

# FTC Warns Consumers about “Diploma Mills”

## *Will so-called “diploma mills” impact your certification program and certificants?*

On February 1, 2005, the Federal Trade Commission (FTC) issued the “Facts for Business” guide to educate businesses on how to identify phony academic degrees. The brochure titled, *Avoid Fake-Degree Burns by Researching Academic Credentials* provides red flags for identifying degrees from “diploma mills.” The FTC defines diploma mills as institutions where candidates essentially buy degrees and credentials.

While the FTC's effort focuses heavily on academia, the program's overall goal is to weed out bogus credentials and ensure the integrity of the hiring process. Diploma mills in the form of certificate programs for professional credentials pose a similar problem for employers seeking competent and qualified candidates.

A certificate program often focuses on training for a narrow range of topics. The result is typically a document signifying completion of a learning experience such as a workshop or course. These programs may market themselves as an alternative to a professional certification program that requires less time, expense, studying, and overall effort. According to CareerJournal.com, the *Wall Street Journal's* executive career site, most experts agree certificate programs build your skills but generally do not require testing or follow-up training.

Certificate programs used for additional training are not the concern. When certificates are marketed as an equal alternative to a certification program, problems emerge.

Do employers and consumers understand the difference between a certificate and a credential? The answer is that some do and many do not. The FTC estimates diploma mills for academic degrees and professional certifications constitute a \$200 million industry. To combat this growing industry, the FTC encourages hiring managers to verify all credentials and lists “tell-tale ways to identify a bogus degree” in the materials supporting its new consumer education program.

The FTC’s advice for verifying academic degrees can be adapted for employers looking for credentialed employees:

1. Contact the organization sponsoring the certification program
2. Research the organization on the Internet
3. Ask the applicant for proof of certification and accreditation of the program

Does your credential have competition from a certificate program? If so, do employers hiring your certificants recognize the difference between your credential and a certificate? If not, NOCA offers the following suggestions to begin assessing the situation.

1. Review your market — are their competing programs offering certificates in the same industry you serve? Conducting market research to find out what certificates offer and how much impact on the industry they currently have will help you determine if more action is needed.
2. Identify the value your credential holds in the market — chances are you have already completed this step and communicate the value of your credential to stakeholders on a regular basis. But, review these value statements in terms of educating the consumer on why they would choose your credential over a certificate.
3. Identify your key audiences and determine how they get their information — who is likely to take the exam, who will employ the certificant, who has a vested interest in your program? Answering these questions will help you identify where to focus your efforts.

Many of your certificants use your credential to obtain employment or advance their career. Like the FTC, it is important to ensure the integrity of the hiring process by making the distinction between certificate and certification programs and thoroughly demonstrating the value of your certification program to employers and consumers.