

CERTIFIED FINANCIAL PLANNER

BOARD OF STANDARDS, INC.

**Annual Certificant and Consumer Survey Results
and
Applications to Student Recruitment and Retention**

Presented at:

**2009 Program Directors Conference
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1 Session Objectives

1.1 Present results from two major CFP Board surveys that are relevant to Registered Programs and Program Directors

- Telephone survey of 333 randomly selected Certificants
- Internet survey of 1742 consumers representative of U.S. Census demographic data

1.2 Highlight initial implications for registered program student recruitment and retention

1.3 Place survey data and implications into a broader content: current–anticipated economic conditions; public policymaking; GEN “X” and GEN “Y” characteristics; institutional requirements and policies, etc.

2

Effective Recruitment– Retention Strategies

Understand your market

- Relevant market size and characteristics
- Needs and expectations of current and potential students



Create unique value proposition

- Salient student benefits: professional and program
- Create clear and compelling message themes



Deliver the proposition and message

- Repetition, repetition, repetition
- Traditional and innovative media

3 Certificant Survey Data

3.1 Demographics of Certificants are revealing and provide a positive marketplace environment

- Almost 50% of Certificants worked in the financial services industry before entering financial planning
- Financial planning is a “young profession” and provides intergenerational benefits

Certificant Age	Percent
➤ Under age 40	25
➤ 40-55 age range	48
➤ Over age 55	26

3

Certificant Survey Data (cont)

3.1

(cont)

- Highly focused and motivated adult learners populate the profession

Certificant Profile	Median Years
----------------------------	---------------------

- | | |
|---|-----------|
| ➤ Entered personal financial planning field | 31 |
| ➤ Current age | 51 |
| ➤ Years working before expected retirement | 15 |
| ➤ Age earned CFP® Certification | 39 |
-

- Women are attracted to the profession but opportunities for more recruitment exist

Certificant Gender	Percent
---------------------------	----------------

- | | |
|----------|-----------|
| ➤ Male | 72 |
| ➤ Female | 28 |
-

3

Certificant Survey Data (cont)

3.1

- (cont)** ➤ Certificants are highly educated and demonstrate a desire and capacity to learn

Highest level of academic achievement	Percent
➤ Less than high school	0
➤ High school graduate	1
➤ Some college	7
➤ 2 year college degree	5
➤ 4 year college degree	52
➤ Advanced: Masters or equivalent	33
➤ Advanced: Doctorate or equivalent	2

3

Certificant Survey Data (cont)

3.1

- (cont) ➤ Diversified employment opportunities exist in the profession

Employer Type	Percent
➤ Large National Firms (LNF)	36
➤ Mid-sized/Regional Firms (MRF)	7
➤ Small Firm/Solo Practice (SFS)	44
➤ Other Types of Firms (OTF)	13

- Opportunities exist for financial success through provision of competent and ethical services

Practice Profile	Under age 40	40-55 age range	Over age 55
Median number of clients served each year	100	125	150
Median yearly personal income from personal financial planning services	\$100K	\$130K	\$157.5K

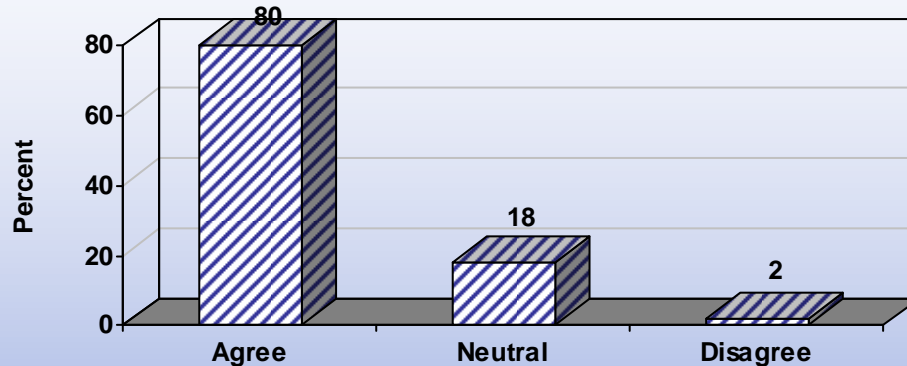
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Certificant Survey Data (cont)

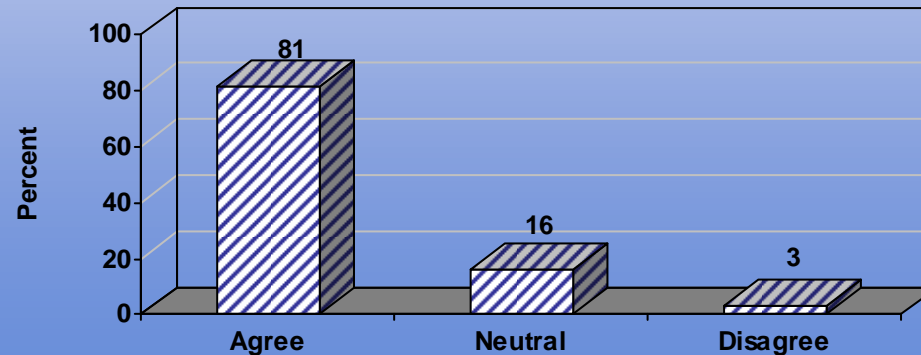
3.2

Certificants are highly pleased with their professional career process and choice

- Earning CFP® Certification rewarding in personal terms



- Earning CFP® Certification rewarding in professional terms



3

Certificant Survey Data (cont)

3.2

- (cont) ➤ Certification is a major catalyst for success

Certification contributes to professional success

Percent

➤ Definitely Yes	74
➤ Neutral	20
➤ Definitely No	6

- Certificants are highly satisfied with their careers

Career choice satisfaction

Percent

➤ High	89
➤ Average	6
➤ Low	5

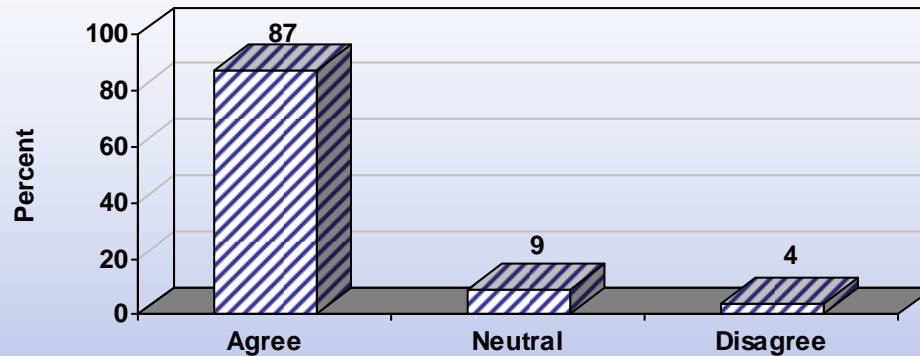
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Certificant Survey Data (cont)

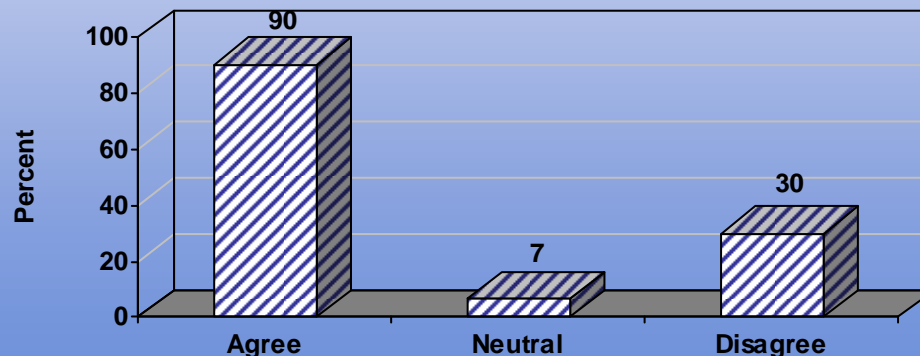
3.3

Specific certification process attributes are sound and student friendly

- CFP® Certification education requirements are appropriate and necessary



- CFP® Certification Examination is fair and rigorous



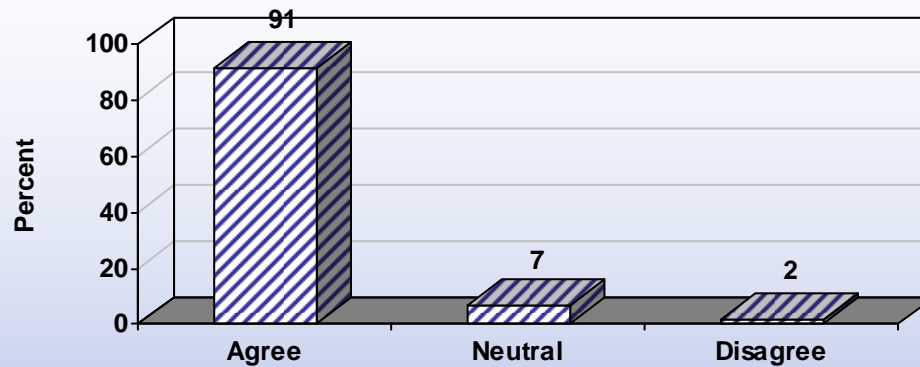
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Certificant Survey Data (cont)

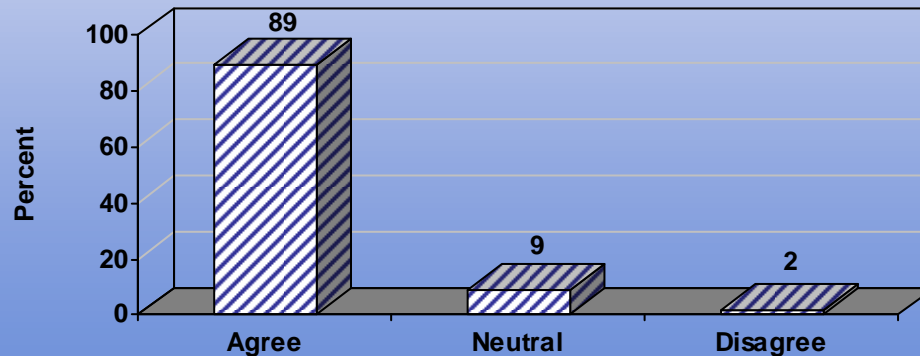
3.3

(cont)

- CFP® Certification ethics component strengthens credibility



- CFP® Certification experience component is appropriate, necessary, and desirable



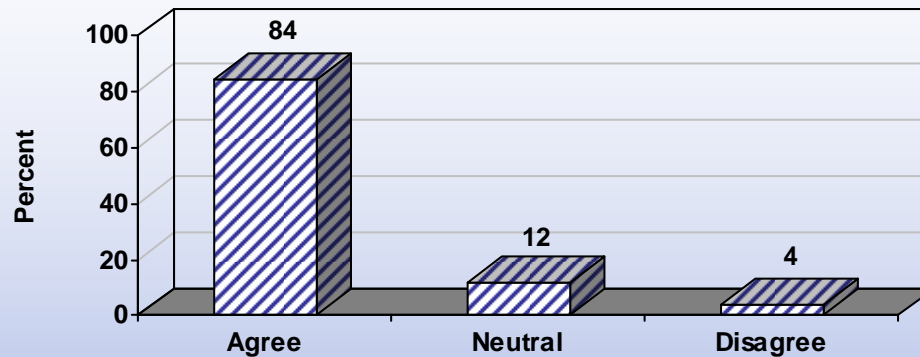
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Certificant Survey Data (cont)

3.3

(cont)

- CFP® Certification continuing education requirements are appropriate, necessary, and desirable



4 Consumer Survey Data

4.1

Financial planning issues and needs highlight what is important to consumers and help to establish skill set expectations for financial planners and advisors

Financial Planning Issues

- Generating current income
- Providing health insurance coverage
- Managing/reducing current debt
- Building a retirement fund

Financial Planning Needs

- Retirement goals and planning
 - Wanted advice on a broad range of financial matters
 - Savings goals and planning
 - Investment goals and planning
-

4 Consumer Survey Data (cont)

4.2

Significant marketplace opportunities exist for financial planning services and service providers

Financial Plan In-Place	Percent
➤ Yes, written plan in-place now and updated regularly	17
➤ Yes, written plan in-place now but not updated in past year	8
➤ No, not now but a written plan was in-place in the past	11
➤ No, never had a written plan in-place	64

4

Consumer Survey Data (cont)

4.2

(cont)

- Financial plans are associated with education income, and investable assets

Financial Plan	Education			Income				Assets		
	<High School	Some college	College>	<\$50K	\$50K - \$100K	\$100K - \$150K	\$150K>	<\$100K	\$100K - \$1ML	\$1ML>
In-place and regularly updated	11%	18%	23%	11%	20%	28%	33%	11%	30%	38%
In-place but not updated in past year	4	10	10	6	9	11	12	6	13	16
In-place in the past	8	13	13	9	12	11	17	11	11	11
No, never had a plan	77	59	54	74	59	50	38	72	46	35

4

Consumer Survey Data (cont)

4.3

CFP® credential has significant presence in the financial services marketplace

- General awareness of certifications

Certifications for Financial Professionals	Percent
➤ CPA (Certified Public Accountant)	53
➤ CFP® (CERTIFIED FINANCIAL PLANNER™)	28
➤ CFA (Chartered Financial Analyst)	13
➤ CLU (Chartered Life Underwriter)	12
➤ PFS (Personal Financial Specialist)	10
➤ RIA (Registered Investment Adviser)	10
➤ ChFC (Chartered Financial Consultant)	5
➤ Not aware of a credential	40

4

Consumer Survey Data (cont)

4.3

(cont)

- CPA and CFP® credentials have reputations for ethical conduct

Certifications for Financial Professionals	Percent
➤ CPA (Certified Public Accountant)	38
➤ CFP® (CERTIFIED FINANCIAL PLANNER™)	17
➤ PFS (Personal Financial Specialist)	3
➤ CFA (Chartered Financial Analyst)	2
➤ ChFC (Chartered Financial Consultant)	2
➤ CLU (Chartered Life Underwriter)	2
➤ RIA (Registered Investment Adviser)	2
➤ Don't know	33

4

Consumer Survey Data (cont)

4.3

(cont)

- Consumers most frequently seek out and use three types of professionals for financial planning and feel that their professional provides credible and competent services

Professionals	Percent
➤ Accountant/CPA	86
➤ CFP®	81
➤ Financial Advisor	77

- Consumers feel confident that their financial professional puts their interest ahead of all others

Professionals	Percent
➤ Accountant/CPA	80
➤ Financial Advisor	73
➤ CFP®	72

4

Consumer Survey Data (cont)

4.3

(cont)

- Consumers benefit significantly from financial plans prepared by their financial professional

Professionals	Percent
➤ Accountant/CPA	71
➤ CFP®	69
➤ Financial Advisor	65

- Consumers benefit much less from financial plans prepared with no involvement of a financial professional

Benefit	Percent
➤ High	48
➤ Average	39
➤ Low	9
➤ No Opinion	4

4

Consumer Survey Data (cont)

4.3

(cont)

- Consumers enjoy relatively long-term relationships with their financial professional

Professionals	1–5	6–10	11 or Longer
➤ Accountant/CPA	34%	17%	48%
➤ CFP®	48	23	29
➤ Financial Advisor	43	26	21

5

Discussion and Conclusions

5.1

Market Characteristics: _____

5.2

Unique Value Proposition: _____

5.3

Delivery Mechanisms: _____

**“Competitive advantage isn’t doing one thing 100% better than your competitors...
it is doing 100 things 1% better than anybody else.”**

—Sam Walton