**AGENDA ITEM #3: BUSINESS CASE FOR NEAS PROFESSIONAL**

**OVERVIEW**

* As NEAS moves into the Revive Stage of the [NEAS 2020-2023 COVID Response Plan](https://neas.org.au/wp-content/uploads/2020/04/NEAS-Respond-Revive-Thrive-Plan_PUBLIC.pdf), there are new quality assurance services that can be offered to a greater range of organisations and individuals in the ELT Community in Australia and beyond.
* This business case proposes a way forward for NEAS Australia to quickly enter the global market as a Professional Association for English Language Teachers and claim and retain space as an innovator in quality assurance and endorsement services for ELT professionals, including:
  + Creation of a professional association for English Language Teachers in Australia.
  + Full endorsement and accreditation of English Language Teaching professionals (specifically teachers and academic managers, at all stages of their work and life).
  + Extension of education services for ELT Professionals including micro-credentials, continuing professional development and work-integrated learning, including establishment of recognition of the NEAS Master Practitioner in ELT Award recognised for advanced standing (i.e., recognition of prior learning) by universities and institutions.
  + Advocacy and representation of ELT professionals, profession and professionalism in Australia and the ASEAN region.

**KEY RECOMMENDATIONS REQUIRING BOARD APPROVAL**

1. Recruit and appoint an Education Manager for 10 January 2022 start to support this initiative.
2. Amend constitution to include endorsed agents, endorsed service organisations and endorsed ELT professionals as Full Members (upon endorsement) while noting that if more than one full member belongs or is employed by another full member, they receive Associate Member voting rights at the AGM.
3. Phase 1 of HubSpot and Legacy CRM upgrade before end of 2021.
4. Approval of a new fee structure for 1 July 2022. Announcement of new fee structure in May 2022. Implementation of 3% annual fee increase from 1 July 2022. Implementation of badge levy from 1 July 2023.

**FURTHER RECOMMENDATIONS NOT REQUIRING BOARD APPROVAL BUT PRESENTED HERE FOR INFORMATION**

1. NEAS Team to undertake intensive HubSpot and Xero training.
2. Badging tracking and payment mechanism implemented by end of 2021.

**BACKGROUND**

* The concept of NEAS Professional – a professional association for English Language Teachers in Australia was floated in late 2020 and the concept approved by the NEAS Board.
* An initial $10K for CRM review and development was approved in the FY22 Budget.
* A further investment of $17K was approved by the Board out of committee on 20 August 2021 for collaboration with a digital badging company, Learning Vault. This company was approved for partnership through a selection process. This has not been activated for funds utilised as of yet.
* A request for a more detailed business case was made at the Board meeting on 5 August 2021.
* NEAS Australia is currently an Australian charity, registered with the ACNC.
* The current constitution has three types of members: Full members (Endorsed Centres), Associate Members (interested individuals and additional centres of full members) and Life Members.
* NEAS currently has 242 Members of which 214 are endorsed. This includes:
  + Full Member Centres (listed as Full Members in Auditors Report and eligible to vote at AGM): 96
  + Associate Member Endorsed Centres (i.e., additional centres belonging to full members): 77
  + Associate Member Pending Centres (those in hibernation or application without voting rights): 22
  + Associate Member Endorsed ELT Professionals: 6
  + Associate Member Organisations (ie Endorsed Education Agents, Service Organisations): 13
  + Associate Member Individuals (unendorsed): 28
* Members are situated mostly in Australia with approximately 10% international.
* NEAS delivers quality assurance services to four distinct groups of the ELT Community: Quality Centres, Quality Education Agents, Quality Products and Services and Quality ELT Professionals.
* Since 1 July 2020, there have been 1990 new individuals registered in NEAS’s HubSpot CRM with 308 course completions on LearnDash (NEAS LMS). 180 individuals have been listed on the NEAS ELT Professional website with 7 individuals completing the capstone course Master Practitioner in ELT.
* Currently five badges are being offered to individuals for completion of various professional development and quality assurance activities: Core Courses, Specialisation, Master Practitioner, Endorsed ELT Professional and Associate Member. 180 individuals are listed on the website, with 87 current badges awarded in total. There is the intention to release two new badges for individuals in early January 2022: “ELT Qualifications Certified” and “Academic Manager Qualifications Certified”.
* Organisations are currently also offered up to seven badges for their quality assurance activity namely 25 Years Quality Commitment, Endorsed Centre, Endorsed Online Course, Endorsed ELT Qualifications, Endorsed Premium Provider, Endorsed Education Agent, Endorsed Product & Services. 199 organisations collectively hold 329 badges that need to be tracked and monitored.
* NEAS Australia’s current tech stack is fully cloud based and includes HubSpot as its CRM, with use of Xero (financial reporting and invoicing), Word Press (website), LearnDash (LMS), Campaign Monitor (newsletters), Jotform (forms, surveys and health checks), Zoom (phone, meetings, webinars), Microsoft 365 (emailing and software), Google Suite (internal files including client QA reporting) and a legacy CRM hosted with Amazon. A full review of the NEAS Tech Stack was undertaken in August 2021, the results of which are included in [Appendix A](https://drive.google.com/file/d/1TxZ6jlYy2H9ZuGVv2PThJAG6Tihb3g05/view?usp=sharing).

**KEY BENEFITS OF NEAS PROESSIONAL**

* Advocacy and representation of English language teaching professionals, profession and professionalism.
* More support services for English language teachers in Australia and ASEAN.
* Increased membership for NEAS.
* Increased visibility and credibility of NEAS, including government and regulators.
* Increased long term revenue through membership fees, endorsement services, education delivery, sponsorship and third-party product sales.

**PROJECT SCOPE**

* This 18-month project focuses on establishment and promotion of NEAS Professional – a discrete professional arm of NEAS Australia servicing English language teaching professionals (ELT Teachers and Academic Managers).
* This specifically involves development of the NEAS LMS, minor changes to the existing constitution, review and upgrades to the NEAS CRM Hubspot, review and upgrades to NEAS financial software XERO, website enhancements including an exclusive member’s area, program and course creation and establishment of policies, procedures and systems to source, recruit, engage, certify and develop English language teachers and Academic Managers in the ELT Community initially in Australia and then more widely in ASEAN.
* Services for development in this project include annual membership, qualification accreditation, endorsement, badges and micro-credentials, continuing professional development, CPD points earnings, academic manager accreditation and awards.
* Services and membership would initially be extended to 180 ELT professionals [currently listed on the NEAS website.](https://neas.org.au/quality-elt-professionals/)
* This would then be extended to 1,900 teachers in the NEAS CRM database.
* A further phase would look at expansion to an estimated 7,500 teachers at NEAS endorsed centres globally.
* Further development would be made to the Master Practitioner in ELT and partner universities and institutions would be sought for recognition of the NEAS Master Practitioner in ELT Award as RPL for ELT Qualifications.
* Governance and management of NEAS Professional activities would be retained by the NEAS Australia CEO and potentially a sub-committee of the NEAS board, reporting to the NEAS Board.
* There will be a required amendment to the constitution to include endorsed agents, endorsed service organisations and endorsed ELT professionals as Full Members (upon endorsement) while noting that if more than one full member belongs or is employed by another full member, they receive Associate Member voting rights at the AGM. There would need to be an EGM to approve these changes.

**INVESTMENT AND PAYOFF**

* There is an investment of $236K for this project over 24 months. $27K has already been approved in FY22 Budget and a further $43K is unbudgeted and being sought approval for expenditure in FY22. This cost is for appointment of a new role of Education Manager in January 2022. Marketing and campaigns to promote the service to teachers and Academic Managers are already budgeted in FY22. All other investment will need to be included in FY23 Budget for board approval in April 2022.
* No direct revenue is expected from this activity in FY22. The key payoff for this investment is creation of four new ongoing revenue streams from FY23, with a potential additional revenue of $253K per annum from FY23:
  1. Revenue from annual membership fees for independent individuals, potential in FY23 to be $14K (target 50 individual Associate Members @ $275).
  2. Revenue through badging for 200 organisations and 7,500 teachers both directly from teachers as members and indirectly through volume badge packaging to full member centres as part of their annual membership fees. Potential to be $106K in FY23.
  3. Revenue from sales of additional professional development opportunities for public (excluding conference). Potential to be $56K in FY23.
  4. Revenue from additional sponsorship and advertising directed to teachers and academic managers. Potential to be $77K in FY23.

**PROPOSED IMPLEMENTATION**

* Stage One will involve recruiting and appointing an Education Manager to support ongoing content and program creation, all professional development activities, management of individual database, administrative and quality control over the badging, micro-credentialing and award of the Master Practitioner program and related pre-requisite programs. Stage One also involves a review of NEAS’ tech stack and preparation of HubSpot to manage existing core business and absorb management of high volumes of individual teachers, allowing simplification of the NEAS Tech Stack and elimination of the NEAS legacy CRM.
* Stage Two involves a new fee structure from 1 July 2022 for endorsed members with a gradual onboarding of members each month for 12 months, including incentives for endorsed organisations to encourage their teachers and academic managers to activate their membership and utilise badges. This includes a soft launch of NEAS Professional from 1 March 2022.
* Stage Three involves hard launch of NEAS Professional at the NEAS Management Conference in May 2022 and activation of approx., 2,000 ELT professionals already registered in NEAS Online and the NEAS HubSpot database.
* Stage Four involves replicating the model more widely in Australia and ASEAN for an estimated 7,500 teachers and academic managers both freelance and employed by NEAS endorsed centres from 1 March 2023. This also involves hard implementation of the new fee structure for all members from 1 July 2023.

**WORKFORCE AND TRAINING**

* It is recommended to immediately recruit an Education Manager with the following skills set:
  + Cross sector experience including higher education, VET, ELICOS and high school
  + Professional association experience
  + Program design and training background
  + International education and/or international business development
  + Micro-credentialing and/or short program development
  + Technical expertise and financial, budgeting and project management.
  + Digital transformation.
* The NEAS core team will need to be further trained on HubSpot, Learning Vault and Xero.
* Assessors will need to be trained on endorsement of ELT professionals, HubSpot and Learning Vault.

**RISKS**

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| **Risk** | **Control** |
| 1. Move too slowly and a competitor releases an association | Act quickly. |
| 2. Competitors join forces to establish a peak body | Consult at appropriate time with English Australia and IEAA. |
| 3. Price point too high for teachers and/or members | Offer campaigns in the first 12 months and utilise soft launch strategies. Undertake competitor analysis. Package badges with providers. |
| 4. Capacity of NEAS CEO and staff and governing body. | Engage consultant to help with database and website management. Appoint an Education Manager to oversee activity. |
| 5. Industry not stable until July 2022 | Review project at every board meeting. |
| 6. Teachers becoming too powerful by volume of membership. | Engage NEAS members – start a self-governing committee reporting to the Board. |
| 7. Non-recognition of association by ASQA / TEQSA / DESE | Engage and consult with ASQA / TEQSA / DESE. |
| 8. Funds blow out | Careful budget monitoring, phased approach. Education Manager role initially 12 months role with possibility of conversion to full time continuing. |
| 9. Double governance costs and resources | Planning at Board level for proposed governance structure, retained within existing Board. |
| 10. More education agents, teachers and service organisations than centres and possible conflict of interest. | At a later stage, separate entities and governance structures may need to be developed to mitigate this. In the initial stage this will be mitigated by ensuring Full Members are allocated Associate Member status for voting at the AG I they are related to the same organisation. |

**DETAILED PHASES AND COSTING**

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| **Stage** | **Activity** | **Cost** | **Notes** |
| **Stage One**  **2021 Q3-Q4: Build on Current Successes in Expanding Professional Development, Micro-credentials, and Badging for ELT Professionals** | * Invest in a system to track and control award and use of the NEAS badges and micro-credentials * Change the nomenclature of the NEAS badging system to two levels: badges and micro credentials * Upgrades to HubSpot to prepare for increased volume and enhanced membership management * Make changes to constitution and update websites. * Design and recruit new role of Education Manager * Review and refresh pathways for teachers and Academic Managers | Tech Stack Review $5K (Budgeted in FY22).  Digital Badges and Implementation $17K (Approved by Board, included in FY22Q1 Forecast).  HubSpot Optimisation to eliminate legacy CRM and Campaign Monitor $5K (Budgeted in FY22). | A tech stack review has been completed. |
| **Stage Two**  **2022 Q1-Q2: Embed Continuing Professional Development Requirements in Quality Assurance Processes for Members** | * Appoint new role Education Manager from 1 January 2022. * Engage in advocacy, marketing and promotion activities with centres and teachers to encourage teachers to engage in professional development * Incentivising centres to support teachers in professional development * Change the status and process for approval of Associate Members | Education Manager $85K pa ($43K Un-budgeted in FY22).  Campaigns and marketing in Australia and ASEAN $16K (Budgeted in FY22).  Stage One upgrade for Hubspot $10K (Budgeted in FY22) |  |
| **May 2022: Launch NEAS Professional – A Global Association for the English Language Teaching Professional** | * Launch at NEAS Conference 2022 | Costs included in conference costs |  |
| **Stage Three**  **From 1 July 2022: Phase in new Fee Structure for Members**  **2022 Q3-Q4:**  **Promote NEAS Professional more widely in Australia** | * Introduction of proposed new member fee structure to include annual fees for endorsement of all categories, and inclusion of badges based on registered staff volume. * Encourage teachers from all NEAS members to activate their membership through incentives and campaigns. * Activate 7,500 teachers who are employed by NEAS members globally. | $5K for financial consultant.  Ongoing salary of Education Manager $85K.  $5K Campaigns and marketing.  $5K Website / Shop Creation for products and services for teachers and Academic Managers.  Stage Two HubSpot Upgrade $40K to be budgeted in FY23 |  |
| **Stage Four**  **2023 Q1-Q2: Replicating More Widely within Australia and ASEAN.** | * Promote this model through Australia and ASEAN and grow the organisation as a global Professional Association for English Language Teachers and Academic Managers. * Hard implementation of the new fee structure for all members from 1 January 2023. | NA |  |

B=Budgeted, UB=Unbudgeted

**POTENTIAL ADDITIONAL REVENUE STREAMS FOR NEAS**

1. Market potential in Australia is 7,500 professionals. Sales of professional development online courses, badging, micro credentials, mentoring programs, events and conferences.
2. Sponsorship and website marketing opportunities for sponsors wishing to engage with ELT professionals (e.g., publishers, test providers and service providers)
3. Sales of magazines, textbooks and other literature on NEAS Professional Online Shop Front.
4. Book reviews, products and services listed in blog, website and online newsletters / magazines.
5. Placement fees for human resource companies and schools that require temporary teachers.
6. Accreditation of teacher and manager credentials and experience to assist ELT centres determine pay scales for teachers.
7. Research and Reports
8. Delivery of Teacher Qualifications and Post-Nominal
9. Teacher training and delivery in ELT centres.
10. Database and data mining.

**PROPOSED NEW FEE STRUCTURE FROM 1 JULY 2022**

* It is proposed from 1 July 2022, that a new fee structure be established to incorporate fees for ELT professional membership and professional development costs into annual membership fees.
* This will include several key initiatives:
  1. Members annual fees will continue to be invoiced for a full twelve months up to 30 June 2022 at current fees. Those members with outstanding, overdue or part payments will continue to be encouraged by incentives and then penalties to consolidate a commitment to membership by 31 December 2021 and full payment prior to 30 March 2022 and cessation of non-current members on 30 June 2022.
  2. From 1 July 2022 a new annual QA base fee will be issued with a 3% increase across all items (annual fees, additional centres, application fees and course fees, associate member fees and community endorsements).
  3. As part of the annual fee from 1 July 2022, full members will also be encouraged to invest in an annual allotment of NEAS badges which can be used for multiple purposes:
     1. Formal digital certification of their membership, premium products, 25-year anniversary, ELT qualifications and online courses.
     2. Formal digital certification of their employees’ qualifications, awards and achievements and professional development.
  4. Members will be invited to invest in the additional badge levy from 1 July 2022. From the 1 July 2023 this badge levy will be automatically added to their annual fee.
  5. Annual allotment of badges will be calculated based on the self-reported number of teachers and academic managers employed at the organisation (approx. AU$10 per badge). This will be determined by the number of reported teachers in the previous year’s annual returns. Centres will be consolidated in four categories:
     1. Small centre (under 10 teachers, allocated 55 badge tokens, +$500)
     2. Medium centre (11-30 teachers, allocated 155 badge tokens, +$1,550)
     3. Large centre (31-50 teachers, allocated 255 badge tokens, +$2,550)
     4. Very large centre (50+ teachers, allocated 500 badge tokens, +$5,000).

An initial sampling of members with this new fee structure is included in [Appendix B](https://docs.google.com/spreadsheets/d/1TOsG58GDhcOLRyDwN2dI-aG9qxWhdpYM/edit?usp=sharing&ouid=109046791311712040788&rtpof=true&sd=true).