

What message does becoming a CFP® professional send clients and employers?

By some estimates there are 300,000+ financial advisors/planners working in the United States. Of these professionals, only 83,000, or 28%, are CERTIFIED FINANCIAL PLANNER™ professionals. With this wide disparity, what sort of message does becoming a CFP® professional send to clients and employers?

For employers looking to hire, the CFP® designation is a way to distinguish yourself from the crowd. The CFP® marks send a clear message that the person has devoted a significant amount of time studying, understanding and applying the fundamentals of financial planning. That is an automatic. Any employer involved in the personal financial planning field will know about the many credentials associated with the field, and it is a given that the CFP® marks are the gold standard of all the many “alphabets” associated with field.

An employee who has earned these marks is someone who is dedicated, self-disciplined and truly interested in the financial planning business. This certification is not something undertaken as a lark! Such professionals will be able to join a financial planning organization and begin contributing on day one. They understand the need for accurate CRM recording, the importance of compliance procedures, the need for client confidentiality, and the value of listening to clients’ goals, values and concerns.

The CFP® marks are also a marketing tool for employers. They can “advertise” the qualifications of their financial planners and they will be sure to highlight those who have these marks. This will send a message to potential clients that they are devoted to providing their clients with the best possible service, with knowledgeable, experienced and exceptionally qualified financial planners.

For clients, the CFP Board is continuing the public education and awareness process regarding what the marks represent. But to many already, there is an understanding that the use of these marks indicates a financial planning professional who has gone above and beyond the norm to practice this profession and they know that the financial planner will be serving in a fiduciary capacity. These marks are the sign of a professional who has studied ethics, insurance, tax planning, estate planning and retirement planning, and demonstrate that an individual has a solid understanding of how these all interoperate in the financial planning process. The CFP® marks are looked upon as the gold standard within the financial planning industry because of the thorough education, training experience required. A CFP® professional will be able to view a client’s personal financial status holistically, from a complete approach, and not just one from a sales perspective. The CFP® professional will understand education planning needs, IRA’s, 401(k)’s, and 403(b)’s, and they will be able to assist clients in planning their financial future, with a plan devised around their risk tolerance.

In summary, the CFP® marks are a way for employers and employees to distinguish themselves from the competition. The marks are synonymous with experience, knowledge, professionalism, capabilities and, perhaps most important nowadays, being a fiduciary. Putting the effort into earning this distinction will send a clear signal of one’s devotion to the financial planning business.

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