

MANAGING YOUR MONEY

Work With A Client-Focused Financial Advisor

(NAPSA)—An increasing number of people are choosing to become financial planners and the varied reasons for this career move may be informative.

When Patti Houlihan, CFP™, went back to school in 1982 to pursue education in the fledgling field of financial planning, she did it mostly to stay busy and keep her mind off the loss of one of her three young children.

A former high school math teacher, Houlihan also considered going to law school or becoming a CPA but became intrigued by financial planning: "It lets you do everything."

Most of the people in the financial planning course came from similar backgrounds.

"They were people who were re-tooling from other careers," said Houlihan. "My best friend did it with me. She was an art history major who just happened to like the stock market."

In 1985, the year she received the CERTIFIED FINANCIAL PLANNER™ certification, there were 12,000 CFP practitioners in the U.S.

Sixteen years later, Houlihan, who is president of a comprehensive financial planning firm in Oakton, Va., and chair of the Board of Governors of the Certified Financial Planner Board of Standards, Inc., is one of more than 37,000 CFP professionals in the U.S., and 63,000 internationally.

"People recognize the CFP certification and know who we are," said Houlihan.

CFP Professionals Today

Who they are is a far cry from who they were when Houlihan became a CFP practitioner. Today's candidate for certification is a CPA, an attorney, a practicing planner who wants the recognized certification, a bank trust officer, an insurance or financial services professional, or an account manager within a mutual fund company.

"The professional demand for getting the CFP certification is tremendous today," said Houlihan.

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"It says a lot about credibility that these professionals are saying they want to be a CFP practitioner because their clients want to know why they're not one."

A CFP Board survey found that 55 percent of consumers were familiar with the certification, and of those who had already worked with a financial planner, 82 percent were familiar with it. More importantly, 91 percent of consumers who actually work with a CFP practitioner were extremely or very satisfied.

The Distinguishing Mark

According to Houlihan, results like these aren't surprising. CFP practitioners practice client-centered, goal-oriented, holistic financial planning. While thousands of people call themselves financial planners, the CFP mark distinguishes those who have met professional and ethical standards.

"Consumers have a huge range of choices and an alphabet soup of credentials from which to choose," said Houlihan. "Some of them suggest a lot of different things but few deliver comprehensive planning."

Elaine Bedel, CFP™, agrees. Bedel, of Indianapolis, Ind., a CFP practitioner since 1981 and the chair-elect of CFP Board's governing body, says that a CFP professional's broad knowledge base helps create the total financial picture for a client.

"It's knowing how things like investments, insurance and employee benefits all fit together," said Bedel. "Sometimes a client

won't even know to ask 'what are my other options?'"

"A CFP practitioner looks at all those options, even ones that he or she may not be directly involved in managing."

Guided By A Code Of Ethics

Bedel points out that because a CFP practitioner is bound and guided by a code of ethics to put the client first, the planner may point out that clients should be putting a child's tuition money into the state's education savings plan, for example, as opposed to having the planner manage an account for the same purpose.

"Our primary ethical standard is to meet the client's needs, and not with a generic plan or set of financial products," said Bedel. "Working with a planner with the CFP certification who must adhere to certain ethics and practice standards gives consumers that level of added confidence."

CFP professionals are found in such diverse settings as one-person, sole practitioner offices on Main Street and in major insurance, financial services and brokerage firms on Wall Street.

Houlihan envisions the day that cocktail party conversations will include the question "Who is your CFP practitioner?" But, she acknowledges that the general public is still learning about the value of seeking advice from this type of professional.

"Planners used to be the keepers of the information," Houlihan said. "That was before the Internet and CNBC. Now, you can get any amount of information you want. But, CFP practitioners are the people who make sense of it all, who apply knowledge, experience, wisdom and management to it."

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