

Post nominal and continuing professional development (CPD) survey results

Purpose of the survey:

To obtain more detailed insights into the views of RiskNZ members and other stakeholders about the possibility of a RiskNZ scheme for post nominals and associated CPD. Survey questions were tailored to explore key factors previously identified as relevant to a post-nominals scheme in a transparent and inclusive manner that took account of stakeholdere demographics.

The survey was sent to 176 members. 54 people responded to most of the questions, a response rate of 31%.

Demographics

Based on this survey, the participating members of RiskNZ plus a few stakeholders are generally a well-qualified and experienced group with 63% having more than 10 years experience working in risk management and 78% being graduates or holding postgraduate qualifications. Risk or risk management is expressly referred to in most (75%) of their position or job descriptions. They often are members of other organisations with 73% being entitled to use "other" post nominals. Nearly half of respondents (46%) are directors or managers but the largest group of respondents are consultants (33%).

Most of the respondents (52%) are members of RiskNZ in their own right. Some (17%) are the nominated representative of a corporate member of RiskNZ, with others (6%) working for a corporate member but not being the nominated representative. Some respondents identified as "none of the above" but appear to be similarly involved in risk management.

The meaning and value of post nominals

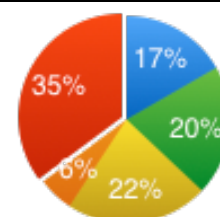
The first survey question offered six characteristics of post-nominals and asked respondents to rank them in descending order of importance – see the ranked list to the right.

Respondents were almost unanimous (90%) in agreeing that the attributes for each grade of any post-nominal should be specific and transparent and very strongly agreed (78%) the attributes should be agreed to by members.

1. Demonstrated technical expertise in risk management
2. Extent and quality of practical experience in applying risk management in decision making
3. Formal qualifications by examination in risk management from a university or professional society
4. Participation in continuous professional development in risk management (CPD)
5. Extent of practical experience in providing supporting services to others to assist in managing risk
6. Membership of RiskNZ only

Respondents were asked how many grades of post-nominal there should be, and 35% were unsure, with 17% selecting one grade, 20% selecting two grades, 22% selecting three grades, and 6% selecting four or more grades.

Although participation in CPD was placed 4th in the attributes list, respondents strongly agreed (68%) that holders of a post-nominal should be required to meet annual CPD requirements.

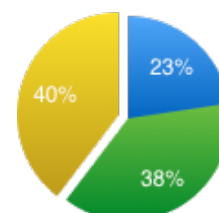


Costs and benefits of post-nominals

The potential benefits

A post-nominal should be indicative of the level of expertise of its holder. Respondents were asked "how would you expect an employer to rank the value of a RiskNZ post nominal in contrast to the holder of a specialist Bachelor's degree in risk management?", and respondents almost equally rated a post nominal as being the same (38%) or lower (40%). A significant minority thought a post-nominal might be rated more highly (23%).

Note: a ¹Bachelor's degree typically takes three years fulltime study.



Holding a post-nominal might be expected to yield some benefits. Respondents mainly thought they would achieve "greater employability" (selected by 24), "recognition by peers" (selected by 30), and "greater ability to demonstrate risk management expertise" (selected by 31).

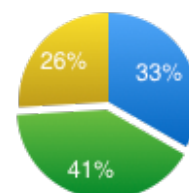
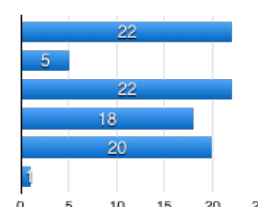
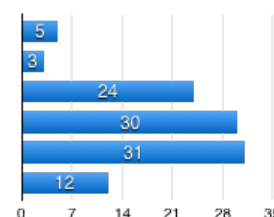
Other options included "none" (selected by 12), "improved income" (selected by 5), and "easier promotion" (selected by 3).

[One person chose "other" and suggested this was a "very odd selection".]

The converse might also be true and respondents were offered a range of adverse effects if RiskNZ post nominals were available but they were not on a CV. Specifically, "it would be more difficult to gain employment in fields requiring risk management expertise" (selected by 22), or "more difficult to achieve promotion or other rewards" (selected by 5), or "more difficult to demonstrate risk management expertise" (selected by 22), or enjoy "a lesser level of professional respect" (selected by 18).

However, some respondents thought they would suffer no adverse effects (selected by 20) and one person thought this a "very odd question!".

A possible test of the status of a post-nominal is whether a court should be entitled to assume that the holder is an "expert" in risk management. A small majority answered "no" (41%), followed by those who answered yes (33%), with the remainder being unsure (26%).



Risks for RiskNZ

Every activity generates risk so the survey asked respondents about reputational and legal liability-related risk for RiskNZ. Respondents strongly identified (86%) a reputational consequence if the holder of a RiskNZ post-nominal subsequently proved not to be proficient. In a related question, almost half of the respondents (48%) were unsure if there might be related legal liabilities associated with offering post nominals (including exposure to the costs of defending claims made by aggrieved parties).

The potential costs

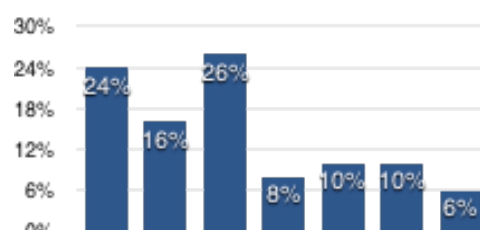
Any post nominal scheme and associated CPD will incur some financial cost. Respondents were asked three questions about where the costs of a post-nominal scheme should fall and willingness to pay. The first asked if RiskNZ should seek to recover the costs of administration of a post-nominal scheme from those applying for and holding post nominals. Respondents strongly answered "yes" (78%) with others saying "no" (22%).

Many New Zealand citizens and residents hold foreign qualifications, some of which may be relevant to risk management. The survey asked "when considering whether to award a post-nominal, who should pay the costs of evaluating qualifications awarded overseas?". Respondents strongly favoured such costs being borne by the applicant (78%) but other respondents thought the costs should be carried by RiskNZ (22%).

Note: the NZQA International Qualification Assessment (IQA) standard application fee is currently \$404.

Respondents were asked to show their willingness to pay by selecting from a range of annual costs to hold a RiskNZ post nominal. The most favoured cost (26%) was \$100 pa. However, nearly the same proportion (24%) were not willing to pay anything. Others were willing to pay \$50 (16%), \$150 (8%), \$200 (10%), \$250 (10%), or more than \$250 (6%).

Based on the experience and charges of some comparable organisations, these results could mean that a RiskNZ scheme is not viable, highlighting the importance of preparing estimates of costs.



Administration of a post-nominal scheme

Development and operation of a post-nominal scheme will require that members seeking a post-nominal can trust that the award panel has the necessary competencies to decide whether or not to make an award.

Respondents were asked to rank seven competencies in descending order – see the ranked list to the right.

1. High degree of expertise in risk management
2. Freedom from conflicts of interest
3. Experience in employment or management of persons with risk management expertise
4. Holder of post-nominals of a type that are awarded on application
5. Prior experience on similar panels
6. Legal expertise in formal adjudication
7. Prior membership of RiskNZ management board or committee

The survey also asked if there were any competences that were not listed and respondents offered those listed below.

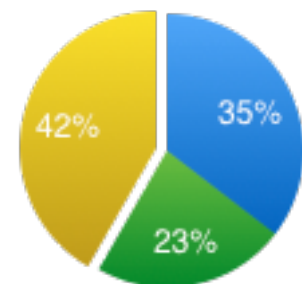
- *Sound business management skills*
- *Knowledge of how risk can help commercial strategy*
- *NZQA equivalence?*
- *Ability to judge good communication and influencing skills*
- *Widely recognised amongst peers as experienced in risk management practice*
- *Their experience in learning, education, development of risk management as a profession*
- *Strong moral code, deep scepticism, and courage to challenge nonsense*
- *Integrity, wisdom and maturity (unlike the writer of this survey!).*

The person offering the final suggestion had previously suggested that some questions were either "very odd", or offered a "very odd selection".

Interest in applying for post nominals

The final quantified question asked "if a post nominals scheme was introduced would you apply for a post-nominal?". Most respondents (42%) were "unsure", with 35% saying "yes" and 23% saying "no".

The high number of "unsure" responses may be a reflection of the preceding questions exploring the meaning of post nominals, and their costs and benefits.



Text responses

Space was provided at the end of the survey to give other information about "the benefits, design or administration of schemes for continuing professional development and the provision of post-nominals". The following 20 comments were given and are quoted verbatim.

- *In my 40 years experience in risk management I believe that most so called RM academics still do not have a sufficient understanding of effective RM (rubbish written by leaders in the RM space in the ISO31000 LinkedIn group for example). Therefore awarding post nominals to members will not have any practical value and in my view could potentially have a negative impact the profession. In my view, a solid widely acknowledged group of professionals is needed, before this scheme progresses.*
- *The concept appeals on a number of levels. My concerns are the practical aspects of doing this well. If done poorly it has the potential to do more harm than good. Also while academic qualifications should be a part - practical experience is very important.*
- *Approach has to align by clearly understood objectives of the organisation. As some of the best business minds in NZ will not have these.*
- *They are time consuming and expensive to operate sustainably*
- *Governance Institute in Australia do qualifications that allow post nominals.*
- *NZQA equivalence is importance*

- *I can't see the point of creating something that may become a barrier to entry to professional activities*
- *(1) I struggle to see that 'risk management' can be considered a profession in the true sense of the word*
(2) There are other RiskNZ objectives that require attention before looking at post nominal.
- *Nothing to add*
- *It requires enormous investment of time and money to produce a credible and reliably system. Any approach that is not aligned with professional development is facile and pointless*
- *Experience in an allied professional field (Member of New Zealand Planning Institute for 30 years) and seeing the evolution of the membership classes, post-nominals and CPD in that professional institution, helps me to caution that post nominals are an instrument in professional growth of a practice network, and not the sine qua non for RiskNZ. As important are the CPD, institutional culture in RiskNZ in supporting improving standards of competency, and dealing with the qualification- experience trade-offs, in what is essentially a practical profession applying a framework and technical process across about every arena of decision-making possible. The post nominals scheme needs to be integrated with the learning and improving culture and CPD system.*
- *No*
- *I believe that post nominals issued by RiskNZ would be of little to no value - this is because RiskNZ is not widely regarded in general society as a "learned" agency and the vast majority of people, including professionals and business people, would not know nor care about RiskNZ.*
- *All professional practitioners should be required to maintain their CPD training log.*
- *Recognition by your Peers*
- *1) Development, launch and maintenance of a PN scheme needs to be justified, planned and costed, via a business case/plan, for members' consideration and staged approvals at AGMs, e.g. initial approval for scheme planning followed later by approval for implementation.*
2) High risk of scheme once implemented being very demanding of volunteer resources and/of additional paid personnel, to possible detriment of other member services.
- *1. The scheme will not be sustainable if it is primarily aimed at those with a 'risk management' title or job reference. Instead it must be primarily aimed at those who are constantly making important decision in environments with substantial uncertainty.*
2. The scheme will have no value unless there is a clear, widely shared view as to what effective risk management means in NZ
- *I believe that the risk management as a discipline is not yet mature, and is a long way from the point that any group in NZ should be assuming for itself the right to decide who is eligible for post nominals. There are high risks to the credibility of those involved.*
- *An excellent survey that has highlighted a number of issues that need to be ironed out and agreed to by members before any decisions are made.*
- *What are you driven by - sick unprofessional behaviour. You need professional help mate!*

The final comment was written by the respondent who had previously implied that the authors of this survey lacked integrity, wisdom and maturity and that a number of questions were "very odd".

Acknowledgements

My thanks to those people who gave their time to respond this this survey. The raw data can be viewed at www.riskmgmt.co.nz/blog/.

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