

The Financial Planning Fast Track

An intense, half-year training program may do more than change how a financial professional becomes a CFP® Certificant, it may change who becomes a CFP® Certificant.

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Forget the evening classes one or two nights a week. Forget the years of studying before becoming a licensed financial professional. Forget sitting for a test that covers material last reviewed 18 months ago. Jeff Rattiner, CFP®, says he's found a better way to become a CERTIFIED FINANCIAL PLANNER™: Participants in his Financial Planning Institute become CFP® Certificant's faster, are more likely to pass the exam and experience fewer interruptions to their current work life than other would-be licensees.

Rattiner has been providing a desperately needed solution for deep-pocketed banks and insurance companies that are replacing their "salespeople" with "advisers" -- and need to do it quickly to remain competitive. His Institute is succeeding by doing a neat end-run around CFP Board rules and may end up shaping the future of the certification -- and the financial planning profession.

Rattiner calls his program Financial Planning Fast Track (FPFT), and it lives up to its name: He prepares his students, 15 at a time, for the CFP® certification examination in just six months using a simple but intense system. When prospective CFPs sign up, he sends them material for the first class with strict instructions to review it before showing up. A few weeks later they fly to his training facilities in Denver for the first session: financial planning process and insurance planning. He then subjects his students to four straight eight-hour days of study, Thursday through Sunday. "In those four days of classes we really beat the hell out of them," Rattiner says. "We go through each area of the book -- testing, cases, problems. I even make them work at night. They're swamped."

It doesn't stop there. Rattiner hands them more materials to study in preparation for the second four-day weekend, five weeks later, which will cover investment planning. Sessions three through five cover income tax, employee benefits and estate planning, with a sixth and final review class. "It's intense," boasts Rattiner. "I say upfront, 'I'm gonna work your butt off.' They're making a mistake if they think it's just four days of listening to some decent speakers. They have to prepare beforehand."

Of course, there are scores of programs to prepare for the CFP® certification examination. Is Rattiner's program as effective as other methods? No, says Rattiner, it's *more* effective. For example, he says 75% of the SunAmerica Securities reps who went through FPFT passed the exam, and 67% of the Wells Fargo brokers and trust officers passed. By comparison, only 54% of all applicants who sat for the July 2001 exam passed, according to the CFP Board.

The secret of Rattiner's success? First of all, the retention rate is much better, he claims: "I can retrieve something I learned five months ago more easily than something I learned two years ago." He also thinks his method of having students spend a few weeks studying the material then getting it explained and reinforced during class helps retention. The students know what they don't know, he says. "They've read the material and they're getting the information in a condensed manner, which allows for better absorption." Of course, eight hours a day of technical material can be a challenge, but Rattiner adds real-life case studies -- "war stories" -- to make the material more accessible.

The students themselves also play a role in the program's success. Although Rattiner will deliver the six-part course at a company's headquarters, he has set up his own facilities in Denver. Rattiner believes most of the students who come to him are paying their own way, as opposed to being reimbursed by an employer, and the investment of \$3,600 tuition, plus hotel and airfare, usually means a committed student.

According to Rattiner, a typical student is a busy professional already involved in some aspect of finance who says to himself or herself, "You know what, this is an area I feel I can focus on really strongly, and I want to separate myself from the crowd. Now, even though I have other designations or licenses, I want to show I am a specialist in financial planning." The program gets brokers, bankers, insurance agents, CPAs -- "even a couple of lawyers." These professionals like his program, he says, because of its speed and because they give up relatively few days over the half-year period. In turn, stresses Rattiner, they have to understand that students must attend and pass every day, or they won't have met the CFP Board's strict education requirement.

The FPFT program appears to be making its students happy. For example, Hartley Goldstone, a trust officer at Wells Fargo in Denver, says the immersion program was "great" and helped him pass his exam. The format was a mix of lecture with questions that could lead to discussion, and this, along with the outlines and other printed material Rattiner provided, helped him get through the vast amounts of material in a short time. "As a working professional, I needed to get going," he says.

However, Goldstone touched on one strength of FPFT that could be a weakness for other fast-track training programs: "Rattiner sustained a high energy level," he says, "otherwise this would have been tough going." Is such an intensive program sustainable? Can it be a model for others, even with a less-than-engaging instructor? Everyone has a memory of a yawn-inducing class or conference session that lasted just an hour. A tedious lecturer for *eight straight hours* would be unbearable. And although Rattiner uses other instructors on a contract basis, he has personally taught all the modules at some point and the success of the program depends on his presentation skills and unique background.

Rattiner not only has considerable technical mastery -- he was director of technical standards for the CFP Board -- he also is a practice management expert and served as director of professional development and corporate sponsorship for the Institute of Certified Financial Planners. He is a well-regarded lecturer and writer -- he writes the Advanced Planning column for this magazine, and last year Bloomberg Press published his book, *Getting Started as a Financial Planner*. A CPA, Rattiner was Technical Manager in the personal financial planning division of the American Institute of Certified Public Accountants, where he organized and ran the annual PFP Technical Conference and served as editor of the PFP column for the *Journal of Accountancy*.

Without a powerful personality, any company that seeks to emulate him may find it difficult to replicate Rattiner's success. A training program that leads to an above-average pass rate does not just happen; the FPFT program works because it's a canny mix of unique Rattiner touches and well-established training concepts of a past generation.

Rapid training is a proven method with a distinguished history, according to Jeanne Nolan, Ph.D., principal and founder of Nolan and Associates, learning and knowledge-management advisers to corporate and educational organizations. Although she is not familiar with the specifics of Rattiner's program, she says corporate training has seen a lot of new approaches in recent years -- or in this case, the resurrection of an old one. This immersion, or "boot camp" style, as followed by FPFT, actually came out of World War II, says Nolan, who has been an education and training executive at such companies as PeopleSoft and BEA Systems. "It came from the military world into the corporate world, the idea of immersion for intensive training," she says. "It's been used for sales and technical training in situations where it has to be done quickly." The key point is practice and repetition for increased retention, a necessity not lost on Rattiner, who stresses that students read the material before they show up for each class.

Others may emulate this system as demand for CFP® certificants rises, but for now, Rattiner believes his program is unique in the financial planning orbit. The novelty of the program hides what may be his greatest success: getting the CFP Board to accept it. The Board makes the decisions on what hoops planners have to jump through to get the designation. It decides not only what education an individual needs, but also who can give that education. To date, some 142 institutions are approved to give the

proper education. Rattiner's firm is not an eligible entity, because it is not a college or university, but Rattiner got around this technicality by affiliating with an approved school of higher education, the Metropolitan State College of Denver. As an independent instructor Rattiner does the marketing and arranges for the teaching essentially on behalf of Metropolitan, which grants the certificate of completion.

Rattiner also has to follow the curriculum as prescribed by the CFP Board, handed down from Mount Sinai and applicable no matter how quickly or slowly the applicant pursues the coursework. However, the Board does waive the education requirement for those with certain educational backgrounds (the so-called challenge status). That is, they can sit for the test without taking the approved classes. This special group includes lawyers, those with CPA, CFA, ChFC or CLU designations, and those who have a doctorate in business or economics or a doctorate in business administration. (Certain others may be waived from parts of the educational requirement.) Nevertheless, being allowed to sit for the exam doesn't mean these professionals have the knowledge to pass it -- which is undoubtedly why some of them find themselves in Rattiner's class anyway.

These are men and women who are already successful professionals. But what about those who can't afford the tuition plus six roundtrips to Denver plus hotel rooms? Efficiency's price is steep. Rattiner says his methods help his students advance to the next level quickly, so the course pays for itself because the students are more effective financial professionals immediately. But what of those who don't even have the beginning of a practice yet?

Maryann Huebner, CFP[®], runs MCH Financial Planning & Tax Services in Massapequa, N.Y., and teaches financial planning at nearby C.W. Post College. It's a more traditional setup; most of her students take one class a semester at night over two years. With tuition spread out over several semesters and no airfare or hotels to handle, it's a less expensive, if lengthier, proposition. For students with little or no financial background, she also teaches a special review course to bring them up to speed. "It's for career changers," she says. (Rattiner also can offer review classes, although it is not part of his FPFT program.) Huebner has also been brought into insurance companies and brokerages to teach. "It makes it more convenient for the employees. And when a group takes the class together at work, there's an automatic study group," she says.

It's early days yet for Rattiner's program, but it's possible it will create a de facto two-tier educational system. One group would be those who are financially and psychologically capable, even eager, to become a CFP[®] certificant in half a year, and those who are bound to stretch it over 24 months. Those already with successful broker-dealer, accounting or legal practices, who must jump quickly into financial planning to catch the wave, will want to sign up for FPFT. In the past, they may have despaired of taking the time to do it the old-fashioned way. Meanwhile, others will continue to take classes as undergraduates, or bit by bit as already working adults. After all, financial planning is a hot profession and a recession may increase the demand for more, as the do-it-yourself investor becomes a phenomenon of the past. As Huebner pointed out, C.W. Post even had to start a special course for would-be planners with no financial background.

Planners and educators may argue over which is the better system, and perhaps a long-term study will someday correlate the most successful planners with certain training programs. What is certain now, however, is that the ultimate efficacy -- and popularity -- of differing systems will affect which kinds of people can and will become the next generation of planners. Market forces are at work here, but so is the CFP Board, which through its Board of Examiners decides which institutions will be approved to prepare CFPs. And Rattiner is very comfortable with his relationship with the Board: "They're excited about what I'm doing. It has opened a whole new channel."

Nevertheless, the CFP Board of Examiners may be ambivalent. It's true that new CFP Board CEO Louis Garday has publicly called for CPAs and lawyers -- busy professionals -- to become CFP[®] certificants, and Rattiner's program is ideal for them. But do the rank-and-file, the members of the Board of Examiners, really want the fast influx the FPFT program can deliver -- people who otherwise may have

entered over years, if at all? James Knaus, CFP[®], chairman of the Board of Examiners, had some comments on who is coming into the fold and how they are getting there, and he is less than enthusiastic about intensive learning programs. "As I see it, intense learning programs may be suitable for those who have already undertaken an educational program, but only as a topic review course to prepare a candidate for the national exam," he says. "Such an intense program cannot substitute for the educational endeavor of a typical registered program. ... Moreover, information absorbed in such a short period of time in the condensed format will tend to leak out rather quickly for most participants."

Still, Knaus does see some use for such programs for busy professionals, but "only as an ancillary tool to prepare the candidate for the national exam. If a professional has one of the current designations that qualify for challenge status then the intense program may be suitable, but probably only for those actively engaged in the practice of financial planning." Like Garday, he says he welcomes other financial professionals who want to become CFP[®] certificants, and Knaus believes more training programs may crop up as more become interested. However, he does not foresee major changes in the Board's education policy in reaction to this. Knaus stressed these are his own opinions, and he is not speaking for the CFP Board or the Board of Examiners.

If Knaus and others are skeptical, it isn't without precedent. CPAs, who have been licensed for over a century, have gone through a lot of educational changes, as auditing has faded and technology consulting has risen, for example. New students want a new curriculum and new methods to prepare them for a changing profession. But there's always an old guard that's unhappy with the changes. The CFP Board may have seen the future. And it may work. But they don't have to like it.

That's for the future. For the present, Rattiner is happily turning out successful planners, and eager professionals are happily attending. "We're going out there and telling everyone to take it up a notch. We're working on getting people who are informed, getting more professional people to give financial advice," says Rattiner. "This is the most efficient way, and we're getting people from coast to coast. We're raising the professionalism of CFP[®] certificants on par with CPAs and lawyers. We're doing public good here."

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