Fall 2025 CAE Study Group

Domain 5: Business Development
October 30, 2025

ASSOCIATIONS West

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Domain 5: Business Development Content Outline (11-13% of exam)

- PROGRAMS, PRODUCTS, SERVICES, AND NON-DUES REVENUE
- MEETINGS AND EVENTS
- CERTIFICATION, LICENSURE, AND ACCREDITATIO N
- INDUSTRY STANDARDS
- PARTNERSHIPS

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Core Concept

Business Development in associations integrates **mission-driven goals** with a **business mindset**.

Nonprofits are not exempt from financial discipline—**sustainability depends on sound business practices** that align with the mission.

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Key Domain Areas
These drive **member value** and **financial health**

- Workforce Development – building member skills to support industry growth.
- Professional Development – creating relevant learning opportunities.
- Meetings & Events – strategic experiences that generate revenue and engagement.
- Credentialing – certifying competence to raise industry standards and recognition.
- Industry Standards – advancing best practices and credibility.
- Strategic Partnerships – collaborating for mutual benefit and innovation.

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Business Development

Entrepreneurial Thinking is Critical

Link	**Link** value creation to the association’s mission.
Innovate	**Innovate**, take measured risks, and learn from failure.
Use	**Use** data-driven insights (gather, analyze, act).
Apply	**Apply** the scan → plan → implement → evaluate cycle to all initiatives.

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The Impact of the Professional Development Function

Professional development drives organizational impact by:

1. Building industry competencies
2. Differentiating the association’s value
3. Strengthening membership and volunteer engagement across all functions

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The Impact of the Professional Development Function

- **Cross-organizational influence**
  Professional development strengthens capabilities across departments and supports the association’s overall mission.
- **Industry advancement**
  Builds member competenccies and elevates standards within the profession
- **Differentiation**
  Distinguishes the association’s offerings from competitors and enhances its perceived value among stakeholders
- **Engagement driver**
  Fuels membership recruitment and retention, while attracting and developing committed volunteers

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10 Critical Criteria to Assess New Project Requests

1. Who is the business owner (that is, the staff lead accountable for the project’s success)?
2. What is the problem to be solved with this project?
3. What are the challenges to address?
4. What are the benefits to stakeholders?
5. What are the project’s objectives and goals?
6. What is the current ‘voice of the customer’ saying?
7. How does the new idea align with the organization’s strategic plan?
8. Will new technology systems be needed to support the project?
9. Will any current systems require customization or integration?
10. What are the projected costs, revenues, and return on investment/engagement time horizons?

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CSE's Duty assessing programmatic success – evaluating what to sunset?

Evaluate when to retire programs or services by considering both return on investment (ROI) and return on engagement (ROE) to balance financial performance with member impact, culture, and mission alignment.

Gross margin and net margin show the full financial interpretation of an activity's financial performance

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Core elements in planning and executing professional development

Assess – who and what?

Plan and budget – how and how much?

Develop – build and beta

Implement – design meets learner

And then…

Evaluate, Review, Repeat

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Workforce Development: Advancing Mission and Market Impact

Member & Industry Value – strengthens the talent pipeline, ensuring the association's profession or industry remains viable and competitive.

Revenue & Relevance – serves both as a **mission-driven service** and a **sustainable revenue stream**.

Trusted Provider - Associations are viewed as **credible, preferred partners** for workforce initiatives (ASAE Research Foundation).

Future Focus – Successful programs anticipate **emerging skills**, **technological shifts**, and **employer needs**.

Measurement – success through impact metrics and organizational outcomes

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Meetings & Events: Advancing Mission and Member Engagement

Mission-Critical Function: Meetings and events deliver business, content, policy, recognition, community, recruitment, and branding value.

Organizational Impact: Fulfill bylaws requirements (e.g., annual business meeting) and reinforce the association's strategic goals.

Leadership Perspective: The chief staff executive must assess both organizational and member impact across all event activities.

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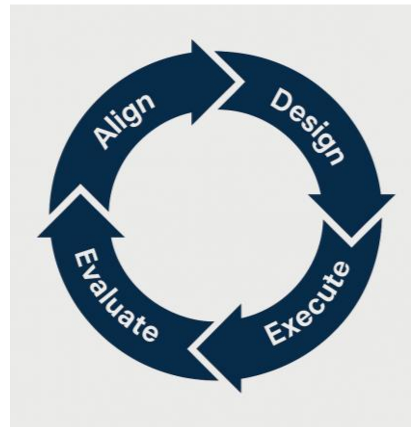
Planning, Strategy, and Measurement

Alignment & Objectives: Every event should align with the association's mission, strategy, and annual work plan.

Content & Delivery: Use data, attendee feedback, and industry trends to shape relevant formats and topics.

Trade Show Considerations: Cultivate buyer–seller relationships; define terms for exhibitors (dates, pricing, promotion, rights).

Financial Stewardship: Develop realistic budgets and evaluate both return on investment (ROI) and return on engagement (ROE).



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Risk, Ethics, and Continuous Improvement

Secure	Address	Post	Oversee
Contracts & Legal Protections: Secure written agreements; negotiate key clauses (attrition, mitigation, force majeure); obtain meeting-cancellation insurance.	Legal & Ethical Factors: Address privacy, crisis planning, and DEI practices that ensure inclusivity and safety.	Post-Event Evaluation: Gather attendee feedback to measure success—strong logistics, engaging formats, and networking opportunities are hallmarks of excellence.	CSE Role: Oversee risk management, compliance, and continuous improvement in all meeting operations.

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Certification, Licensure, and Accreditation: Core Distinctions

Certification: Recognizes individuals who meet defined criteria (education, skills, experience) and typically pass an exam—a measure, not a guarantee, of competence.

Certificate Programs: Acknowledge completion of specific education or training, not assessed competence.

Accreditation: Applies to programs or entities, ensuring adherence to established standards.

Licensure: State-regulated, legally required for professional practice in certain occupations.

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Creating and Evaluating a Certification Program

Mission Alignment → Assessment → Program Design → Stakeholder Engagement → Implementation.

Determine the **purpose**

Does it align with mission and vision?

Does the association of have capacity and resources to sustain it?

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Ensuring Integrity and Compliance in Certification

Operational Readiness

- Certification programs require **long-term investment** and **dedicated staffing**.

Credentialing Staff Expertise:

- Operations management
- Credential maintenance and renewal
- Test development, scoring, and analysis

Legal Safeguards:

- Keep certification separate from membership requirements.
- Maintain independent governance and due process.
- Ensure fairness, validity, and transparency in exams.
- Prevent bias and antitrust risk through open stakeholder involvement.

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Industry Standards: Advancing Quality, Safety, and Trust

Mission → Value → Landscape → Legal → Implementation.

Filling the Gap: Associations establish standards where regulation or market practice falls short—ensuring reliability, safety, and consistency.

Strategic Purpose: Standards should align with the association's mission and public benefit.

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Key Strategic Industry Standard Questions:

- What value does the standard provide to the field or public?
- How does it link to the mission and vision?
- What is the existing standards landscape—crowded or lacking?
- Should standards be voluntary or enforceable?
- What legal or regulatory risks exist?

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Developing Standards with Transparency and Trust

Best Practices:

- Maintain **transparency** in process and governance.
- Include **member and public perspectives**.
- Define **criteria for expertise and volunteer roles**.
- Communicate **clearly** about purpose, benefits, and impact.

CSE Role:

- Ensures stakeholder understanding, data-informed decisions, and trust-building.

Cross-Functional Collaboration:

- Engage staff beyond the standards team; set shared goals and ensure organization-wide understanding of compliance importance.

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Legal and Ethical Foundations of Standard Setting

Minimizing Legal Risk:

- Focus on essential attributes, not prescriptive methods.
- Keep standards voluntary and open to nonmembers.
- Avoid standardizing prices or fees

Codes of Ethics as Self-Regulation:

- Promote honest, fair, and transparent practices.
- Encourage ethical advertising and avoid deceptive conduct.
- Reinforce behaviors that reflect positively on the industry.

Antitrust Awareness:

- Codes must not encourage or imply anticompetitive behavior.

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Purpose and Leadership in Partnership Development

- Strategic partnerships are mission-driven business decisions.
- Strategic Intent: Partnerships allow associations to achieve goals more effectively than acting alone.
- Leadership Role: The chief staff executive assesses mission alignment, strategic needs, and organizational capacity before pursuing partnerships.
- Collaborative Landscape: Partners may include nonprofits, businesses, academia, or government.
- Critical Thinking for CAE: Understand why partnerships are pursued — to advance mission, expand reach, share resources, or increase impact — not just to cut costs.

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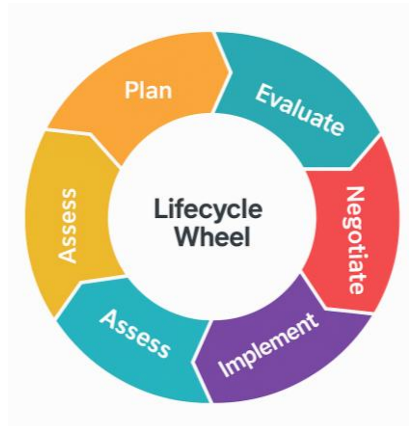
From Concept to Implementation: The Partnership Lifecycle



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Structuring Partnerships for Compliance and Clarity

Forms of Partnership: Informal collaborations, shared services, joint ventures, mergers, and consolidations.

Joint Venture Agreements: Must specify parties, obligations, funding terms, confidentiality, IP ownership, compliance with tax-exempt status, indemnification and audit rights

Avoid Legal Ambiguity: Unless formally structured, clarify that the arrangement is not a legal partnership.

Mergers & Consolidations: Require board direction, due diligence, and formal member and state approval.

Exam Tip:
Recognize the difference between **strategic alliance** and **legal partnership** — terminology and documentation matter.

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Building Trust and Ensuring Balanced Value

Governance Role: Boards must ensure that partnerships are equitable, transparent, and measurable.

Mutual Accountability: Agreements should define roles, outcomes, and responsibilities in writing to protect both parties.

Cultural Compatibility: Alignment of values, ethics, and operational style is essential for long-term success.

Post-Implementation: Regular performance reviews, communication, and adaptability sustain the partnership.

CAE Exam Perspective: Strong governance includes monitoring, reporting, and course correction — not just initial approval.

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CAE Exam Tips

- Connect business outcomes with mission alignment.
- Recognize entrepreneurial leadership traits and their impact on sustainability.
- Be prepared to apply the scan-plan-implement-evaluate model to scenarios.
- Know how data, KPIs, and partnerships drive continuous improvement.

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Questions?

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