



## Letters to the Editor

December 30, 2008

The following letters were received in response to the article two weeks ago by John Robinson, [\*In Defense of "Faux Planners"\*](#):

Dear Editor:

I found Mr. Robinson's comments restrained and germane.

I have a BA, MA, CPA, and am a Registered Investment Advisor and a fee-only planner. I started providing investment advice and financial planning in 1987. The CFP did not require a BA/BS until 2007 and will not recognize any professional certification, including ones requiring a real academic degree.

As early as 1989, I began looking at the CFP and have looked at it again and again. Each time they were having internal conflicts and a demonstrated an inability to enact and enforce a fiduciary ethical code (look at the current controversy).

I have been particularly unimpressed with its elemental certificant courses and its lowest common denominator certification and testing process with its out of date investment advice "correct, conforming answers" which ignore current economic research and publications.

In fact, CFP experience and educational standards are lower than other financial planning designations, although this does not mean that CFP members are not qualified. However, the CFP Board maintains anyone who is not a CFP is not qualified. On the local level, when a CFP member asserts or implies another planner is not qualified because they are not a CFP, that is an unethical and derogatory statement with litigable consequences.

I have become convinced that financial planning will not become a profession until it has an academically rigorous, non-certificant Master's program --- and I am not talking MSFS or weak MBA in Financial Planning, but a Masters in Finance which takes academically hardcore versions of the CFA concepts and comprehensive financial planning models into a two year program at respected universities.

You have to go to law school to be an attorney; you have to go to medical school to be a doctor; in most states you have to have a BA/BS plus 30 hours to be a CPA.



Each state would have its qualifying examination. FINRA needs to recognize that not every financial professional is a salesperson and, with the cooperation of state securities departments, devise securities license designations which transparently inform the public who is a commissioned, fee-based with commissions, or a fee-only planner.

When I did choose a financial planning designation, I chose one which required more experience, more education, more continuing annual education, and had a very simple and strongly enforced ethical code stressing an absolute fiduciary duty to the client in all circumstances.

There is no dominant designation and the attempt of the CFP Board to label anyone who is not a CFP unqualified without regard to education and experience in order to achieve marketing dominance is, in itself, questionable conduct.

Michael J. Schussele, MA, RFC, CPA

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Dear Editor,

I appreciate the thoughtful pieces from Mr. Moisand and Mr. Robinson and believe that this dialogue is necessary to further the planning profession. While I believe that the CFP designation is the most appropriate base level of education available today, I would not be so bold as to say there are not qualified planners without the CFP mark. However, there are more than a few problems with ethics and competency in today's financial services landscape. Here are a few questions along with comments:

How does an individual know if the 'planner' they are considering is qualified to provide broad advice? My experience has led me to believe that the title of "financial advisor," "financial planner" or "financial consultant" on a business card means nothing... some will provide comprehensive review and advice but, more often than not, they will sell a product of some type which is consistent with the product sold to the majority of the planner's other clients. If the CFP mark is not used, what should the public look for? We have licenses for insurance and securities; are these adequate? What about an RIA - should this require more than a filing fee?

What should our industry look like? Do we strive to be looked upon in the same light as CPAs and attorneys or more as a mortgage brokers and insurance agents? There are highly competent individuals in all of these fields and



there are unscrupulous individuals who take advantage of the trust others place in them.

The CFP board does have a code of ethics. CFP certificants are required to have ethics training and follow the code. We all know there are individuals that disobey, but at least a code is in place. Is there a comparable standard that 'planners' can be asked to adhere to?

These questions don't even touch the surface and I'm sure this debate will go on. I believe that the public is going to require more planning than they have ever needed in the past and they will be searching for individuals they can trust to help them. We'll see new regulations coming down the pike in the upcoming years. I just hope that they do more than require additional fees and paperwork with little in the way of substance.

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The following letter was received in response to the article last week by Bob Veres, [The Empire Strikes Back](#):

Dear Editor:

I hope you are getting the Empire Strikes Back article to everyone in Congress who will be in on those confirmation hearings. They need to have this information as the small guy has just about had enough this year!! Every aspect of America has become a giant box store approach and it leaves us all reeling from the experience. Thank you for your thoughts....please make sure they get to the right people as time is running out. Also, what are your thoughts are a giant march on Washington so that our dismay can be seen....I for one am all for it! Great work.

Deborah Corliss Hollinger  
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