

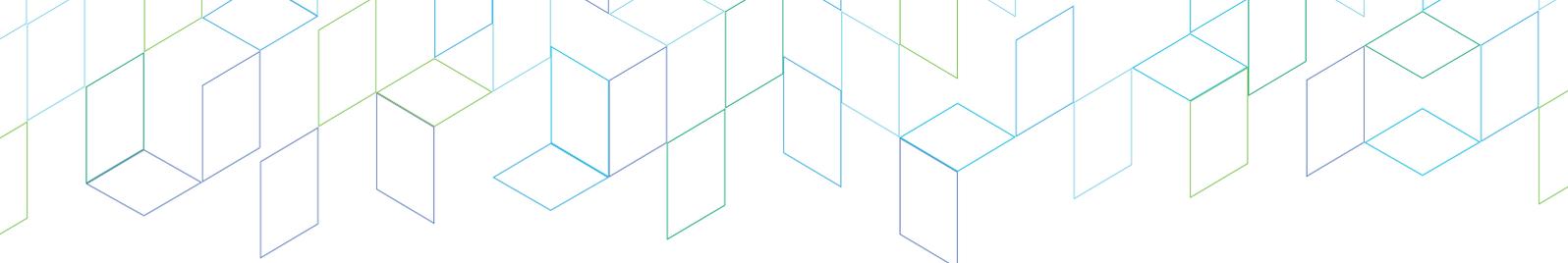


CFA Institute

# **SOCIETIES 2.0**

## **FY19 ROADMAP**

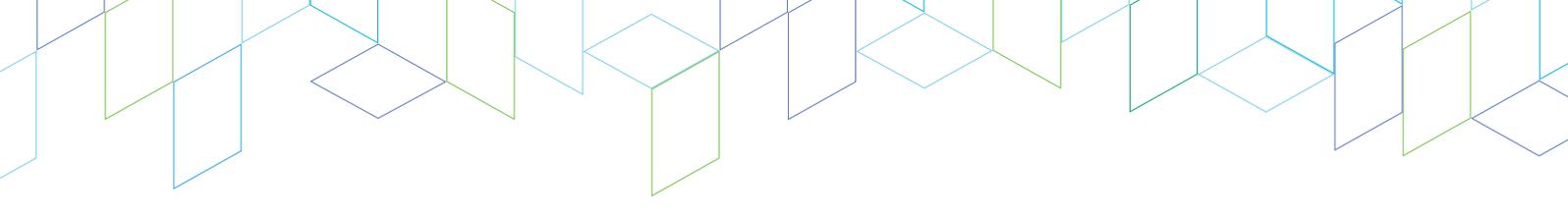




# CONTENTS

Executive Summary	3
Foundational Capabilities	5
Governance and Operating Framework	5
Professional Society Staffing	6
Technology	7
Society Operational Support	8
Strategic Capabilities	10
Brand Development	10
Continuing Professional Development (CPD)	11
Shared Outreach & Advocacy	13
Candidate Journey Engagement	13
Execution	14
Planning Priorities Roadmap	14
Appendices	15





# EXECUTIVE SUMMARY

## FUTURE STATE VISION

In spring 2018, CFA Institute and XL Societies jointly developed the following Societies 2.0 Vision Statement:

We are committed to helping our members to build productive and successful careers in an investment profession that is respected for working in its clients' best interests.

Together, we will build active communities of investment professionals throughout the world. We will engage the intellect and insights of our shared membership to raise professional standards through education, ethics, professional development, advocacy and outreach.

We believe our objectives will be best achieved by positioning societies as the clearest route to our members and their investment communities.

We will work together to develop the roadmap that will enable us to achieve this vision over time, through shared infrastructure and relationships, enhanced resourcing and appropriate governance.

Imagine if our NPS scores were the envy of professional associations; if every society was led by highly professional staff who could drive membership, CPD and advocacy locally; if we had one technology platform and a unified member experience; if market penetration was 25% globally, and every professional had One Global Membership and willingly attested to CPD; if societies were the go-to resource on professionalism in our industry by press, regulators and public. Imagine if CFA Institute was truly the enabler – an organization of expert staff supporting a global brand and network, fronting advocacy in Brussels and Washington DC, and institutional relationships with global accounts, but leaving it to societies to lead elsewhere. This is destination 2030 – Societies 2.0 is the journey.

## SOCIETIES 2.0 OBJECTIVES

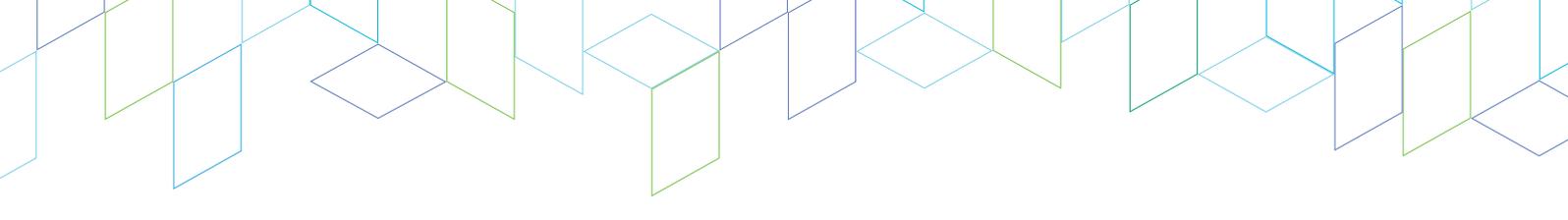
Societies 2.0 is the framework for a long-term plan to realize an ambitious vision across the entire society network. FY18 was the year in which we built **alignment** with the vision; in FY19 our goal is to establish the **infrastructure** which will set us up for future success. Technology, human resources, a future-proofed operating framework, ongoing focus on brand-building and a CPD product framework that meets the career development needs of members, are the foundational priorities that will lead us towards a better member experience and support our ambition of increasing professional standards in our markets. **Focus and collaboration** are our bywords and we will continually seek input and feedback from societies and members.

Societies want to see tangible evidence of our commitment to the vision. We have outlined key deliverables in FY19, including a significant increase in direct funding for infrastructure and brand activation, increased resources for technology and associated service functions, and a comprehensive plan for CPD (including a vote on mandatory CPD in 2021). In all, we will increase direct operational and project funding (pass-through) by \$8.2 million and society brand activation by a further \$3 million.

Critical to success is organizational support both for priority activities and for the focus needed to execute and deliver. There will necessarily be trade-offs. Our biggest risks lie in failure to deliver on technology objectives, deterioration of our strong partnership with societies, operating models that are too rigid in a global context, and country-specific challenges.

We will attach success metrics to each component of the road map. These will include output measures (execution, engagement) and outcome measures (NPS, satisfaction etc.).

We cannot deliver without sufficient human resources. In FY19 we are requesting new headcount for the service center (outlined below), and several other society-focused roles.



## VALIDATION OF KEY PRIORITIES

This document has been drafted based on extensive input received from society leaders, society staff and CFA Institute staff (see appendix). Following initial review by the Leadership Team, it will be refined with input from key internal and external stakeholders.

The objectives and priorities of Societies 2.0 are validated by the results of recent surveys and research conducted by CFA Institute, to include the 2018 Society Satisfaction Survey, the 2018 Member Satisfaction Survey, a digital survey completed by 526 society leaders in March 2018, and interviews conducted with over 80 society leaders from 57 societies globally in March – May 2018. Based on this research, the objectives and priorities of Societies 2.0 align with what matters most both to our members and societies, including:

## MEMBER SATISFACTION SURVEY

- Strengthening professionalism and ethics in the industry
- Providing tools and resources to help members succeed in their careers

## SOCIETY SATISFACTION SURVEY & SOCIETY LEADER SURVEY/INTERVIEWS

- Raising professional standards in our communities is core to our mission
- Increasing member participation in society services/activities, communicating the value of society membership and increasing brand awareness
- Delivering high quality CPD content
- Supporting orientation and other leadership training of society leaders and staff
- Supporting society management and governance
- Increasing human and financial resources

Additional details regarding CFA Institute research are contained in the appendix to this document.



# FOUNDATIONAL CAPABILITIES

## GOVERNANCE AND OPERATING FRAMEWORK

### OVERVIEW

To operate under a Societies 2.0 model in close collaboration with societies, we must ensure:

- Clarity of roles, responsibilities, expectations, and accountabilities for all parties
- Greater representation of the society voice in decision making, while ensuring sufficient agility and efficiency to manage the necessary day-to-day work with staff
- Alignment of strategic objectives through coordination of business planning cycles

A SWOT analysis (appendix) of current governance structures has been conducted. Our review highlighted that the current state is fit for purpose, but can be strengthened. Core foundational improvements planned for FY19 include review and update of the Principles of Partnership and Operating Framework governance documents, last updated in 2012, to better formalize agreed protocols and processes. Additionally, enhancements to the Society Partnership Advisory Council (whether makeup, mandate, or operating procedures, TBD) could help ensure greater contribution of society input to board decisions.

Additional key decisions and actions for FY19 include:

- Publish, communicate and implement a formal joint annual planning cycle calendar
- Determine what sub-committees and structures may be required across the various component parts of Societies 2.0
- Determine mutual accountability measures around funding and the minimum member service standards societies must meet to qualify for additional resources
- Instigate a regular meeting cycle (quarterly) for executive staff of societies from our largest markets, and determine what additional staff-to-staff work-groups may be required
- Promote the proper delegation of authority by volunteer boards to their full-time society staff, especially the XL societies, to ensure agility in operations and decision-making

To date, the Societies 2.0 steering group and project workstream teams have served leading roles in the planning stages of the project. The society voice has been represented via XL society and PCR representation on the steering group and governance review team; surveys and one on one interviews with societies around the globe; consultations at Society Leadership Conferences; and direct consult with XL Executive Directors and Presidents. Plans are in place to increase the number and variety of opportunities to ensure XL society input across the scope of the project.

Longer term, our objective is to establish a clear operational framework, including dedicated governance committees, accountability, and procedures for making operational decisions in conjunction with societies, much like the Society Technology Council works today.

Our timeline for identified milestones are reflected below.

MILESTONES	TARGET
1. Completed Governance SWOT Analysis	Q3 FY18
2. Develop Governance Framework Strawman	Q4 FY18
3. Revise Funding Model Criteria for FY19	Q4 FY18
4. Revise Operating Framework	
4.1 Strengthen Internal and External Communications and Embed Society Engagement Framework in Organizational Culture	Q4 FY18
4.2 Introduce Aligned Planning and Budgeting Cycle	Q1 FY19
4.3 Implement Revised Relationship Management Protocols	Q3 FY19
5. Implement Revised Principles of Partnership	Q3 FY19
6. Review Funding Model for FY20	Q4 FY19
7. Strengthen SPAC as the Forum for Discussion, Deliberation and Recommendations to BOG Relating to Our Partnership	Q1 FY19

## PROFESSIONAL SOCIETY STAFFING

### OVERVIEW

To ensure all societies have sufficient capacity to meet the demands of Societies 2.0, optimal staffing models reflecting necessary skills are required. Professionalizing society operations will reduce burdens on volunteers, provide consistency, leverage and maintain institutional knowledge, and allow societies to operate as high functioning professional bodies serving local members, stakeholders, and markets.

### FY19 INVESTMENTS

As noted, FY19 will be an infrastructure building year. We have proposed an increase in Operational Funding from \$7.7 million to \$13.2 million for FY19, based on a new funding formula that increases both base and variable funding amounts. To support developing member markets, the implementation of this \$5.5 million increase is weighted toward Asia Pacific due to the increased weighting of the candidate component of the formula. In line with the aim to professionalize societies in part through appropriate levels of staffing, societies will be required to direct their increased Operational Funding toward hiring of appropriate operational, executive, or specialist staff.

Additionally, we aim to invest significantly in society staffing via strategic partnership funding. Regional teams have identified gaps in capacity and skills, and will support the hiring of appropriate full or part time support staff where societies most need help and are prepared to do so. The following summarizes current ongoing investments, and new direct investments planned for FY19.

	AMER	APAC	EMEA
Current multi-year strategic projects supporting ED staff and other infrastructure	4	7	4
Underway or Planned FY19 executive, full, or part time hires	15	9	20
Budgeted FY19 expenditure for new staffing	\$897,000	\$639,500	\$1,438,000

### PROFESSIONAL SOCIETY STAFFING MODEL

Even as we make the above investments to fill the most pressing capacity needs at as many as 50 societies, we are working to define a "professional society" in terms of required skills and number of employees given size, business models, and level of participation in Societies 2.0 (passive or active; CPD; outreach.) Further gap analyses at each society will be undertaken against the relevant benchmarks to ensure adequate resourcing.

To ensure the long-term success of these hires, we aim to support implementation of management best practices and related training and resources. Case studies in collaboration with societies; development of tools, templates, and training for employee management; and review of accountability and governance models around funding of staff positions are planned or underway.

Concurrently, we are proposing the creation of a "Society Service Center" for centralized support of some society operations. (See the [Society Operational Support](#) section of this document.)

## TECHNOLOGY

### OVERVIEW

The vision for society technology is One Society Experience and One Membership Experience, a one-stop-shop for societies to do administrative work and the one membership experience between CFA Institute and Societies. In addition, our goal is to equip all societies with the tools, training, and support that empowers them to use the technology to its fullest effect.

A highly-functioning easy-to-use Society Technology Platform is intended to streamline typical society business processes and provide capacity for society leaders to focus on higher return activities such as CPD programming or outreach. In addition, an integrated technology platform will provide new benefits to members including a uniform CFA experience across the local society network.

### FY19

For FY19, the overall focus will be to complete an effective technology foundation and core functionality supported with appropriate change management, training, and operational helpdesk support.

Specifically, the following key actions are planned for FY19:

- Validate with XLs that the **technology roadmap and platform** are what they want and need
- In partnership with societies, confirm components, usability needs, and planned timing of additional foundational and core capabilities of the platform. **Extend foundational capabilities and deliver all core capabilities** by year-end FY19
- Build-out and field necessary supporting infrastructure including:
  - A broader **technology helpdesk** capability that can serve the society network effectively
  - Specialized resources to support complex integration and **XL society adoption** of the platform
  - Integrated and current **technology training** resources
  - Technology **communications and change management** to drive platform effectiveness

Our preliminary timeline for identified milestones is reflected below.

MILESTONES	TARGET
1. Establish RM Business Operations Function	Q3 FY18
2. Society Technology Council establishes core capability priorities for FY19	Q3 FY18
3. Director, RM Digital Products onboard to manage Society Technology Platform	Q4 FY18
4. STC core platform priorities for FY19 communicated to society community	Q4 FY18
5. Complete CRA society communications review and formalize society communications roles and responsibilities	Q4 FY18
6. Develop FY19 society technology change management and communication plan	Q4 FY18
7. Review and revise (if necessary) society technology governance mechanisms in partnership with XL society Executive Directors, PCRs and SPAC.	Q1 FY19
8. Perform society gap analysis to understand and gain confirmation of adoption path and timing for XL and all other societies	Q1 FY19
9. Begin development of formal society technology training program	Q1 FY19
10. Complete technology helpdesk / Society Service Center structural design and implementation plan	Q1 FY19
11. Complete staffing of Digital Product Management team	Q2 FY19
12. Launch helpdesk capability (assuming Q1 approval)	Q3 FY19
13. Launch foundation component of formal society training program	Q3 FY19
14. Initiate SWOT engagements with XLs assuming functionality gap has been closed	Q3/Q4 FY19
15. Launch core components of formal society technology training program	Q4 FY19
16. Extend and deliver FY19 foundational and core capabilities in-line with society technology roadmap.	On-going thru Q4 FY19

## FUNDING

The following are key society technology funding requests. The scope and velocity of society technology development will be reduced if these funding requests are not fully met (additional support funding in the next section will also have some technology components).

- Platform Development (\$2.0m in IT budget)
- Ongoing platform licenses costs (Estimated \$750K in IT budget)
- Outsourced platform support costs (\$1m for 3rd party consulting support)
  - This funding can be partially redeployed to develop Society Service Center with 4 headcount slots
- XL adoption support (\$500K to support SWOT team engagements with XLs later part FY19)

## DEPENDENCIES AND RISKS

There are a wide array of dependencies and risks that may impact the scope and velocity of the society technology platform:

- Effective society partnership is a critical dependency. Additional efforts to communicate, build relationships, and understand requirements to guide platform development are planned
- Available funding and headcount resources
- Core platform dependencies – DCT, Netsuite etc.
- Key vendor risks in development and support
- Prioritization: We must make society technology a priority for the full Leadership Team

## SOCIETY OPERATIONAL SUPPORT

In addition to the right people and technology, process is a critical element of operational success in any organization. The vision for society operational support is to bridge any gaps society leaders or society staff may experience with **HOW** to accomplish their work for their society.

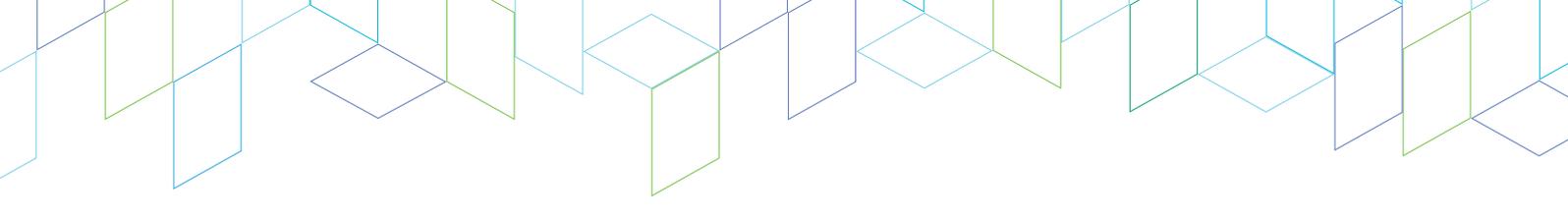
This type of operational support could range from resolving society technology platform issues, to accessing resources and training, to escalating specific issues with subject matter experts such as legal or marketing for resolution. In some cases, the rapid progression through volunteer roles within a society heightens the need to support clear and simple business process with on-demand training and the ability to reach an experienced support staff for additional help when needed.

To execute successfully on the society operational support vision, the following key actions will be taken during FY19:

- Develop a **Society Service Center** that provides managed operational and technology support to all society leaders in their home region
- Formalize on-demand role-based **society leader training** programs and skills development to support society onboarding, best practices, and ongoing operations
- Partner with societies to develop formal **shared best practices** to be incorporated into onboarding, training and technology tool process support

Our preliminary timeline for identified milestones is reflected below.

MILESTONES	TARGET
1. Complete staffing of the RM training team	Q4 FY18
2. Complete society training gap analysis and set FY19 training program priorities	Q4 FY18
3. Complete training technology review and select core training tools	Q1 FY19
4. Begin development of formal society technology training program	Q1 FY19
5. Complete technology helpdesk / Society Service Center structural design and implementation plan	Q1 FY19
6. Launch helpdesk / Society Service Center capability	Q3 FY19
7. Launch foundation component of formal society training program	Q3 FY19
8. Initiate shared best practice initiative for FY20 delivery	Q3 FY19
9. Launch core components of formal society technology training program	Q4 FY19



## FUNDING

The following are key society operational support funding requests. Envisioned scope and velocity are dependent on these resources.

- With the allocation of 4 headcount slots, initial development of the society service center model can be funded through redeployment of current outsourced service costs
- \$200K to support development of the society servicing model
- Additional training funds of \$200K for programming development with the assumption that IT growth funds can support the deployment of an effective Learning Management System for society leaders

## DEPENDENCIES AND RISKS

There are several dependencies and risks that may impact the scope and velocity of the society operational support capabilities including:

- Effective society partnership is a critical dependency. Additional efforts to communicate, build relationships, and understand requirements to guide service offering are planned
- Ability to leverage current ServiceCloud and Salesforce technology platforms
- Funding and headcount allocation
- Availability of appropriate Learning Management System (LMS)

# STRATEGIC CAPABILITIES



## BRAND DEVELOPMENT

### ONE BRAND EXPERIENCE

We aim to create one brand experience for members interacting with the CFA family wherever they are in the world, with local societies being the front facing brands to members and other stakeholders in all local markets. Strengthening society brands strengthens our global brand by emphasizing the reach and size of our global network in the minds of our constituents.

In FY19 we will continue the work of building brand awareness and emphasizing the value of local societies to members and other stakeholders. Long term, our vision of identifying all member experiences with the local society brand is dependent on technology, and integration across platforms (mobile app, websites, CPD platform.)

### SOCIETY BRAND ACTIVATION

Societies consistently rank building brand awareness as a top strategic priority. Satisfaction with our efforts and support in this area is at all-time high.

Led by Services Delivery teams, we have been working to build society brands through the society brand activation program. FY19 marks the fourth year of the program, with continued investment in local advertising campaigns in virtually every individual society market. In priority markets, local brand activation supplements our global brand campaign investments.

Society activation campaigns are built in collaboration with societies, and involve advertising, public relations, and social media, as well as training for society leaders. Budget for FY19 is expected to increase from **\$8 million to \$11 million.**

## SOCIETY DIGITAL PRESENCE

Society use of social media continues to grow. Many societies have built very robust social media presences, promoting their brands, local programming and other news. To enhance digital presence further, Services Delivery is undertaking an assessment of society websites and making recommended improvements by July 2018. In collaboration with Society Relations, a roadmap will be developed for short term improvements and for longer term optimization of the member experience through local society websites. This may require some technology work.

## COMMUNICATIONS AND SHARING

To further strengthen the global society community, we are building into the society leader experience greater opportunities for peer-to-peer sharing. Leveraging the success of [connexions.cfainstitute.org](http://connexions.cfainstitute.org), society leaders are now able to easily share their stories and find content and resources to help them serve their members.

Wherever possible, our communications to members increasingly emphasize the value of local society membership and/or position the local society equally with CFA Institute. As we evolve the member experience, communications will aim to address the member's individual needs as well as their role within the society, to provide a "One CFA" experience.



## CONTINUING PROFESSIONAL DEVELOPMENT (CPD)

### OVERVIEW

CPD represents an excellent opportunity for CFA Institute and Societies to help members to accelerate their careers, raise professional standards, and ultimately serve their clients better. CPD includes learning paths based on a role-based competency framework, online educational content and live events, originating with CFA Institute, Societies and third-party providers. To build a new CPD product, we must overhaul the member experience through better technology, create a more personalized and relevant CPD experience, and design a distribution strategy that focuses on the society as the main point of contact for the membership. Once delivered, we believe we will be able to make a viable case for Mandatory CPD. To support these elements, the CPD workstream objectives include:

Supporting members' career development through a role-based competency framework

- Assisting members who have regulatory mandated CPD requirements
- Providing members with a convenient, learning-on-demand resource to assist them in daily tasks
- Elevating professional standards through increased member participation in CPD tracking
- Increasing member engagement with societies by promoting and making accessible CPD activities through a local channel

### COLLABORATIVE OPERATING MODEL

A formal CPD Design Council will help guide CFA Institute and societies through the CPD workstream. As noted in the table below, the group will be formed during Q4FY18. The council's purview will be to provide guidance and direction to CFA Institute and Societies. It will validate recommendations and confirm decisions, heavily weighting member input and feedback. The council will also ensure CPD is regionally relevant for members and integrated with society operations, technologies and policies. Members will be drawn from CFA Institute staff, society staff and volunteers and PCRs.

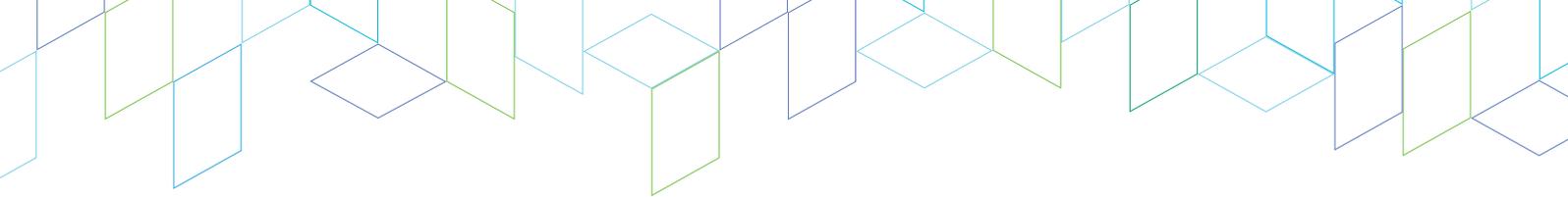
Key CPD policy decisions will include:

- Determining if the timing of CPD attestation should align with dues or the calendar year
- Establishing a guideline based on learning outcomes to augment CFA Institute's recommendation of completing 20 hours of learning per year
- Determining what LMS functionality the CPD platform needs and the software/web configuration to provide an optimal user experience
- Establishing a policy for access to the CPD platform beyond members (e.g. "local" society members)
- Determining how CFA Institute and societies manage a global content portfolio with consistent rules and sustainable work processes
- Determining how to handle mandatory CPD requirements for CIPM in a Societies 2.0 world if CIPM CPD rules (input model) remain intact

### FY19

In FY19, we will focus on completing the foundational elements of the CPD product, while achieving some quick wins by beginning to deliver content in a rudimentary role/competency-based taxonomy through the CFA Institute website. This will be supported by content and personalization strategies developed by Services Delivery. We will also support a parallel pilot project with CFA Society UK, who will launch a 'minimum viable' CPD product with a view to moving to the global platform later. We will expand our travelling speaker series – already very successful in APAC and EMEA – to North American societies, and build, market and deliver a systematic series of webinars and webcasts, based on this series and modelled on the success of the India webinar series. The release of a new CPD tracking tool (11) is a high priority that will significantly enhance the member experience.

In parallel with the work on CPD we will continue to promote the online job search product to societies and support its adoption. We will also review satisfaction of those societies who are already using it.



MILESTONES	TARGET
1. Conduct Society Content Analysis	Q4 FY18
2. Form CPD Design Council	Q4 FY18
3. Kick-off CPD Product and Platform Design	Q1 FY19
4. Enhance Current CPD Tracking Device and Admin Reporting Tool	Q4 FY18
5. Debug Internal and External Content Workflows	Q4 FY18
6. Enhance Current CPD Tracking Device and Admin Reporting Tool	Q1 FY19
7. Add Society Content to Catalog	Q1 FY19
8. Implement a rudimentary member-focused competency framework (with Credentialing)	Q1 FY19
9. Support CFA Society UK to launch pilot CPD platform	Q2 FY19
10. Initiate joint planning with CFA Institute events team for FY20	Q2 FY19
11. Supply Societies with Language and Links to Position CPD More Prominently	Q2 FY19
12. Build Member App Integration with External Content from Sitecore	Q2 FY19
13. Offer MiFID II/Regulator Support	Q4 FY19
14. Design Learning Platform for launch of full CPD product in FY20	Q4 FY19
15. Allow Local Member Only (society) Status	Q4 FY19
16. Release New CPD Tracking Tool and New Admin Reporting Tool – work starts late FY18	Q4 FY19
17. Release CPD Incentives/Badges	Q1 FY20
18. Complete Competency Framework version 1.0 (Delivered by Credentialing)	Q2 FY20
19. Design and Release Competency Framework Web Pages	Q2 FY20

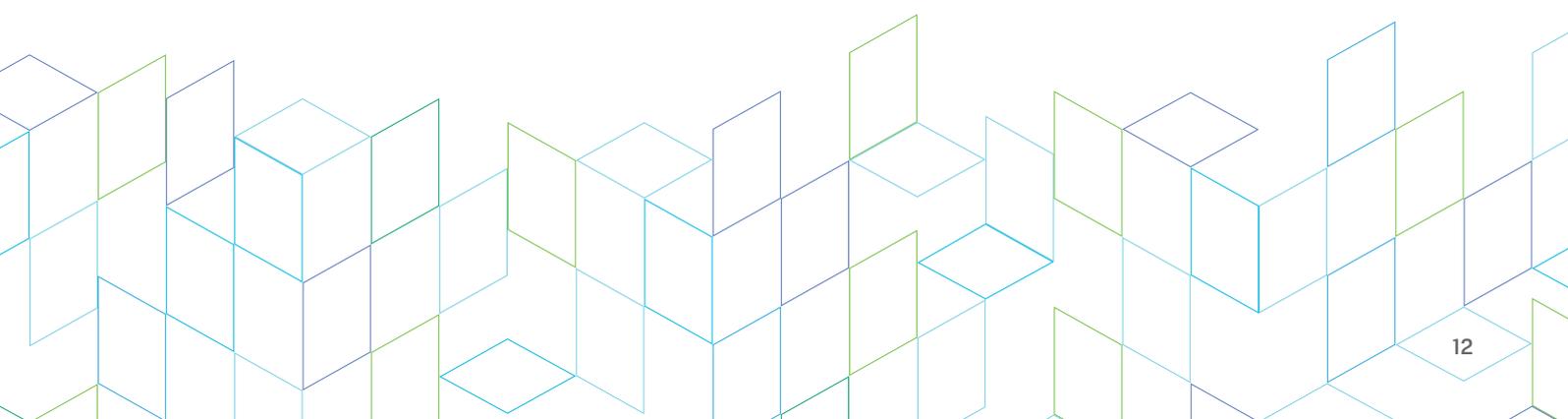
## FUNDING

The proposed budget for CPD in Member Value will increase from \$3.4 million in FY18 to \$4.1 million in FY19 largely driven by an increase in funding to develop the CPD tracking device. IT's estimated CPD budget of approximately \$2 million will have to be prioritized against other organizational proposals. Member Value has also budgeted additional funds to improve event content capture and will work with the Educational Events team to leverage their budget allocation of \$150,000 for traveling conferences in the Americas region.

## MANDATORY CPD

At the start of FY20 (September 2019), we will begin the planning process for Mandatory CPD, with a goal to put it to a member vote in April 2021.

MILESTONES	TARGET
1. Mandatory CPD Planning Process Begins (September 2019)	Q1 FY20
2. Socialization and Planning with Societies (January 2020)	Q2 FY20
3. Technology Work Begins (Aug 2020)	Q4 2020
4. Member Outreach and Politicization	Q1 FY21
5. Member Vote	Q3 2021
6. Implementation	Q1 FY22





## SHARED OUTREACH & ADVOCACY

### OVERVIEW

Societies tend to have the strongest relationships with regulators, policy makers, and industry and must be equipped to advocate with these stakeholders for high standards of ethics, professionalism, and education. Smaller emerging market societies tend to rely more heavily on support from CFA Institute than those in larger developed markets, but both require the skills, training, tools, and capacity to lead these efforts.

### BACKGROUND

While focusing heavily on foundational elements of the Societies 2.0 project, in FY18 we have continued our existing efforts to support local advocacy efforts. In collaboration with our Standards, Ethics, Advocacy and Future of Finance colleagues, the Society Advocacy Engagement team provides:

- Direct one-on-one support to societies doing outreach, regulatory comment letters, and/or thought leadership in their local markets
- Supports society priority initiatives such as Financial Literacy, Women in Investment Management, Future of Finance, Pension Trustee Training, and the Asia Pacific Research Exchange
- Holds regular workshops to build both strategic and technical advocacy skills in all three regions
- Supports the Society Advocacy Advisory Councils in EMEA and AMER, founded in FY16, to help inform our regulatory agenda

### FY19

A Societies 2.0 advocacy project team will convene to explore, in consultation with societies, the advocacy work societies require in their markets and the resources, training, and direct CFA Institute support needed for greater impact. Improvements to our training offerings, communications, resources, and on-the-ground support are in scope. Josina Kamerling, a member of the Societies 2.0 steering group, will lead this effort with support from the SAE team and other representative staff, PCR's, and societies. The group will develop recommendations and a roadmap in the first half of FY19 to inform FY20 planning.



## CANDIDATE JOURNEY ENGAGEMENT

### OVERVIEW

Raising standards of professionalism among our membership requires engaging them across the span of their careers, including from the early stages of their entering the industry and CFA Program. Further, we aim to increase the number of members working in the core of the profession, lower the society membership gap, and reduce the charter pending population.

To support these objectives, engaging candidates in local society activities and communicating the value of society membership will, we believe, raise awareness of society membership as a key component of one's experience as an investment management professional. Services Delivery has created a prospect-to-member customer journey aimed at fostering a deeper connection with the CFA Institute community, including with societies.

Many societies serve their candidate populations already, both with exam preparation and networking and career events. A handful have dedicated candidate membership categories. Recent consultation with societies validates our plans to communicate the concept of professionalism to candidates and begin exploring potential society offerings to better serve this community.

### FY19

As noted, FY19 will focus heavily on building capacity of societies to do more under a Societies 2.0 future state. We do not believe it is time as yet to heavily encourage more societies to offer candidate membership categories, until capacity and product offerings are sufficient. We will be asking a great deal of societies in FY19 to professionalize their staffing and business models.

Should we wish to encourage greater society engagement of candidates, we recommend that CFA Institute develop strategy and product offerings to service candidates on behalf of societies, rather than asking them to do more themselves. These could include digital/virtual experiences branded with local society brands; improved society websites; tailored communications; specialized event and CPD offerings; improved career resources targeted at candidate populations. This approach has cost and resource implications not yet analyzed within the scope of this roadmap.

# EXECUTION

## PLANNING PRIORITIES ROADMAP

The following Roadmap illustrates the planning priorities identified to date for Societies 2.0 as defined by CFA Institute. As a key next step in the planning process, CFA Institute will engage societies to mutually define priorities and develop a joint plan for design and implementation. This may result in changes to the timing and priority of activities depicted in this Roadmap. Existing meetings and conferences, including society leader conferences and XL ED meetings, will form the foundation for an on-going, joint planning cycle.



# APPENDICES

## APPENDIX 1 – GOVERNANCE SWOT ANALYSIS RECOMMENDATIONS

RECOMMENDATION	TYPE	ACTION	TIMELINE	LT SPONSOR(S)	LEAD STAFF	LEAD SOCIETIES
1. Strengthen SPAC as the forum for discussion, deliberation & recommendations to BOG relating to our partnership	Governance	Revise charter (including format of meetings to bring in more representative voices), broaden scope, review membership	By October 2019	Sheri Littlefield Emily Dunbar	Sheri Littlefield Emily Dunbar Bjorn Forfang	PC Chair – Aaron Brown
2. Revise Principles of Partnership	Governance	Create project launchpad (July); create SPAC approved project group or temporarily expanded SPAC (Sept)	By May 2019 SLC	Emily Dunbar Bjorn Forfang Sheri Littlefield	Randi Tolber	PC Chair
3. Revise Operating Framework	Operating Framework	Create project launchpad (July); Project for XL Planning meetings – July, October (SLCs), December	By 25 Jan 2019	Emily Dunbar Bjorn Forfang	Craig Lindqvist	XL EDs (with SPAC approval)
3.1 Revise and implement Relationship Management protocols	Operating Framework	Create project launchpad; establish internal work group and society consultation plan	By Jan 2019	Emily Dunbar Bjorn Forfang	Randi Tolber	XL EDs
3.2 Implement aligned planning and budgeting cycle	Operating Framework	Build cycle into Roadmap	June 2018	Diane Basile Emily Dunbar Regional MDs	Randi and Craig	PC Chair and XLs+
3.3 Strengthen internal and external communications and embed Society Engagement Framework in organizational culture	Operating Framework	Develop and communicate FY19 strategy	Aug 2018	Emily Dunbar Michael Collins	Randi Tolber Zarna Amin	PCRs and XL EDs
4. Funding Model: revise criteria for FY19; review model for FY20	Governance	SPAC project	August 2018 June 2019	Emily Dunbar Diane Basile	Craig Lindqvist	PC Chair
5. Full cost/benefit analysis and feasibility study of separate Service Center entity	Governance and Operating Framework	TBD	TBD	Sheri Littlefield Elaine Cheng Diane Basile Emily Dunbar	Craig Lindqvist	PC Chair

## APPENDIX 2 – SOCIETY STAFFING

### SOCIETY STRATEGIC FUNDING STAFFING INVESTMENTS

EMEA	AMER	APAC	Total
<b>Current, Multi-Year</b>			
1. Germany 2. Switzerland 3. Russia 4. Nigeria	1. Canada 2. Brazil (Advocacy Consultant) 3. New York 4. Florida	1. Japan 2. Korea 3. Bangladesh 4. Malaysia 5. Sri Lanka 6. Taiwan 7. Vietnam	<b>15</b>
<b>Preparations Underway</b>			
1. France 2. Poland 3. Turkey 4. Germany (+) 5. Switzerland (+)	1. Seattle 2. Toronto	1. India 2. Beijing 3. Chengdu 4. Australia (CEO) 5. Melbourne	<b>12</b>
<b>New FY19 FT or PT Hires</b>			
1. Bulgaria 2. Egypt 3. Emirates 4. Hungary 5. Ireland 6. Italy 7. Kuwait 8. Nordic 9. Qatar 10. Romania 11. Russia 12. Saudi Arabia 13. South Africa 14. Spain 15. Ukraine	1. Cayman 2. Chile 3. Colorado 4. Columbia 5. Jacksonville 6. Mexico 7. Michigan 8. Ottawa 9. South Florida 10. Stamford 11. Tampa 12. Uruguay 13. Virginia	1. Philippines 2. Pakistan 3. Singapore 4. Thailand	<b>32</b>

### CURRENT STATE STAFFING\*

# of Societies		In Network	
With any staff support	<b>120</b>	# of Full-time employees	<b>167</b>
Volunteer only	<b>30</b>	# of Part-time employees	<b>101</b>
With more than one (FT or PT)	<b>55</b>	<b>Total society staff in network</b>	<b>268</b>
With just one PT staff	<b>48</b>		

\*These are estimates based on an inventory conducted by Society Relations in early 2018. Estimates are based on self-reported data provided by societies in their business plans coupled with the team's knowledge of their assigned society relationships.

## APPENDIX 3 – SUMMARY OF RESEARCH

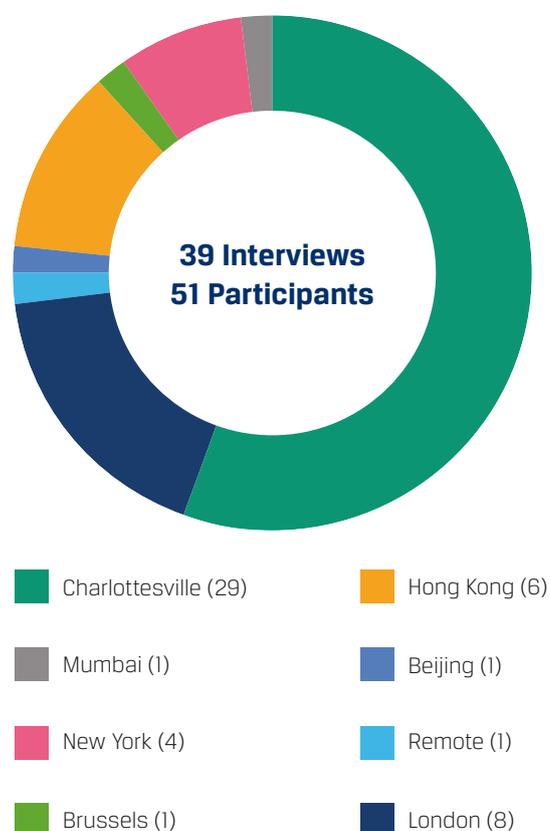
The Societies 2.0 team, with support from Global Strategic Design (GSD) and Market Intelligence, conducted a multi-faceted research effort to gather insights from CFA Institute staff and society leaders in all regions. This research represents hundreds of hours of effort and includes three key components:

Stakeholder Engagement	Dates	Unit Type	Participation by Region			
			AMER	APAC	EMER	Total
1. CFA Inst. Staff Consultations	10 Jan – 26 Mar	Staff Interviews:	34	8	9	<b>51</b>
2. Society Leader Digital Survey	7 Mar – 23 Mar	Survey Respondents:	289	84	153	<b>526</b>
3. Society Leader Consultations	19 Mar – 16 May	Interview Participants:	41	15	24	<b>80</b>

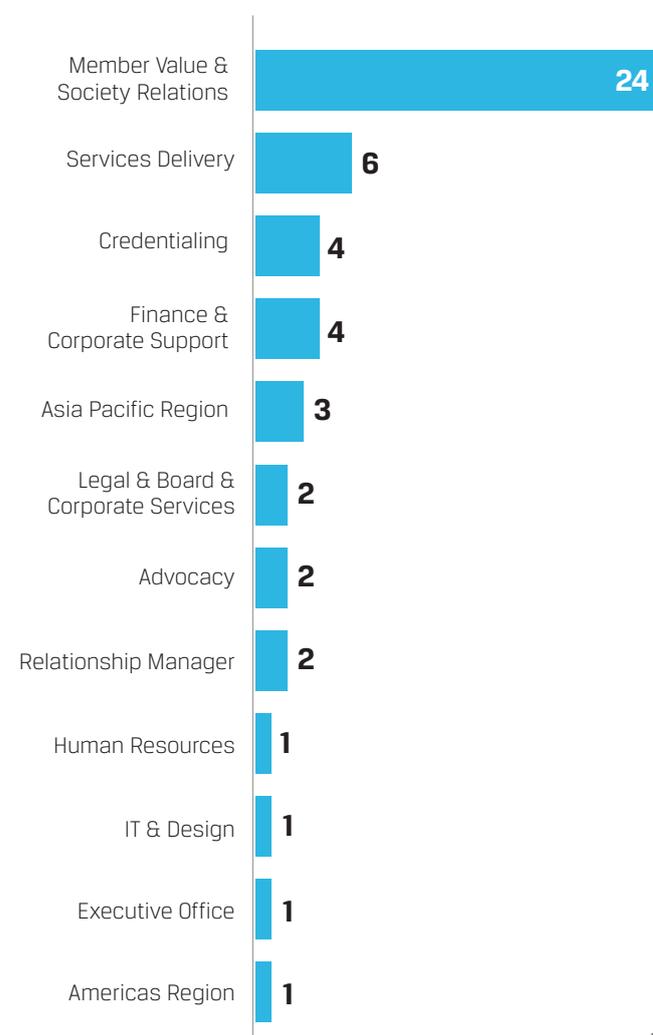
### CFA INSTITUTE STAFF CONSULTATIONS

In early 2018 the GSD team conducted consultations with 51 internal staff members from many business units in all three regions. The purpose of these internal staff consultations was to assess awareness of the Societies 2.0 initiative, inform project objectives and approach, gain insights into staff concerns, and assess the impacts of the culture change inherent in a shift toward delivery of member value directly through societies.

#### LOCATION OF PARTICIPATION



#### NUMBER OF PARTICIPANTS BY DIVISION

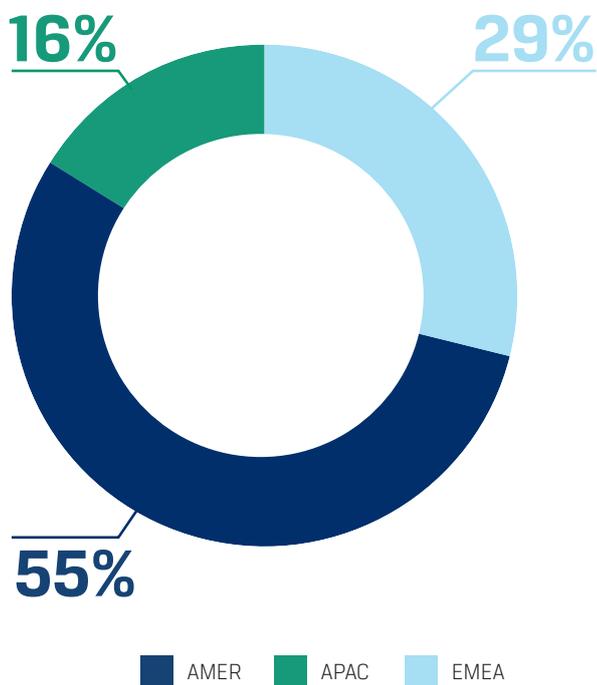


## SOCIETY LEADER DIGITAL SURVEY

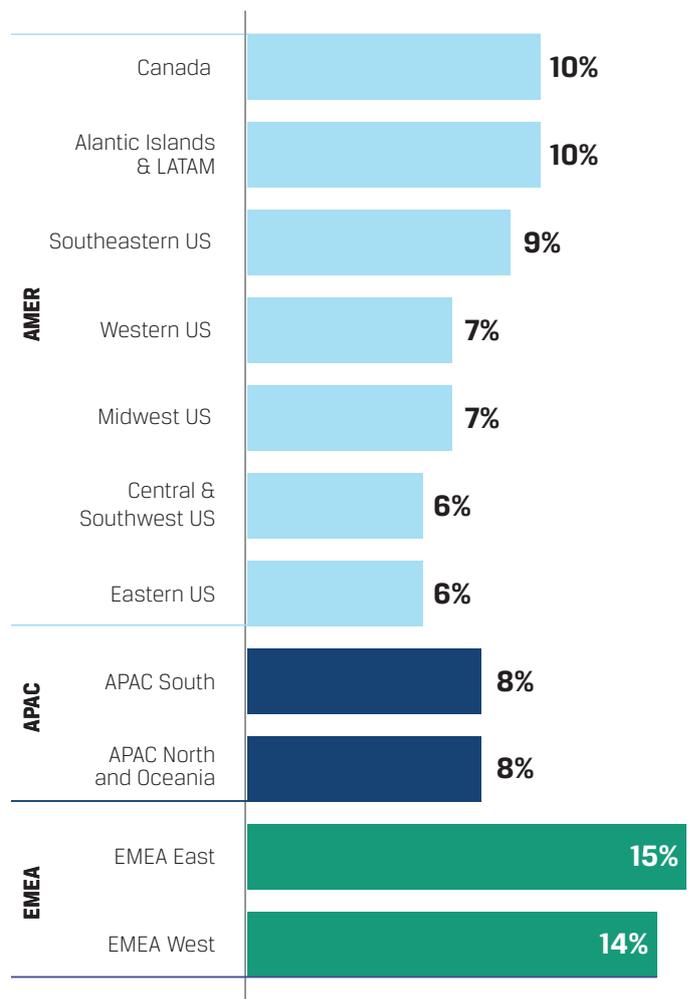
A survey seeking society volunteer and staff views on the vision of Societies 2.0 was conducted in March 2018. The survey was distributed via email to 1,803 society participants and resulted in 526 valid responses (29% response rate) from 139 societies.

Recipients were provided collateral describing the future states we envision for our delivery of value to members through local societies, and for our shared brand and technology platforms; the delivery of CPD; our governance structure; and local advocacy efforts. We asked high-level questions in the form of comparative states for each of the component pieces of the project.

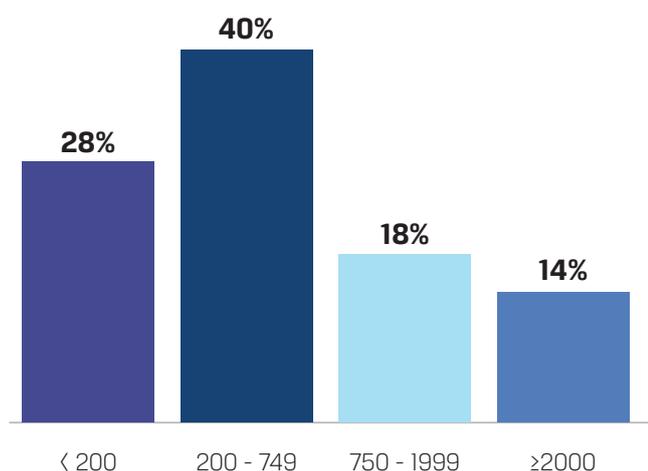
### REGION



### SUB-REGION



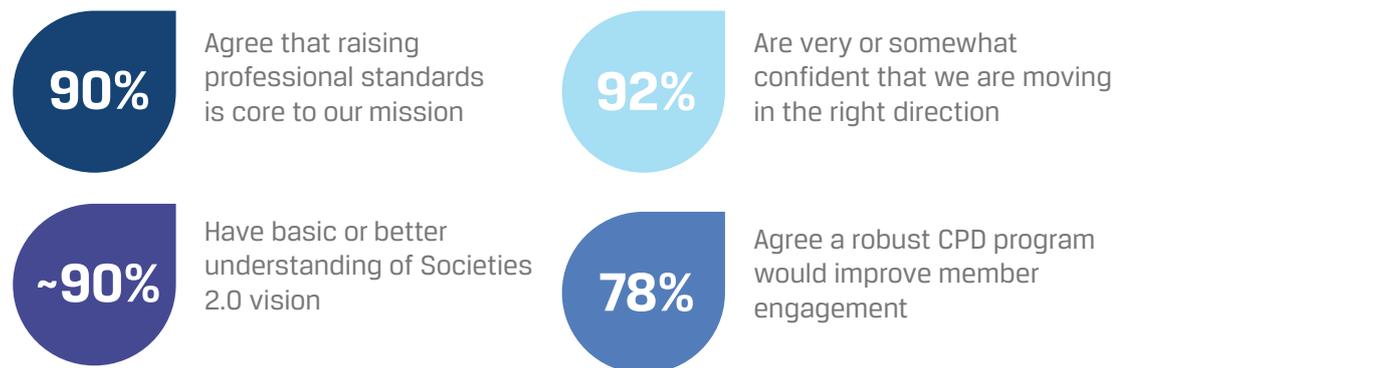
### SOCIETY SIZE



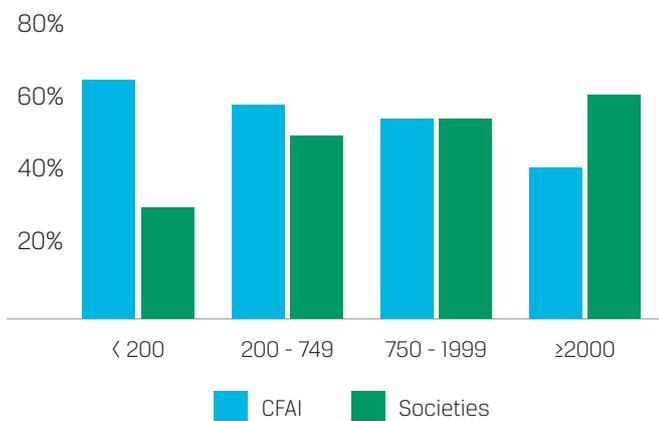
## SOCIETY LEADER CONSULTATIONS

In spring 2018 Society Relations partnered with GSD to conduct consultations with over 80 society leaders from 57 societies around the world. Participants in society leader consultations were primarily identified through the society leader survey (survey respondents were asked about their willingness to participate in telephone consultations with CFA Institute staff).

During consultations, society leaders were asked questions regarding the vision and objectives of Societies 2.0, governance, branding, advocacy, CPD, resource needs, technology, and member impact.



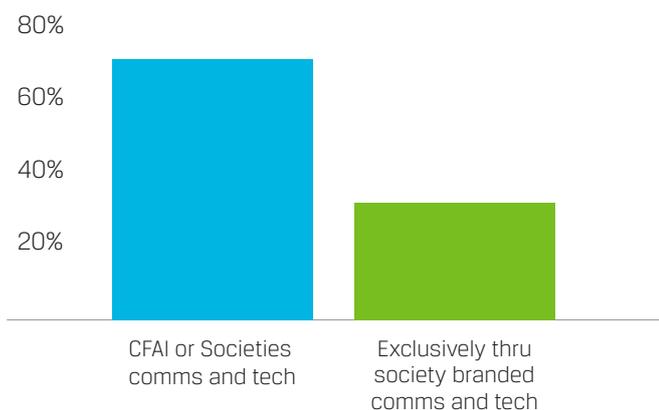
### WHICH SHOULD BE THE PROMINENT BRAND IN LOCAL MARKETS?



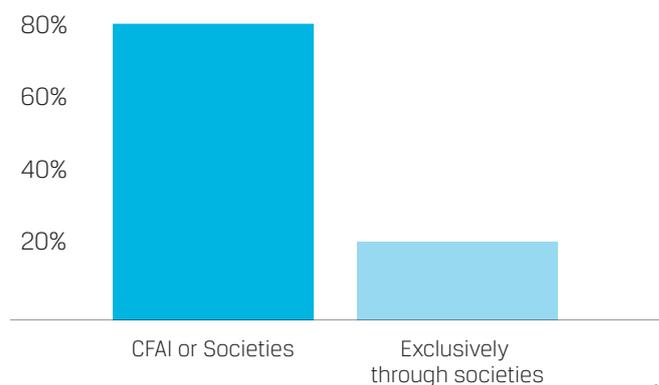
### WHICH SHOULD BE THE PRIMARY SOURCE OF MEMBER VALUE?



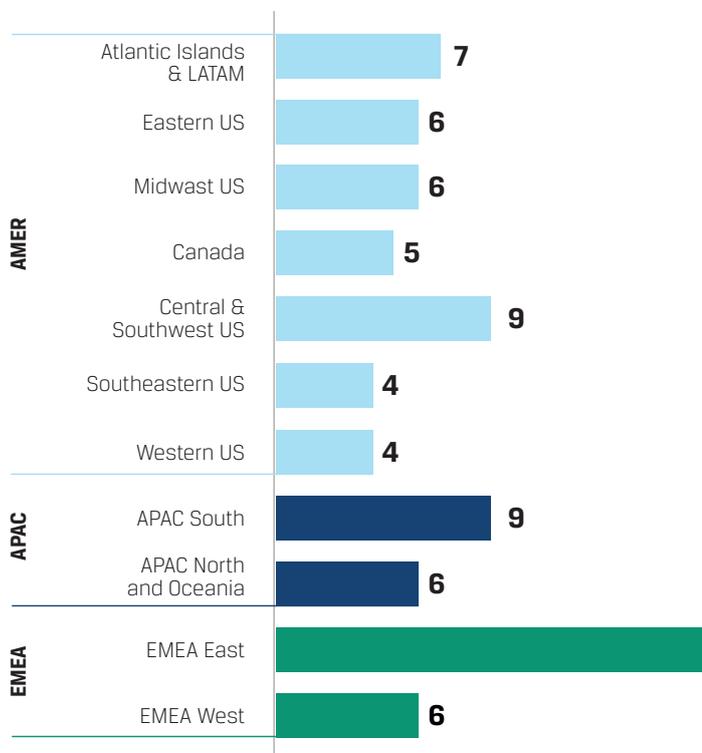
### MEMBER EXPERIENCE SHOULD BE DELIVERED BY...



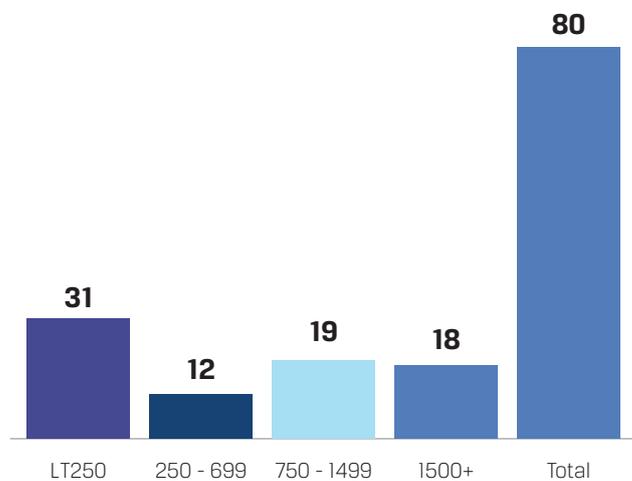
### CPD DELIVERY

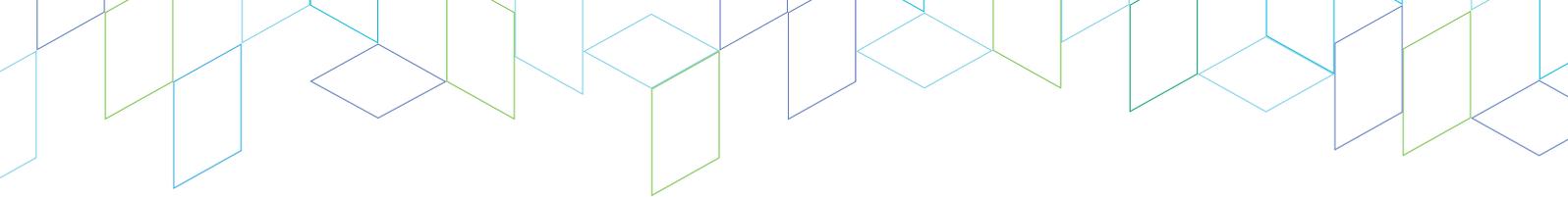


### COMPLETED SOCIETY LEADER INTERVIEWS BY SUB-REGION



### COMPLETED SOCIETY LEADER INTERVIEWS BY SOCIETY SIZE





## APPENDIX 4 – APPROACH TO DESIGN AND IMPLEMENTATION

Due to the global scale and complexity of Societies 2.0, a traditional implementation framework, in which a "waterfall" approach is used to design, build, and roll out a large solution simultaneously across geographies, is not the best delivery approach for this initiative. The need to engage a broad range of stakeholders with varying perspectives, to have flexibility in identifying and managing priorities, to conduct collaborative design, to build solutions to meet varying society needs, and to roll out solutions in a phased manner calls for an agile, iterative approach. An agile approach will enable CFA Institute and societies to deliver tangible results quickly while minimizing risk.

Design and implementation for Societies 2.0 will leverage the following agile principles:

- Iterative design and development
- Adaptability to changing society needs
- Early and continuous society leader and society staff feedback
- Early return on investment
- Incremental implementation and delivery of value

To maximize collaboration and minimize additional levels of effort, our agile approach will leverage the following existing society touchpoints:

- Society strategic planning
- Regional Society Leadership Conferences
- Global Society Leadership Conference

These key society touchpoints will be used as forums for design and co-creation sessions, to coordinate planning and prioritization, to monitor and assess progress, and to make adjustments as needed. Additional design, feedback, and reporting channels will be incorporated into our approach as needed.

It is likely that many stakeholders will require education and on-going guidance on using an agile approach. The needed support, resources, and communications will be incorporated into our approach.

## APPENDIX 5 – CHANGE MANAGEMENT AND COMMUNICATIONS

### OVERVIEW

The Change Management workstream provides the structured processes and tools for engaging stakeholders – CFA Institute staff, society staff, volunteers, and members – and promoting their awareness, knowledge, and adoption of changes associated with Societies 2.0.

The team's efforts are based on the industry-leading change management methodology developed by Prosci, Inc. (<https://www.prosci.com>) known as ADKAR.

A	<b>Awareness</b> of the need for change
D	<b>Desire</b> to participate and support the change
K	<b>Knowledge</b> on how to change
A	<b>Ability</b> to demonstrate new skills and behaviors
R	<b>Reinforcement</b> to sustain the change

To achieve the individual outcomes of the ADKAR methodology, the Change Management workstream will develop a number of tools and deliverables, including:

– **Communications Plan** – to increase awareness of Societies 2.0 and the reasons for change; improve buy-in from society leaders and staff, CFA Institute staff, and members; and provide invitations for stakeholder feedback and input. The Communications Plan includes key messages that all substantive communications about Societies 2.0 will reference and reinforce for stakeholders; communications objectives for various stakeholder audiences; and a communications schedule (with dates and communications vehicles/channels).

- **Change Impact Assessment** – to identify and document changes expected as a result of Societies 2.0, and to design strategies to mitigate the impact of those changes on various stakeholder groups.
- **Coaching Plans** – to provide guidance and coaching to those that are engaging with stakeholder groups about Societies 2.0 in various ways (such as during the Global SLC).
- **Resistance Management Plan** – to identify areas of resistance by stakeholders to the changes associated with Societies 2.0, and to help Societies 2.0 sponsors and advocates turn stakeholders' resistance to acceptance and, ideally, support.
- **Training Plan** – to develop plans for providing training to stakeholders in key areas of change, such as new business processes, new technology, etc.

The Change Management workstream team will leverage a variety of channels and forums for engaging and communicating with stakeholders about Societies 2.0, including:

- Town Hall meetings
- Lunch and Learns
- Livestream events
- Executive leadership Q&A videos
- Yammer
- SharePoint website
- Connexions

A detailed communications plan is available for review upon request.

## CHANGE MANAGEMENT WORKSTREAM MILESTONES

Milestones	Target
1. Develop Change Management Strategy	Q3 FY18
2. Develop Communications Strategy and Plan	Q3 FY18
3. Support Collection of XL Society Signatures on Societies 2.0 Vision Statement	Q3 FY18
4. Provide Change Management Support for Global SLC	Q3 FY18
5. Launch Societies 2.0 SharePoint Site (internal CFA Institute site)	Q3 FY18
6. Launch Societies 2.0 Connexions Site	Q4 FY18
7. Distribute Relationship Manager Coaching Plan	Q4 FY18
8. Release First Executive Leader Q&A Video	Q4 FY18
9. Launch Internal Change Champion Network	Q4 FY18
10. Support Collection of Non-XL Society Signatures on Societies 2.0 Vision Statement	Q1 FY19
11. Provide Change Management Support for Regional SLCs	Q1 FY19
12. Complete Change Impact Assessment Deliverable	Q1 FY19
13. Launch Society Change Champion Network	Q1 FY19
14. Share Project Updates and Success Stories (recurring monthly)	On-going

## APPENDIX 6 – SUMMARY OF FY2019 PROPOSED BUDGET

	FY18F	FY19B	YOY Increase	Change
<b>Society Pass - Through<sup>1</sup></b>				
Society Dues Bank Fees	\$0.5	\$0.5	\$ -	0%
Local Brand Activation <sup>2</sup>	8.0	11.0	3.0	38%
Advocacy Support	0.3	0.5	0.2	76%
Strategic & Project Funding	5.9	8.6	2.7	45%
Operational Funding, China RO	7.7	13.2	5.5	71%
<b>Society Pass - Through</b>	<b>\$22.4</b>	<b>\$33.9</b>	<b>\$11.4</b>	<b>51%</b>
<b>Society Technology<sup>3</sup></b>				
Development <sup>4</sup>	\$0.8	\$2.0	\$1.3	167%
Ongoing "Run" Support	0.8	1.0	0.3	33%
<b>Society Technology</b>	<b>\$1.5</b>	<b>\$3.0</b>	<b>\$1.5</b>	<b>100%</b>
<b>Other Society-Related</b>				
Training	\$0.6	\$1.0	\$0.4	59%
Society Tech Platform Support	1.4	1.5	0.1	4%
Regional & Global SLC	4.0	4.4	0.4	10%
Change Mgmt & Project Support	-	0.3	0.3	-
<b>Other Society 2.0</b>	<b>\$6.0</b>	<b>\$7.1</b>	<b>\$1.1</b>	<b>18%</b>
<b>Total Societies 2.0 (excluding staff costs)</b>	<b>\$30.0</b>	<b>\$43.9</b>	<b>\$14.0</b>	<b>\$47%</b>

### NOTES

1. Not included in operating efficiency calculation
2. Services Delivery budget
3. IT budget
4. Some development costs may be capitalized



© 2019 CFA institute. All Rights Reserved.