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# Career opportunities for young Financial Planners

Financial Planning is one of the fastest-growing professions across the world and with a huge demand- supply gap in India the youngsters planning a career in Financial Planning have a bright future and can take advantage of many opportunities coming across in the Financial Services Industry.

- By Arnav & Narayan

Managing money is a tricky business, managing other people's money is not just tricky; it's a lot challenging and difficult. Considering most people need guidance on where to invest, how to save taxes, the best insurance scheme, which fund to invest in, which stock to hold, which one to sell, how to plan junior's college and their own retirement. And for all those self styled experts; planners come into helping them make better use of their money and achieve financial goals.

Unlike the medical profession where expertise in specific area is the norm these days, CFP (Certified Financial Planner) is a Certification that proves the need for an expertise across various personal finance streams. And many of those who attained have been chartered accountants, MBAs, research analysts, fund managers; you name it. It would not be wrong to say that CFP Certification is the jewel of the future. A rigorous, specialised course certified by the Financial Planning Standards Board (FPSB) India. Proficiency in this new discipline will enhance the professional worth of financial advisors, turbo-charge their career growth, and increase their earning capacity.

Financial Planning is one of the fastest-growing professions across the world and Financial Planners are most sought with a fast growing working population that earns well, and needs expert handling of their finances. And opportunities are plenty for those looking at not starting their own practice; banks, Financial Planning outfits, wealth managers, life insurers, accounting



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**- Rajesh Dalmia, CFP<sup>CM</sup>**  
*Mandar Financial Services*

firms, stocks brokers are lapping on to people with such expertise. Financial Planners offer expert opinions on issues like retirement planning, estate planning, financial management of small businesses, trusts, tax, stock broking and investments and debt and risk management. Needless to say a career as a Financial Planner can prove both challenging and rewarding.

## Where is the Demand?

Entering any profession is tough. And entering a fledgling profession still in the process of defining itself is that much tougher. Currently Financial Planners are part pioneers, part established professionals. Often the trouble with the pioneering side of the profession - pioneering takes a lot to get established and it takes time and many feel it does not pay. Though the obstacles to blazing new career trails can be frustrating and daunting to the point of causing a new Financial Planner to

feel low; the opportunities ahead are immense (See table: career opportunities).

Currently, a CFP Certification is a valuable, career-enhancing add-on. At present there are around 350 CFP Certificants in India

### Career Opportunities

Job Profile	Analysing and Planning finances of individuals to meet their life goals
Employers	Brokerages, banks, insurers, fund houses, wealth managers etc.
Qualifications	CFP Certification holders. Additional qualifications like MBA, CA etc helps
Essential Attributes	A thorough grounding in numbers, familiarity with investor psyche
Other career options	Can start on their own, work as consultants for firms and so on...

but around 8,000 students and professionals are undergoing the CFP Certification across India with varied backgrounds. But industry estimates the need for CFP Professionals to run into over one lakh over the next decade. Many amongst the first lot of Certificants were fund distributors or insurance agents or servicing clients without the right expertise. Says Rajesh Dalmia, now a Kolkata-based planner; “I was selling mutual funds and insurance for many years, and advising people, however the CFP Certification adds credibility and infuses confidence, as your awareness of products is more holistic and you can tackle the bigger picture.”

Many of those who have been initial people in the field have encountered a lot of tough moments in getting the concept of Financial Planning across.

Financial Planning is a corporate career track, even for those who run their own Financial Planning business and are not associated with a bank or investment firm. Because Financial Planners have so much contact with other professionals in different aspects of the financial profession, career changes can be common. Experienced Financial Planners can find satisfying careers in investment banking, financial consulting, and financial analysis. Because people skills are also an integral part of being a Financial Planner, financial consulting on both personal and corporate levels, are also options. Many Financial Planners, like many in other professions, are likely to find themselves attending business school, either to achieve a higher income or switch to one of the aforementioned professions.

Says B Srinivasan, Bangalore-based CFP Certificant; “The Certification has brought some dignity and respect in the trade, no more people treat you as agents or peddlers of insurance or a fixed deposit that you least needed.” The large brigade

of insurance agents, mutual fund agents and people who have a sense of financial instruments, selling these purely on their understanding, have reasons to cheer with the CFP Certification coming in as a boon to consolidate their existing network of clients and offer them more.

## Working as a Financial Planner

Recognizing Financial Planning's occupational benefits, there are many surveys that indicate a career in Financial Planning as the top career choice in the country. Most Financial Planners enjoy relatively low stress, have a high earning potential and enjoy a high degree of workplace autonomy. The personal satisfaction element cannot be underestimated. "Very often, I find that people are just overwhelmed and need direction, so it's my job to listen, understand their situation and offer some options that will help them," says Zankhana Shah, a Mumbai-based planner. "It's fulfilling to be able to help people do better, and it's not just about their finances. It's about blending the financial side with the other sides of clients' lives so that they can achieve their goals," adds Srinivasan.

Satisfaction gained from finding client solutions is the satisfaction derived from solid career development. Over the next 5-10 years, the profession should experience some significant growth, and practitioners should see increased income potential. And, the first to move from financial services industry to be on their own have taken the CFP route to chalk out a career path in this profession with the certification to begin with. Shah's decision to be her own boss reflects the attitude of many of the Financial Planning profession's pioneers. But for those who

### Benefits of Being a CFP Certificant

- ✓ Enhanced career and employment opportunities with Financial Services companies
- ✓ Personal satisfaction in knowing you have earned the profession's highest standard and met the global benchmark
- ✓ Satisfied clients who appreciate the comprehensive approach to Financial Planning and extend long term relationship and referrals
- ✓ Your expertise and credibility as a qualified professional is instantly communicated
- ✓ More revenue streams by increasing your product and service offering to your clients
- ✓ Enhanced Social Status by joining the league of professionals
- ✓ Recognition in 20 countries across the world

want solid, big firm experience, the opportunities are plentiful and growing fast. Firms such as HSBC Bank, Kotak Mahindra, ICICI Prudential, DSP Merrill Lynch and mutual fund houses are looking at recruiting CFP Certificants or those pursuing it, with many staffers being encouraged to study for the certification

## Global Planners

Financial Planners across the globe (there are more than 1,00,000 CFP Certificants in 20 countries worldwide) undertake a wide variety of activities even while they continue to hold their qualifications. Some of these activities include;

### Working with not for profit organization

There are Financial Planners who undertake work with not for profit organizations that help their community members. This helps in ensuring a better financial future for people who might not be able to afford these services. The poor are the ones who need such services the most and many volunteer to assist in such activities in their neighborhoods.

### Business development

A lot of Financial Planners also help in business development for their organizations because they are able to tackle various issues to bring in new customers in a better manner. Their scope of activities runs from creation of new services to targeting the right people and it includes the role of working with people to ensure that the Financial Planning activity covers additional areas so more services can be provided.

### Estate workings

The presence of estate duties and a lot of litigation in terms of settlement of disputes has meant that a large number of people have become financial advisors on just the aspect of estate planning. This can work out to quite a large bit of work and hence they have a large canvas to work on

### Design of services

Several Financial Planners work in the area of designing services for people that bring together their knowledge of Financial Planning along with other experience in the investment world. This helps in the creation of new types of offerings for people who are able to achieve their needs in a better manner.

### Conduct workshops

A whole list of Financial Planners are involved in conducting workshops that brings them face to face with people and their problems. At the same time they are able to use their Financial Planning and presentations skills in a better manner to make the best use of the situation

while being employed. Many of these firms have even begun to offer attractive incentives, both financial and developmental, to employees who earn CFP Certification while on the job, with some waiving the fee to certification.

## The Value Proposition

For a start, a certification immediately places the CFPs in a much smaller peer set with a higher level of qualification and credibility. With around 8,000 aspirants pursuing the CFP Certification drill currently, many are looking to add the qualification in existing profession. The biggest advantage the certification offers is the flexibility to open your own shop or look up the possibility to join an institution (See table: Benefits of CFP Certification). And with fast emerging verticals within the personal finance domain; having focused specialities in certain specific areas helps and can be very productive for planners seeking to be part of large outfits.

Globally, Financial Planners either run their independent outfits or work as a firm, something Financial Planners in India



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Moneycare Financial Planning

## Planner’s Path

Currently, there is a huge mismatch between the small supply of CFP Certificants and the large demand from advice seekers, and this is likely to continue for some time to come. It is a lot

of hard work, and of course, one is under pressure to offer more and more, feel many of the current planners. But that’s a small price to pay for pushing the frontiers of the Financial Planning universe (See table Planner’s Path).

## Beyond Plans

Opportunities for Financial Planners are expected to grow faster than average in the future. There are newer areas that planners are getting into with the changing demands and opportunities that are posed at them. From being columnists with publications, talk specialists at seminars and workshops to being featured on television discussing Financial Plans and to writing books; planners are doing everything possible. Some of the opportunities present to them are:

**Specialists:** There are few CFP Practitioners who are now focusing on being retirement plan specialists and specialists managing only HNI

money and so on. You have the choice to do the same. This is a big opportunity because there are lots of areas where specialists can play a specific part including estate planning or trusts and most of these remain unexplored today in India.

**Columnists:** With so much need about Financial Planning

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Shree Sidvin Financial Services

are also looking at. Here to, most successful planners are those who have ventured on to be on their own. The entrepreneurial freedom and flexibility that a career in Financial Planning offers cannot be offered by anything else, reckon many CFP Certificants we spoke to.

It’s possible for Planners to earn a lot more. Independent practitioners handling their clients’ assets earn a mix of fee, commissions and performance benefits. Explains Dalmia; “I have HNI clientele to whom I just offer advice. But for a lot of people I do the distribution as well or just the initial financial assessment, which is fee based. The mix depends on the type of client who walks in.” Some CFP Practitioners who distribute financial products and also earn commissions easily make Rs 1 lakh a month, and this will grow as the assets they handle increase.



doing the rounds; newspapers, magazine and television channels are fast adapting to Financial Planners as expert advisors and panelists who write, analyze and are part of discussions held. The choice for the Planner is to function as a freelancer or associate themselves with a single media house.

**Seminars and Talks:** Planners are seen to be getting more interactive being part of targeted seminars and talks addressing retirement needs for groups and educating investors across various strata. They can speak and present at various seminars and functions and this can stretch across various cities in the country.

**Books:** Planners are popular amongst publishers to come up with books on basics of planning, retirement and wealth creation amongst others. One can look at co-authoring or writing books that will have an interest among lay people.

**Teaching and Training:** There is also the choice for taking up teaching assignments for various entities including corporate. There is a huge demand for training in

### Desired Traits

No matter how one enters the field, there are common skill sets that lead to success:

- ✓ Strong people skills
- ✓ Ability to communicate
- ✓ Analytical savvy
- ✓ Problem solving
- ✓ Synthesize information
- ✓ Demonstrate creativity
- ✓ Self-starting

management, retirement planning and/or estate and tax planning. Some target specific markets—retirees, HNIs, non-salaried professionals, NRIs, under 40s, doctors and those in the software industry and young professionals. With CFP Certification being recognized worldwide one may also opt to practice in other parts of the world or cater exclusively to NRI Clientele. The quickest route to success as a Financial Planner is to train with and work for a financial-services company or wealth managers. After acquiring experience, look at options that can enable you to set your own

practice or work with a planner to get the desired mentoring to start your own Financial Planning businesses. Success then depends on attracting more and more clients. Networking and self-promotion play a large part in attracting clients, but in the end, their satisfaction is the most important factor in a planner's success.

The future poses numerous opportunities for Financial Planners to take advantage of thousands of available jobs in this expanding profession. There is also the possibility to fuel your entrepreneurial spirit and enjoy the benefits of owning your own business. Distinguish yourself by expanding your knowledge, competence, and professional status. Grow your own client base by offering a wider range of services and be in charge of your own financial future.

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the area of Financial Planning and experts and people with knowledge are in short supply. A firm grasp of the subject and its basics can be a very good tool to get going in this area.

### Promising future

Financial Planners can be generalists or specialists. Some practice comprehensive Financial Planning while others emphasize money

### Planning for change

Financial Planners across the world come from a wide variety of backgrounds. The development of this profession has meant that there are several experts who have made their mark in specific areas of Financial Planning. Across the world Financial Planners are present in a wide variety of activities. The most important thing is that for many of these people the choice of Financial Planning as a career option was not the first choice but they were drawn towards this field because of several circumstances in their lives.

A very good example is that of a Financial Planner whose father dies of a heart attack. After witnessing her family deal with the financial stress caused by her father's death she decided to give up her role as a financial administrator in the legal industry after two decades of work to become a Financial Planner.

This also highlights the fact that it is not just young people who move towards the Financial Planning profession

overseas. A lot of people have a large experience in other areas but they find this area appealing because of the kind of work involved. This makes them passionate about what they do and consequently find great pleasure in the profession.

There are also a whole host of people who work in two fields where the CFP Mark has become an added advantage. For example there are accountants who have the CFP Certification but who continue to practice as accountants and tax practitioners and at the same time are able to provide their clients with additional services in the form of better financial advice based upon their Financial Planning knowledge & experience.

This shows how the CFP Mark also acts as symbol of trust for the consumers who perceive certain qualities that it carries. Many successful professionals use this mark as an additional aspect that reflects the quality of service that they provide and use it to expand their scope of activities.