

# OUTSIDE EDGE

BY

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## GET CERTIFIED

CFP accreditation offers advisors a seal of professionalism.

While I commend the Investment Industry Regulatory Organization of Canada's efforts to introduce a rule that will govern how member firms supervise financial planning activities, the rule is too vague to be helpful. A better approach would be for those of us within the financial industry to view it from the public's perspective.

What do our clients need? First and foremost, they need to be able to trust us before they'll be willing to seek out, listen to and heed our advice. If we established professional standards for ourselves, would that help engender the public's trust? I believe so.

I'm a strong advocate of the Financial Planners Standards Council (FPSC), which awards the Certified Financial Planner (CFP) to qualified individuals. The organization and its ideals are the culmination of the work of many, salaried employees and volunteers, with a long-term vision for the financial planning industry.

Volatile market conditions mean consumers need to have confidence in their advisors. If clients knew their advisors met the CFP requirements (in addition to

complementary designations specific to their areas of expertise), perhaps they'd be more inclined to trust the advice being given. We shouldn't be waiting until a regulatory body steps in to impose financial planning rules. We should voluntarily seek out professional accreditation and conduct ourselves accordingly. It's the right thing to do—for our clients and ourselves.

We all recognize a client's overall circumstances must be taken into consideration to formulate the optimal solution to a problem. However, armed with the knowledge of a CFP, we would be able to competently assess a client's situation with respect to multiple issues. We might be advising on only one or two aspects, but we could still identify others that need to be addressed. Clients are better served making informed decisions in a cohesive fashion rather than on a piecemeal basis.

The charge to professionalism must come from the top down. If the banks, insurance companies and other financial firms were to publicly support the CFP and provide incentives to employees

to achieve it, their actions would speak volumes about their commitment to the needs of clients. That would give the public more confidence in the integrity of the financial industry as a whole. And the motivation need not be solely altruistic—clients choose to do more business with organizations and individuals they trust.

If institutions went one step further and compensated financial assistants for pursuing the CFP, post-secondary school graduates now entering the workforce would see the financial sector as one that offered a defined, desirable career path.

Further, experienced CFP advisors may be more inclined to treat junior associates in the CFP program as professionals-in-training rather than as clerical staff. And mutual respect, which sparks greater willingness to co-operate and learn, can only enhance our ability to serve clients well.

Wouldn't it be an accomplishment if financial advisors were as highly regarded as other professional groups? Let's voluntarily subject ourselves to the stringent CFP requirements and standards and show our collective commitment to our clients, the public and ourselves. It's time we walked the talk. **AE KETT**