Rock-Stock LLC

d/b/a The Professional Hair Design Academy, Eau Claire, WI Institutional Planning and Improvement Massage Therapy - July 2024

I. School Information

Rock-Stock LLC

d/b/a The Professional Hair Design Academy ("PHD Academy" or "PHD")

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II. Planning Elements

A. Mission

The intent, purpose and principal objective of the courses offered by the Academy is to train and graduate professionals in Cosmetology, Nail Technology, Massage Therapy and Cosmetology Instruction with poise, appearance and proficiency capable of licensure and professional practice in an entry level position in the relevant field of their choice.

B. Market

The nature of our business is to provide education preparing students for licensure and gainful employment within their chosen field of study. Our primary customers are our students, which include recent high school graduates as well as non-traditional students. We typically offer two massage therapy classes each year. The institution emphasizes small class sizes. We attend various career and educational fairs to expose ourselves to individuals seeking information. Our primary method of advertisement is social media. Specifically, the Professional Hair Design Academy Facebook page. Our nearest competitor is Chippewa Valley Technical College ("CVTC") in Eau Claire, Wisconsin.

C. Management

Our team includes a program director, school administrator, financial aid advisor, active owners and an advisory board. All members work together to

create a curriculum and atmosphere for student success. The advisory board meets in person and by telephone to discuss, among other topics, curriculum, facilities, equipment, completion rates, placement rates, and support services. Student and employer surveys collected are also reviewed and comments/suggestions provided are considered for programs adjustments and improvements.

D. SWOT Analysis

Student Feedback

The institution solicits formal student feedback regularly through on-on-one meetings and surveys of current students and graduates. This allows the institution to gather feedback from each student several times during the course of his/her training and to see how that feedback has changed. Results of student surveys are compiled and summarized. That information is discussed with staff and advisory board members to determine specific areas of improvement to focus on.

Feedback from the institution's most recent massage therapy graduates was largely positive. Most were happy with the quality of their education and were happy that they attended PHD Academy. Several recent graduates did comment that the program did not meet their expectations. When questioned why, most students who indicated that the program did not meet their expectations felt that their was too much theory or lecture training and not enough hands-on. While the institution can incorporate some additional hands-on training into its curriculum, the institution believes that all of the theory training is important because it is required by the state approved curriculum and for preparing students to pass the national certification examination required for their licensure.

(*Update July 2021*) For its 2022 School Renewal Application the institution used a standard cohort year running from July 1, 2020 through June 30, 2021. Most, if not all, students within the cohort were impacted by the Covid-19 pandemic and several students who began the program in March of 2020 withdrew from the program as a direct result. Despite certain challenges, almost all students within the cohort reported that the program met their expectations and were satisfied with the school, which was an improvement from the prior year. Some students expressed that they would like a hybrid model of education that utilizes both on-site

learning and distance education. Other feedback indicated a desire for education on certain advanced techniques like cupping and acupuncture.

(*Update July 2022*) For its 2023 School Renewal Application the institution used a standard cohort year running from July 1, 2021 through June 30, 2022. Overall student feedback for the cohort was positive. When asked what they enjoyed most about the program, the most common responses were the educators and the hands-on nature of the program. Suggested changes included: better organization, additional washers and dryers, and distance learning options.

(Update July 2023) For its 2024 School Renewal Application the institution used a standard cohort year running from July 1, 2022 through June 30, 2023. Overall student feedback for the cohort was mostly positive. When asked what they enjoyed most about the program, the most common responses were the educators and staff and the hands-on nature of the program. Suggested changes included: providing more flexible opportunities to make up missed time, devoting additional time to the kinesiology portion of the curriculum, and more field trips / guest speakers.

(*Update July 2024*) For its 2025 School Renewal Application the institution used a standard cohort year running from July 1, 2023 through June 30, 2024.

Student Licensure

In previous years the institution reported that a low percentage of its students were attempting a national certification examination after graduation. Several students expressed that examination fees were an impediment. Educators now discuss testing fees at several times during the course of training and encourage students to budget for the expense. The expense is also discussed by admissions staff prior to student enrollment. The institution believes that recent efforts to communicate testing fees to students has been successful.

One of the institution's current focuses is on improving the pass rate for first-time MBLEX test takers. According to its most recent Annual Report, the Federation of State Massage Therapy Boards (FSMTB) reported that 73.4% of MBLEX candidates passed the exam on their first attempt. The overall pass rate among all candidates was 67%. The institution has set a goal of having at least 75% of its graduates pass the MBLEX exam on

their first attempt. Some things that the institution will do to achieve that goal include encouraging students to take the exam within two months of graduation, more discussion of the various resources available to students to prepare for the exam and how best to use them, and administering a mock MBLEX exam prior to graduation simulating the MBLEX environment and time constraints.

(*Update July 2021*) For the 2022 School Renewal Application cohort the institution continued to place increased focus on MBLEX preparation. Students are given a mock MBLEX several times during the program. The institution now administers a mock MBLEX during the first week of class so students are familiar with the test format and content. The institution has been pleased with the results as students are reporting that they feel confident taking the MBLEX exam when they graduate.

(*Update July 2022*) The emphasis in recent years on increasing focus on MBLEX preparation appears to be successful. According to the School MBLEX Performance Report provided in February of this year, the institution's overall MBLEX pass rate was 93.3% for the 2021 calendar year. The state and national averages during that time period were 78.1% and 62.0% respectively. The school intends to continue this emphasis in subsequent years with the goal of producing similar results. The institution's ultimate goal is a 100% MBLEX pass rate.

(*Update July 2023*) Graduating students are continuing to meet their licensure requirements at a high rate. In 2022, the Institution came close to meeting its goal of having 100% of its graduates pass their national certification exam. According to the School MBLEX Performance Report provided in January of this year, the institution's overall MBLEX pass rate was 96.0% for the 2022 calendar year. The state and national averages during that time period were 70.4% and 64.0% respectively. 95.8% of the Institution's graduates passed the exam on their first attempt. That is compared to a state average of 78.2% and national average of 71.0%. The school intends to continue this emphasis in subsequent years with the goal of producing similar results.

(*Update July 2024*) Graduate licensure remains strong. Although the institution had fewer students attempt the national certification exam in 2023, all but one passed the exam on their first attempt. Thirteen students took the MBLEX for the first time in 2023 and twelve passed, resulting in a

92.3% pass rate for first time exam takers. This compares to an overall state average of 74.9% and national average of 71%. The institution continues to be close to meeting its goal of a 100% pass rate for first time MBLEX test takers.

Massage Therapy Educators

Dominique Sarafin was hired as the Massage Therapy Program Director. She oversees all training and has received very positive results from students. The institution utilizes other part-time educators when needed. Sarah Johnson continues to be employed as an educator and the Clinic Supervisor. Overall, the institution is pleased with the quality of its education team.

The institution continues to emphasize the importance of ongoing training for its educators. As a condition of employment, each educator must complete at least 12 hours of continuing education each year, including at least 4 hours of continuing education focusing on teaching methodology.

(*Update July 2021*) The institution is extremely fortunate to have an excellent team of massage educators that is still led by Dominique Sarafin and Sarah Johnson. Both are passionate about education and student satisfaction. The institution considers its current group of educators to be the biggest asset to its massage therapy program.

(*Update July 2022*) The institution still considers its educators to be the biggest strength of its massage therapy program as it is continued to be lead by Dominique Sarafin and Sarah Johnson. The institution hired three new part-time educators during the cohort period to assist with classroom instruction and clinic supervision. Ms. Sarafin will be taking a three-month sabbatical starting in July of this year. Rochelle Strum, a former graduate of the institution, will be the lead classroom educator during that time.

(*Update July 2023*) The institution lost a key member of its massage therapy faculty in 2022 when Dominique Sarafin elected not to return from a three-month sabbatical. Sarah Johnson assumed the role of program director after Ms. Sarafin's resignation. The institution hired several experienced and knowledgeable part-time massage therapy educators in late 2022 and early 2023 that are still currently employed with the institution. They include: Julie Kessinger, William Raich, Carolyn

Langkamp, and Cassi Dietel. Overall, the institution is very pleased with the quality of its massage therapy education team.

(*Update July 2024*) The institution has been fortunate in that its team of massage therapy educators remains unchanged. Julie Kessinger, William Raich, Carolyn Langkamp, Sarah Johnson, and Cassi Dietel all continue to be employed part-time. Each one of them brings years of experience as both a massage therapy practitioner and educator. Rochelle Strum took a brief time away to focus on building her massage therapy business, but she returned as a member of the team. The institution considers its team of educators to be the biggest asset to its massage therapy program.

Massage Therapy Curriculum

The institution is continually evaluating and developing its curriculum. Within the past year, the institution has analyzed and most revisions to all of its written exams and quizzes by eliminating any questions that could be considered subjective and emphasizing questions that are typically found on the MBLEX. The institution also completed the review and updates to its lesson plans.

(*Update July 2021*) The institution transitioned its students to distance education from April 1, 2020 to June 1, 2020, which required modifications to the curriculum. Overall, students were happy with the quality of the distance-learning education but indicated that they preferred on-site learning.

(*Update July 2022*) The institution is pleased with the overall quality of the education that is being provided as evidenced by the school's MBLEX pass rate. The institution has recently reviewed and revised portions of its kinesiology curriculum based on feedback from students. The institution is also evaluating a new business training curriculum that was recently incorporated into the institution's cosmetology curriculum.

(*Update July 2023*) The institution reviewed and updated certain lesson plans since its last renewal application, but there were no significant changes to its massage therapy curriculum.

(*Update July 2024*) With new federal regulations scheduled to go into effect on July 1, 2024, which would prevent programs that exceed the state minimum training hours from participating in federal student aid, the

institution has evaluated the hours required by its massage therapy program. The institution's massage therapy program is currently 630 hours, 30 hours more than the state minimum of 600. The institution has conducted an extensive review of its curriculum to determine how to eliminate 30 hours from the program while continuing to meet state curriculum requirements and maintaining the same quality of education. Changes would include removing hours in several different subjects and eliminating a chair massage requirement. The institution has prepared a new program outline for a 600 hour program and is prepared to implement those changes when necessary.

Massage Therapy Facilities

In late 2017, the institution installed new privacy curtains in its practical training area. Recent focus has been on repairing and/or replacing massage tables and other equipment.

In 2019, the institution's massage therapy facilities are in good working order. Recent focus has been on technology updates. Specifically, a new laptop and projector for the massage therapy classroom. Emphasis in 2020 has been on the safety of the facilities to protect students, staff, and guests from Covid-19. The institution doubled the size of the classroom space used by the massage therapy program by combining two classrooms into one to allow sufficient social distancing between students and educators. Facilities are sanitized several times per day, and students and staff are screened each day with a temperature reading and completion of a health screening form.

(*Update July 2021*) The institution continues to utilize a larger space by combining two classroom areas for massage therapy training. In 2020, the institution replaced several massage tables and chairs. The institution is also in the process of adding additional privacy curtains.

(*Update July 2022*) The institution continues to utilize a larger space by combining two classroom areas for massage therapy training. The institution completed installation of additional privacy curtains in its massage therapy classroom. Recent student feedback has included requests for an additional washer and dryer near the massage therapy classroom. The institution will evaluate the feasibility of those changes.

(*Update July 2023*) The institution purchased replacement massage chairs earlier this year.

(*Update July 2024*) The institution reports no significant changes to its massage therapy educational space and facilities.

Competition

In 2017, Broadview University terminated its operations and discontinued all massage therapy instruction. This institution continues to serve the immediate geographic area. Enrollment has increased, but the institution still has capacity to train additional students. Tuition costs have not been increased as the institution is committed to providing students with an affordable education. Currently, the closest competitor is Oak Tree Massage School in Rice Lake, WI. From the limited feedback that it has received, the institution is confident that its students receive a higher quality of education than that provided by Oak Tree.

Current competition remains largely unchanged. The institution was recently advised that Chippewa Valley Technical College is considering re-introducing its massage therapy program. This institution will distinguish itself from that program by continuing with small class sizes and a student to educator ratio of no higher than 10 to 1 (current ratio is 5 to 1).

(*Update July 2021*) The institution reports no significant changes to its competition.

(*Update July 2022*) The institution reports no significant changes to its competition.

(*Update July 2023*) Chippewa Valley Technical College in Eau Claire recently began enrolling students for its massage therapy program, which is scheduled to begin classes in 2024. This may have a significant impact on enrollment in the institution's massage therapy program, but it does not affect the institution's mission of providing a high quality of education at an affordable cost.

(*Update July 2024*) In its prior renewal application, the institution reported that Chippewa Valley Technical College ("CVTC") had started enrolling students for its massage therapy program, which was scheduled to launch

in the fall of 2024. For various reasons, CVTC has delayed the start of its program. Its first class is now scheduled to begin in the fall of 2025. This institution still questions whether the market can support two massage therapy schools and the additional number of massage therapists that will be seeking job placement.

E. Future Think

In late 2017, the institution was reaccredited by its accreditation agency. Evaluators were very positive about the quality of the institution's curriculum and facilities. The institution is happy with the current state of those critical elements. The institution will continue to develop its curriculum to address any developments that occur and recent trends in the industry.

The institution is also pleased with the quality of its current educational staff. The institution will continue to invest in those people with continuing education opportunities.

With many massage therapy schools, like Globe University and Broadview University, ceasing to provide massage therapy training in recent years, the institution has an opportunity to increase its enrollment. It knows, however, that it must continue to provide a high-quality education at an affordable price. Unemployment rates are historically low but the demand for massage therapists in the area is currently very high. In order to help meet the demand of employers in the area, the institution is committed to training more massage therapists. The institution continues to market its program to its geographic market with the intention of recruiting additional students. A large portion of the institution's marketing budget is currently being devoted to social media marketing.

Student recruitment is also assisted by positive word-of-mouth from recent graduates. Graduates have been very pleased with the quality of their education, and the institution is generating more student leads as a result.

Overall, the institution is pleased with the current state of its massage therapy program, but it has identified areas for improvement. It is committed to continuing to invest in its educators and facilities and will continually strive to improve student outcomes. Specific areas identified

for improvement are meeting students' program expectations and improving pass rates for first-time MBLEX test takers.

In 2020, the demand for licensed massage therapists continues to be very high. Between 2018 and 2028, the Bureau of Labor Statistics projects a 22% increase in the job outlook for massage therapists. This is much higher than the projected growth rate for all occupations. The institution is seeing this trend in its own market as the institution is receiving many inquiries from massage therapy employers searching for new massage therapists. In an attempt meet this demand, the institution has been starting two massage therapy classes each calendar year. Class sizes will be limited to no more than 12 students per class. Additional start dates can be added if two class starts are insufficient.

(*Update July 2021*) The institution is happy with the current direction of its massage therapy program. Student satisfaction has improved, and students reporting that they are confident when they graduate. The institution considers itself extremely fortunate to have a small but excellent team of educators. Despite the Covid-19 pandemic, the demand for massage therapists in the institution's geographic area is very high. The institution strives to help meet demand by training future massage therapists who will become successful licensed professionals. The institution likes its current program structure, which starts two classes per year. The institution intends to increase the capacity in each class to prepandemic levels, which may require at least one additional part-time educator.

(*Update July 2022*) The institution is generally pleased with the quality of its massage therapy program. Its biggest asset continues to be its educators. Dominique Sarafin will be starting a three-month sabbatical in July of 2022. While the institution is very hopeful that she will return, it must prepare for the event that she does not. The institution must also examine its current student charges. The institution is committed to keeping the program affordable and has not increased tuition costs for several years. However, costs are increasing in almost every category, and the institution must find a way to increase educator compensation if it expects to maintain the quality and longevity of its education team.

(*Update July 2023*) Little is known at this time about CVTC's massage therapy program that will begin in 2024. The institution questions whether

the market will support two massage therapy schools. The institution must monitor demand and adjust accordingly.

(*Update July 2024*) There are currently at least two things that could significantly impact the future of the institution and its massage therapy program. The first is the anticipated introduction of a new massage therapy school to the market. As previously discussed, that is expected to impact demand for the institution's massage therapy program. The institution will continue to focus on providing a quality education at an affordable price, but a second program in the market is still expected to be impactful. Also of significance are new federal regulations that began to take effect in July of this year. Those regulations may require the institution to remove thirty hours from its massage therapy program. The institution is prepared to implement those changes if necessary. The new regulations will also make it more important than ever that students achieve gainful employment in their field of study upon graduation.