

FOUR FPA DESIGNATIONS RECOGNISE FOUR Es

Four FPA designations are united in recognising professionalism among the FPA's practitioner members. While education is at the centre of each, all differ from educational qualifications by including ethics, experience and examination. They share the four Es both to gain and to maintain the certification.

At the end of May 2011, there were 89 practitioners identified as LRS® Life Risk Specialists. This means that, in addition to being either a CERTIFIED FINANCIAL PLANNER® practitioner or an AFP® practitioner, they had satisfied the ethics requirements (including studying Ethics, professionalism and Professional Behaviour) and successfully completed the specific postgraduate technical education unit, Life Risk Principles for Professional Planners. These 89 LRS professionals also satisfied the experience requirements for the specialisation.

The newest, and therefore least known specialist designation is the Accredited Estate Planning Strategist AEPS® which is recognised by STEP, the Society of Trust and Estate Practitioners – an international body with 16,000 members worldwide.

About 100 people have completed the six-day course conducted with the University of Technology, Sydney. Of these, the first three people have attained the specialist designation, AEPS, after submitting evidence for an examination of their experience and competence.

Many of those who complete the education component do so purely for the learning. The course is open more widely, but this specialist designation can only be attained by CFP practitioners or AFP practitioners (with a minimum of Advanced Diploma education).

Obviously, the best recognised FPA designation is the CERTIFIED FINANCIAL PLANNER® mark, issued by the FPA under licence from the Financial Standards Board. The four Es are integral to the credential, though many certificants are unclear how it varies from an educational qualification.

'Pathways to the CFP' was always only part of the story. Showing the examination requirement as the capstone of the program was a helpful way to represent the additional examination requirement (the fourth 'E') but restricted experience requirements to additional arrows.

Representing the four Es on the 'E' diagram (see page 37) shows that the experience binds together the other attributes of the designation into the whole. It is the difference between someone who is qualified and someone who is recognised as a professional.

Those members who have completed a postgraduate qualification are more conscious of the separation than those who have completed their postgraduate studies through the FPA. Where they completed the CFP designation after a Masters in Financial Planning, they may write their name as follows – First Name, Surname CFP® MFinPlan – showing both the designation and the qualification.

AFP and the four Es

Associate members of the FPA are entitled to use the AFP® postnominal. Current

requirements to become an Associate member follow three of the four Es: commitment to the code (Ethics), initial education with at least the Diploma level, and one year's experience in delivering the six steps of financial planning.

From 2013, the education requirement for new AFP practitioners will be an approved degree as part of a rise in entry requirements.

Maintaining a designation

Unlike a qualification, a professional designation is something that must be maintained. You don't lose your qualification (though it may become out of date) but a certificate for a designation always remains the property of the issuing body and can be recalled.

The four Es can also describe the requirements to keep a designation:

- Ethics: maintaining current membership and commitment to the Code of Practice;
- Education: completing minimum continuing professional development points each triennium;
- Experience: remaining in the industry; and
- Examination: completing audits/surveys as required.

Surveys have been part of the renewal

process for CFP practitioners in the renewal process. Data about members helps the professional association in making representation to government on issues that affect practitioner members.

In July, AFP practitioners will be asked to complete an online survey to provide a more complete picture of practitioners.

Recognition of professionalism

The FPA's new advertising campaign will highlight the importance of membership of the FPA. We will increase education of consumers to look for current Practice Certificates. Commencing with the 2011-2012 year, all FPA designations will be listed after each CFP practitioner's name, providing greater exposure to the specialist designations.

Those CFP practitioners who renewed their membership and completed their survey by 15 June received their Practice certificates in early July. Two further print runs of certificates will ensure timely delivery of certificates to members.

It is in the interests of all FPA practitioners that the current certification is sought by customers. The FPA is anxious to pursue ex-members who falsely claim CFP practitioner status.

— It is the difference between someone who is qualified and someone who is recognised as a professional.

Harmonising the designations

FPA's new Sydney-based Designations Team now integrates the support of the two specialist designations – LRS and AEPS – with the CFP certification.

The new Professional Designations Committee has oversight of the three, reporting directly to the Board.

Integration of the support for the three designations has meant some changes are being implemented to harmonise processes, and all three are detailed in the new Professional Designations student handbook

available on the FPA website, together with designation application forms and enrolment forms.

Helping members achieve designations

FPA aims to improve student support while maintaining and enhancing standards. During the first half of 2011, new tools have been piloted to help students prepare for the Certification Assessment. One member, commenting on the resource, said that she is looking to use the resource within her work environment. Exam preparation workshops were offered to students as part of the other units.

Student feedback has long stressed the problems of the large workload and tight timeframe for the Certification Assessment unit. A new full-year enrolment option is being offered from semester 2, 2011 to allow students to focus on the assignment in the first half-year and the examination in the second half. A new resubmission option for the Certification assignment has been piloted in June to those students who have been identified by assessors as having shortcomings in their financial plans that can be readily addressed. This is a replacement of a procedure of re-marking marginal assignments that usually confirmed a borderline fail. The new process allows students to improve their submission rather than appeal for a different interpretation.

Changes to summer school for 2011 will address student feedback related to study patterns and timing. Summer school will offer only subjects with assignment-only options. Pre-requisites have been reviewed to ensure that all students can choose to progress their studies without juggling holiday needs with exam dates.

2011 is the perfect time to undertake some new study. Enrolments are currently open for entry into each of the three designation programs.

Contact us now at education@fpa.asn.au or 1300 337 301.

The Four Es



Experience binds together these components