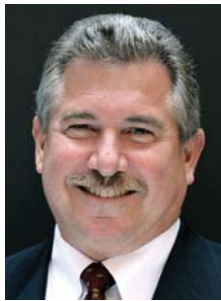


CLFP Foundation: 30 Years of Raising the Bar

BY MEGEN DONOVAN



CLFP Foundation's Reid Raykovich, along with First American Equipment Finance's Bill Verhelle and Dave Schaefer of Orion First Financial and Mintaka Financial, spoke with *Monitor* to discuss the benefits of the CLFP designation in the equipment leasing and finance industry — and why advocating it at all levels of an organization is key to the Foundation's continued growth.



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CEO,
Orion First Financial &
Mintaka Financial



REID RAYKOVICH
Executive Director,
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BILL VERHELLE
CEO,
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The equipment leasing and finance industry comprises hundreds of companies — captive, bank-owned, independent, etc. — employing thousands throughout the U.S. However, only a little over 200 have a designation that some say shows a commitment to the industry above and beyond the average.

Reid Raykovich, CLFP Foundation's executive director, says the CLFP designation, in its 30th year, "creates a subset of professionals who have dedicated their professional careers to the industry, and they have decided to adhere to standards of conduct. It sets a bar that everyone should strive for — and that's not only being the best in terms of intelligence or education, but the best in terms of ethics."

While Raykovich acknowledges that each current and aspiring CLFP has his or her own reason for taking the time to study and sit for the eight-hour exam, Dave Schaefer, CEO of Orion First Financial and Mintaka Financial, says undertaking this process sets leasing professionals apart from the rest of the field.

¹ The CLFP Foundation and CLFP designation recently were rebranded from the original "CLP Foundation" and "CLP" designation names. For more information please see: <http://www.monitordaily.com/news-posts/clp-foundation-changes-name-incorporate-finance/>.

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— Dave Schaefer, CEO, Orion First Financial & Mintaka Financial

“It shows their commitment to our industry, and that they are well rounded and have the general knowledge of all aspects of what we do,” he says. “I think what it says is we are an industry that cares about certification, and there’s a way for those who choose to differentiate themselves.”

All industries benefit when their members take the time to become more knowledgeable and professional, states Bill Verhelle, First American Equipment Finance (FAEF) CEO. “This industry is fairly technical and has a lot of jargon,” he says. “When people have a more precise understanding of the industry and terminology, combined with a comprehensive knowledge of all aspects of equipment finance, I believe that it helps the whole industry execute at a higher level. Ultimately, it’s a personal responsibility to continue learning and developing throughout your career. I think some of the best companies create opportunities for individuals to continually improve themselves.”

Creating opportunities for employees is top of mind for FAEF, which Verhelle describes as a “flat” organization, with a minimal hierarchical structure. It is important to Verhelle and FAEF president Alan Sikora to instill in their employees the notion of being responsible for self-improvement. “We hire a lot of young people right out of college — top graduates who are highly talented, professional and smart,” Verhelle explains. “We’re always looking for ways to help all of our colleagues develop professionally and further their careers with First American. The CLFP program helps us achieve this goal. We’ve made it available to everybody, in all departments, to take the study program — which we pay for — and take the test. And we just think it’s a great way for our employees to continue to develop their careers, make measurable progress in their professionalism and their knowledge, and become more valuable as individuals.”

Raykovich says she is grateful for this kind of internal support at various companies throughout the industry. “They’re not just investing in their employees’ education,” she says. “They’re actually investing in their employees’ professional futures. Even if those

individuals leave, they're taking their certification with them. It says so much about an organization when they actually encourage and sponsor continuing education, especially for those who are willing to make the commitment to take time out of their personal lives to study."

But why don't more leasing and finance professionals sit for the exam?

"I find that most people's fear is not the time it takes to prepare for the exam — it's the fear of failure," Raykovich notes. "And I get it. Going into an eight-hour exam — especially for someone who may not have been in school for 10, 20 years — it can be very intimidating." However, she notes that the Foundation "offer[s] candidates the opportunity to work with a current CLFP who can help guide them through the process and be there for questions and support. The CLFP community is very supportive and eager to guide candidates through the process. I have yet to find one who has prepared and passed the exam who regretted it, and they are always eager to help others."

Another possible factor that may hold back professionals from taking the exam is a misconception regarding for whom the designation is meant — that is, it's not solely for lenders and lessors.

"It's a general certification," Schaefer explains. "It's not a single discipline. That's the value of the certification: it's a very broad body of knowledge. If you are in underwriting, you might know underwriting really, really well, but you might not know collections or accounting. That's why the certification [is valuable]; it's to make sure you have a broad body of knowledge."

"We've always taken the approach that every job is important and meaningful," says Verhelle. "That's why we have encouraged everyone across our organization to consider the CLFP. If everyone, from the receptionist to the CEO, understands the business and the way we serve customers and add value, it's going to benefit the customer, the organization and the industry."

In addition to including all individuals within a leasing company (sales, collections, etc.), Raykovich says there is an opportunity for service providers like accountants and lawyers to take advantage of the CLFP designation.

"It's also important to remember that it's for the service providers in the industry," she stresses. "I was working for Premier Lease and Loan Services (now Great American Insurance), which provides risk insurance for equipment finance companies. I was a relationship manager and wanted to know everything that my clients knew. I wanted to really understand what was keeping them up at night and I found that the CLFP designation was the best way to do it. Going in front of my clients and being able to say, 'I have mastered the information that you deal with daily,' because it's not something I dealt with daily; I was dealing with insurance."

"It was the journey of learning everything that made me a better partner to my clients because I could intelligently answer their questions and try to find a better solution," Raykovich continues.

“The CLFP designation creates a subset of professionals who have decided to dedicate their professional career to the industry, and they also have decided to adhere to standards of conduct. It sets a bar that everyone should strive for — and that’s not only being the best in terms of intelligence or education, but the best in terms of ethics.”

— Reid Raykovich, *Executive Director*, CLFP Foundation

This training, Raykovich explains, offers all parties interested an opportunity to not only gain an education, but also to be tested as an individual. "I think that it's one thing to go and get the education," she says. "The journey of becoming a CLFP is just as important as passing the exam."

The CLFP Foundation has been working on new initiatives to assist in CLFP training. "One of them is the Academy for Lease & Finance Professionals," Raykovich says. "It's a two-day course (eight hours each day) and on the third day, the exam will be offered (it's not mandatory). It's designed to help candidates succeed when sitting for the exam, goes over the required portions of the test in-depth and will be taught by CLFP subject matter experts in each of the areas."

Besides passing the exam, Raykovich says other requirements include an annual renewal and a recertification every four years. In order to complete recertification — and remain in "good standing" — the CLFP Foundation provides CLFPs options to contribute to the industry outside of their everyday work.

"Basically we want to make sure everyone remains active in the industry," she says. "It's easy to gain a designation and just ride on the coattails, but continuing education components could be attending a conference or writing an article. Our CLFP *Circular* is dependent on volunteers, and those are people who are CLFPs in good standing who write articles or provide training, and those all count."

Providing training, proctoring the exam and advocating for the designation are ways CLFPs can give back to the Foundation and help continue its exponential growth.

"I'd like to see it grow," Schaefer says. "I'd like to see it more broadly adopted. I think it's a very positive association that I see becoming bigger. Just talk it up. It's networking and talking about its value and the importance to the industry."

"I promoted it as a leader in the organizations that I've been with," he continues. "I've supported it because I believe in it, and both of the companies I've come from have been packed with CLFPs. I do think it starts at the top."

Verhelle agrees, saying it has worked for him and Sikora at FAEF. "Some of the senior people took it and came back and said it was a really great study program, there was a lot of great content that was

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organized very well," he says. "I think just a little bit of internal discussion with someone senior in the organization will lead to a commitment."

Raykovich says there is a great deal of hunger for knowledge out in the industry — especially entry-level employees — and there are plenty of CLFPs willing to take the time to mentor and assist in the CLFP designation journey.

"Current CLFPs are the most important marketing tool that I have," she says. "Now that we have our numbers growing, the best part is I have this pool of really eager individuals who feel this is an awesome process and want to share it with other people. All of our board members and committees are staffed by volunteers, and I'm always delighted to see how many people are willing to sacrifice their time for the CLFP cause. I'm never at a loss for people to help me." ■

MEGEN DONOVAN is a *Monitor* contributor.

2 Learn more at <http://www.monitordaily.com/news-posts/clfp-introduces-academy-lease-finance-professionals/>