



We Know Training Response

A LETTER TO:

Canadian Investment Regulatory
Organization (CIRO)

IN RESPONSE TO:

Consultation Paper — Proposed Proficiency Model —
Approved Persons under the Investment Dealer and Partially
Consolidated Rules

CONTACT DETAILS:

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Canadian Investment Regulatory Organization (CIRO)

Attn: Sherry Tabesh-Ndreka

Acting Senior Director, Registration

Phone: 416-943-4656

Email: stabesh@iroc.ca

CIRO Proposed Proficiency Model — Comment Letter

Dear Ms. Tabesh-Ndreka,

On behalf of We Know Training Inc. (WKT) and Business Career College (BCC), I am writing to provide feedback on the Consultation Paper regarding the proposed proficiency model by the Canadian Investment Regulatory Organization (CIRO). We greatly appreciate this opportunity to participate in the consultation process, and applaud CIRO for the transparency shown. We feel this consultative process will be a key factor in implementing a model that will raise the proficiency bar and investor protection, while lowering barriers to entry and points of friction and frustration.

About Us

To provide some context about We Know Training, we are a **full-service, technology-enabled training company** that offers a complete suite of training solutions, from interactive learning design to online course delivery and learner support. WKT has been delivering technology-enabled training and testing solutions to learners in regulated industries since 2002, when we were originally founded under the name **Yardstick Software Inc.**

We built Yardstick from the ground up, and soon became the market leaders in high-stakes testing and training. Our forward-thinking team successfully built Canada's largest professional testing and psychometric consulting company, and we've been trusted by hundreds of thousands of Canadians to administer their examinations. After the sale of Yardstick Testing to Meazure Learning, we rebranded our training division as We Know Training. WKT specializes in building and delivering high-stakes training for regulated industries where training really matters. We own and operate multiple brands/businesses that serve several regulated training industries, including:

- **Business Career College** (Finance & Insurance)
- Relo (Real Estate)
- CannSell (Cannabis)
- Danatec Safety Solutions (Safety)
- Canadian Academy of Guard Training (Security)

BCC has a long and rich history of providing training and certification programs to the financial services industry for over 25 years. In 2020, WKT acquired BCC, and has worked to bring out the best of both businesses. Combining BCC's reputation for high-quality content and customer service with WKT's industry-leading learning management technology and instructional design expertise, BCC has become a best-in-class training provider within the financial services and insurance industries.

Comments, Insights & Recommendations:

We are in support of an assessment-centric model that evaluates a learner's competence against the published competency profiles for each Approved Person defined. For CIRO's consideration, we've outlined below some of our insights and recommendations that will help ensure this model is implemented and operates as intended.

- **Endorsed/Accredited Training Providers:** To facilitate a seamless transition to the new proficiency model, CIRO should consider implementing a process where training providers can become endorsed, approved, or recognized by CIRO. This process could take various forms, from a full program review and evaluation process by CIRO to a provider attestation with audits and/or published exam results by training provider. The primary objective would be to ensure that training programs meet the established competency profiles defined by CIRO, to ensure there is at least a minimum standard of training available for learners. There are several examples of where this model exists alongside an assessment-centric model, including:
 - Alberta Real Estate and Mortgage Licensing, regulated by the Real Estate Council of Alberta (RECA)
 - Life License Qualification Program, regulated by Canadian Insurance Services Regulatory Organizations (CISRO)

In both examples, there currently is no cap in the number of approved training programs that can exist, but there is a minimum standard that must be met by industry training providers.

There are several benefits to this approach; it not only ensures quality training options are available to learners, but it also provides a structure that weeds out low-quality training offerings and enhances learner trust.

- **Published Exam Results, by Provider:** In both of the examples above, the regulator publishes the licensing exam results broken down by training provider. To improve learners' ability to make informed decisions about their educational providers, we recommend the publication of pass rates for each recognized training program. This transparency will not only benefit learners and firms, it will also keep training providers accountable for providing high-quality programs and reinforce CIRO's ongoing commitment to raising the proficiency bar.

- **Involvement of Professional Testing Experts:** We strongly recommend the active involvement of professional testing experts throughout the development, design, and ongoing maintenance of all assessments. These experts should ensure that industry best practices are followed in the creation and administration of assessments. Their expertise can help establish the validity and reliability of the assessments, ultimately enhancing the overall quality of the proficiency regime.
- **Large Item Banks for Assessment Integrity:** To protect the integrity of assessments, it is crucial to establish large item banks that can be used to construct various exam versions. A substantial item bank for each exam not only reduces the risk of item exposure but also allows for more secure and randomized exams. This measure is essential for maintaining the reliability of assessments over time.
- **Robust Competency Profiles and Published Exam Blueprints:** We recommend the publication of robust competency profiles and examination blueprints for each Approved Person category/role. Each competency profile should be comprehensive and clearly define the knowledge and skills required for each role. Having well-defined competency profiles will ensure that industry-provided training programs align with the specific requirements of each role, enhancing the relevance and effectiveness of training. Further to this, we also suggest CIRO publish the examination blueprints for each assessment. These blueprints should provide clear guidelines on the content and format of the assessments, including the weighting of different topics or competencies. Publishing examination blueprints enhances transparency and allows candidates to better understand what to expect in the exams, while also empowering training providers to better prepare learners for the final exam.
- **Implement Digital Verifiable Credentials:** Digital Verifiable Credentials (VCs) are secure, cloud-based credentials that go beyond a traditional certificate, digital badge, or PDF. VCs are tamper-proof and impossible to forge, falsify, or alter. Recognizing the importance of mitigating the risk of credential fraud, we recommend that CIRO consider the implementation of digital verifiable credentials for successful candidates as an aspect of this new framework. Digital credentials would provide a secure and easily verifiable way for candidates to demonstrate their achievements, this technology can enhance the efficiency and transparency of the certification process, benefiting candidates, firms, regulators, and industry as a whole.

Should CIRO be interested in discussing any of the above further, WKT would welcome the opportunity to expand on our recommendations listed here. We commend CIRO for its efforts to enhance proficiency standards, improve alignment with industry training, and reduce barriers to entry while maintaining investor protection. Overall, the proposed changes appear to be well-reasoned and focused on protecting the public interest. We believe that by considering and implementing the recommendations mentioned above, CIRO can further strengthen the proposed proficiency model and its positive impact on the investment industry.

Thank you for considering our feedback. We look forward to the continued development and refinement of the proficiency model and the opportunity for further input as the process unfolds.

Sincerely,



Nick Palmieri
SVP, Business Development