes proof of identity	No security or proof of identity needed
Candidate “cheating” is minimized	No control over candidate “cheating” Must rely on candidate integrity
Cost of facilities and required proctor–trained personnel	No cost for facilities and additional personnel
Candidates must schedule and take exam at designated testing center	Exam can be taken anywhere
Data on candidates is collected and stored in a secure environment	Candidate data not secure and could be misplaced or corrupted
Control over length of time to complete exam	No control restrictions on length of exam time

Your Employees Might Not WANT To Be Certified

“What?” you say. This seems like a no-brainer. Who wouldn’t want to get certified?

Some of your employees, that’s who.

A recent global study found the top five reasons that employees are reluctant to get certified:

1. Too expensive
2. Don't have time to study or take the exam
3. Too hard to schedule
4. Not required for the job
5. Don't see the value in certification

As appealing as certification may sound to you personally, you may have to do some educating to get employees to commit the time and resources to get certified.

If Someone Offered You A Way To Charge More For Your Product or Service AND Get A Jump On Your Competition, Would You Have Started Yesterday?

Of course you would have. Most companies would spend million of dollars just to add 1-2 percent to their bottom line, let alone 10 percent.

And yet studies have shown that on average, you can expect to get at least 10 percent more for each certified employee.

This might be one of the best-kept secrets in corporate America today.

So why, you ask, did we write this white paper?

Because we have certification experts that can help you gain that financial and competitive advantage.

In fact, we're so confident that we can help you that we'll give you a FREE, two-hour initial consultation. We'll come to your company (or do it by phone, if you're not in the Denver area). We'll even bring the coffee.

Here's what you will get: a highly effective two-hour brainstorming session. We'll talk about your company, your departments, your people, and your performance challenges. We'll help you put together a complete analysis, so you can decide if certification could add to your bottom line.

Here's what you won't get: a two-hour sales pitch for our company.

In this hyper-competitive business world, certification could be the secret weapon that puts you ahead of your competition for good.

For your free initial consultation, call us today at 303.570.7475, or email us at info@digital-latitudes.com.

About the Company

Digital Latitudes, Inc. designs and develops web-based marketing and online learning programs that *get results*. For more information, visit our website at www.digital-latitudes.com.

About The Author

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Paul has 20+ years' experience in marketing and business strategy for various companies like Apple Computer, Hewlett-Packard and Sun Microsystems. He also has experience in E-Learning consulting, instructional technology, curriculum design, media selection, web design, authoring, project management and ROI methodologies. Paul has an MBA from Indiana University.

For more information on certification call us at 303.570.7475, or email us at info@digital-latitudes.com.