



Financial Planning
Institute of Southern Africa

THE PROFESSIONAL STANDARD



Project Value

October 2014



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Background

Methodology

Quantitative and qualitative results

Strategic recommendations

Background and need for research

The Financial Planning Institution of Southern Africa (FPI) commissioned this research with the aim of investigating the key drivers of loyalty amongst members. The main focus of the study was to research issues such as :

- Understanding FPI's reputation amongst members and other key stakeholders
- Gaining a better understanding of FPI members and evaluating their needs or key expectations as members
- Gauging the relevancy of current member benefits
- Uncovering ways of using effective communication channels
- Identifying opportunities to add value to current membership experience and credible concept ideas of suitable member benefits
- Gaining a clearer understanding of the various growth challenges FPI faces as a professional body
- The impact of the CFP® designation to one's career and earning potential



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Who did we speak to?

FPI members

Employing a broad representivity in terms of race, age, specialisation, various designation holders, region, career stage, positive and negative sentiment towards FPI, members who are considering to resign from the institute, volunteers of FPI, FPI members who belong to other member bodies or professional bodies, client facing and non client facing members.

How did we reach out to them?

789 responses from an online survey

5 focus group discussions around the country

Main regions



Where were the focus groups held?

Number of groups hosted	Area
Two	Johannesburg
One	Pretoria
One	Durban
One	Cape Town



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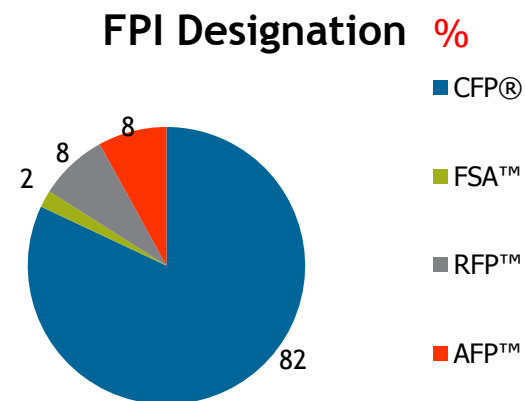
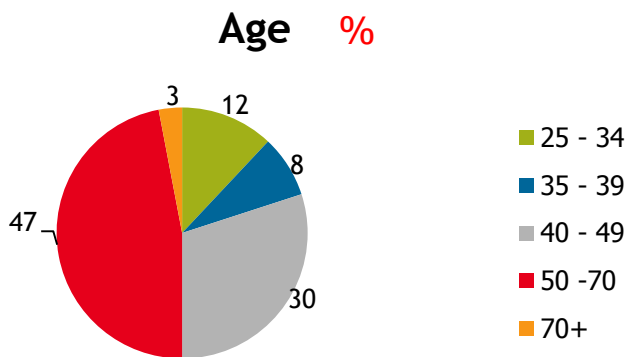
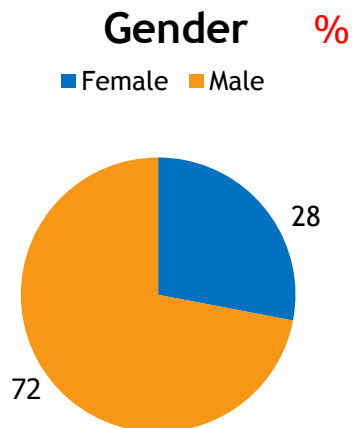
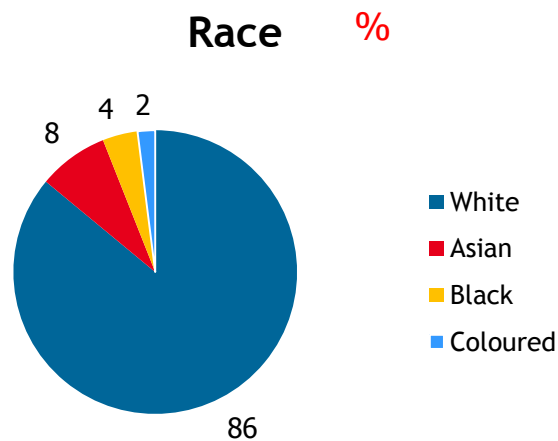
Strategic recommendations

Demographics of members who completed the survey



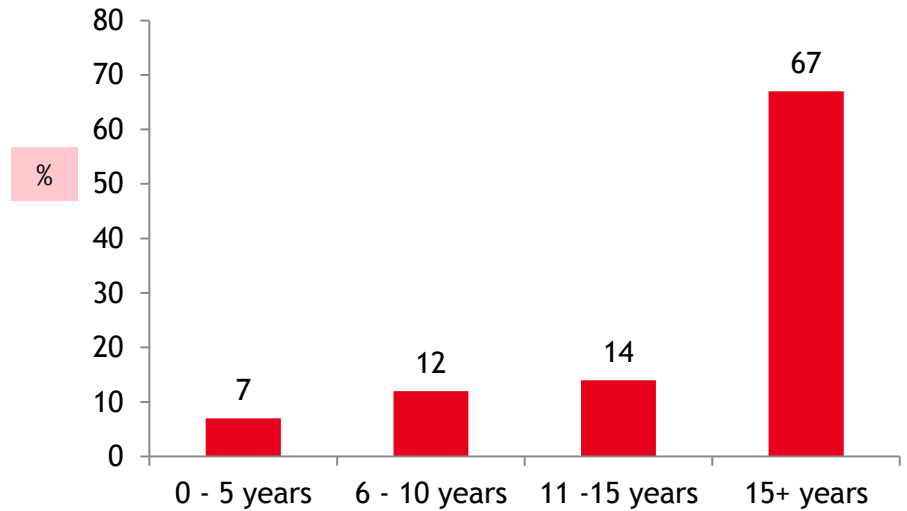
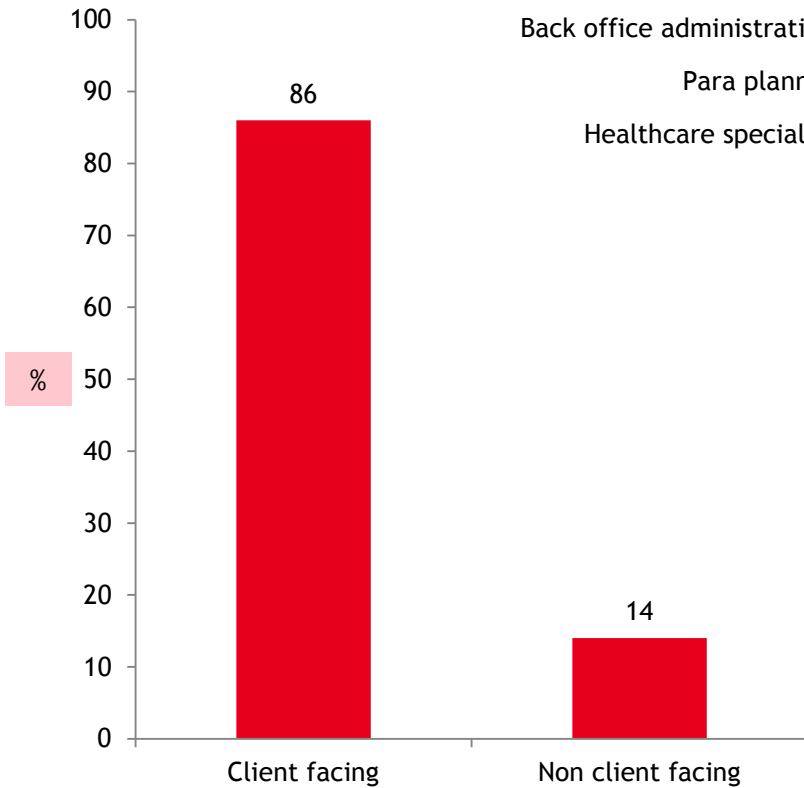
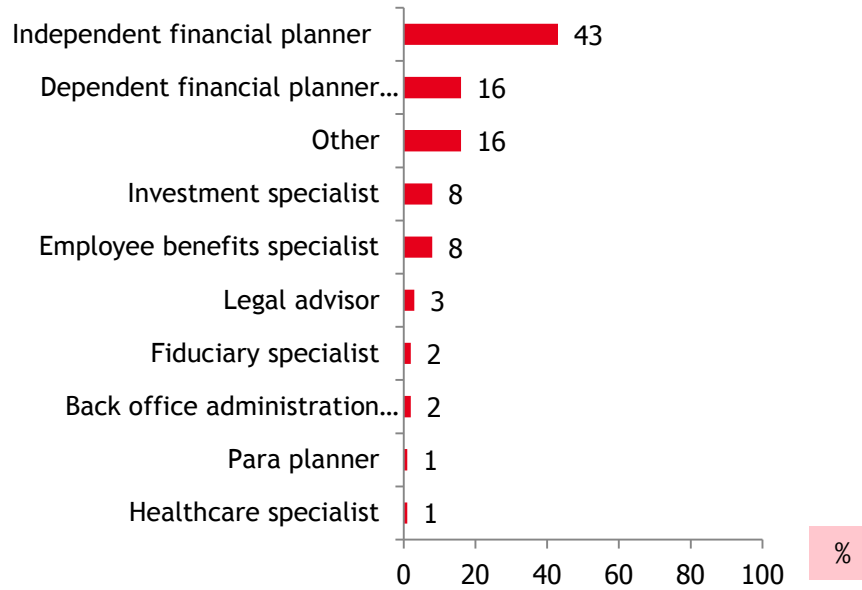
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Profile of members who completed the survey



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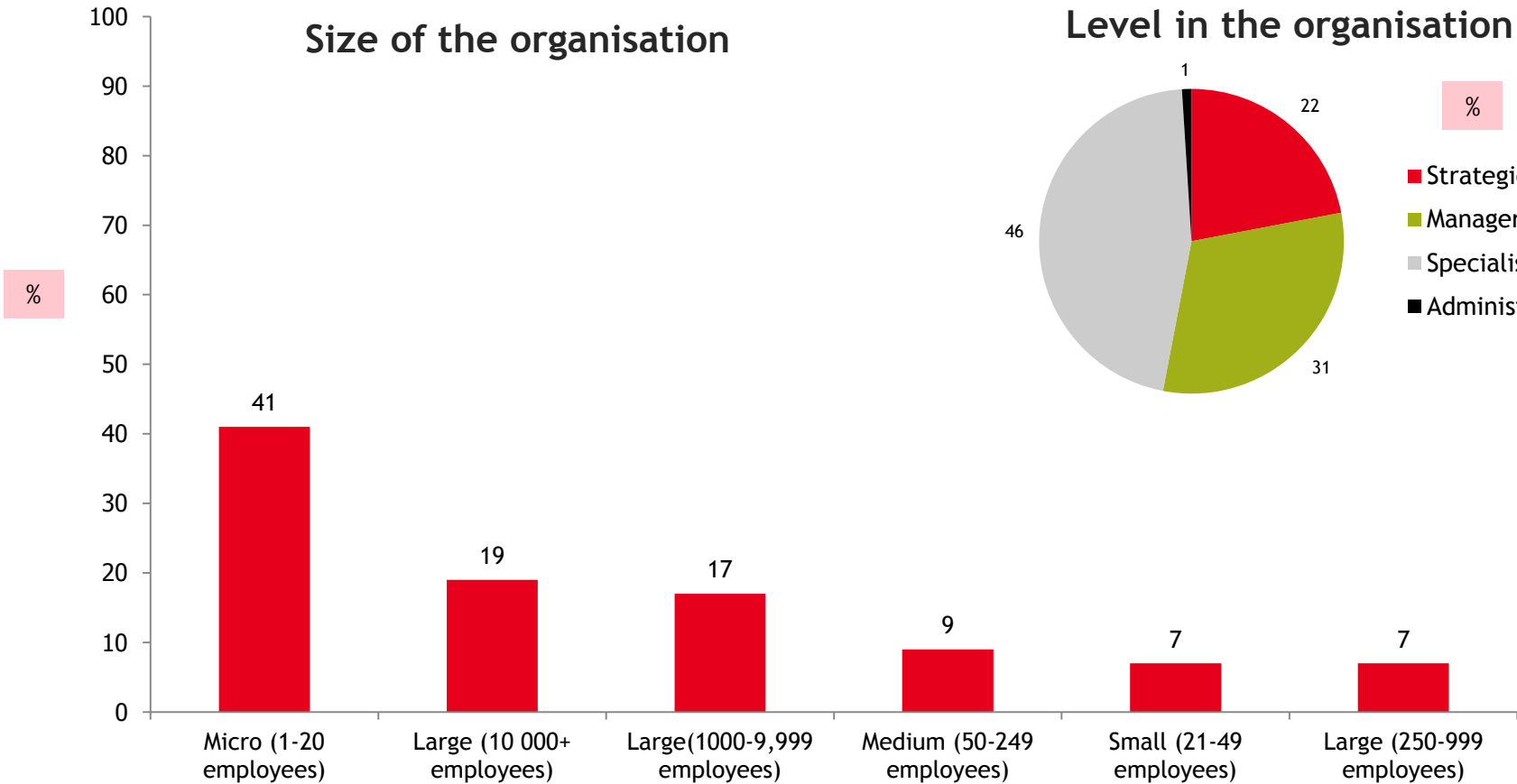
Profile of members who completed the survey



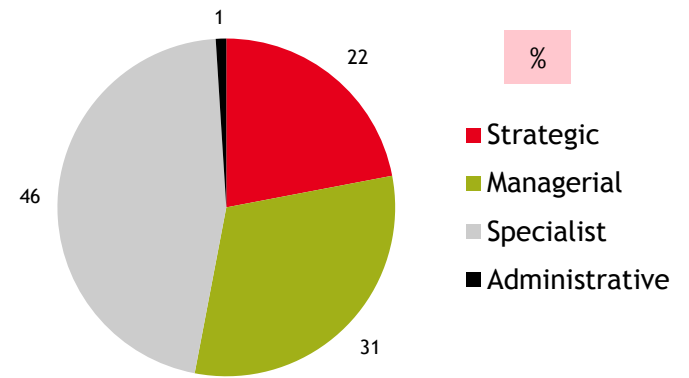
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Size of the organisation



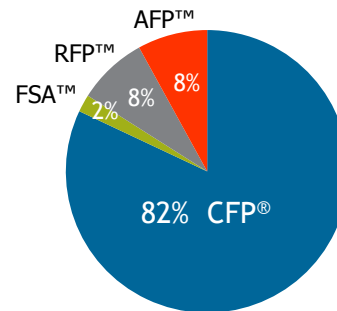
Level in the organisation



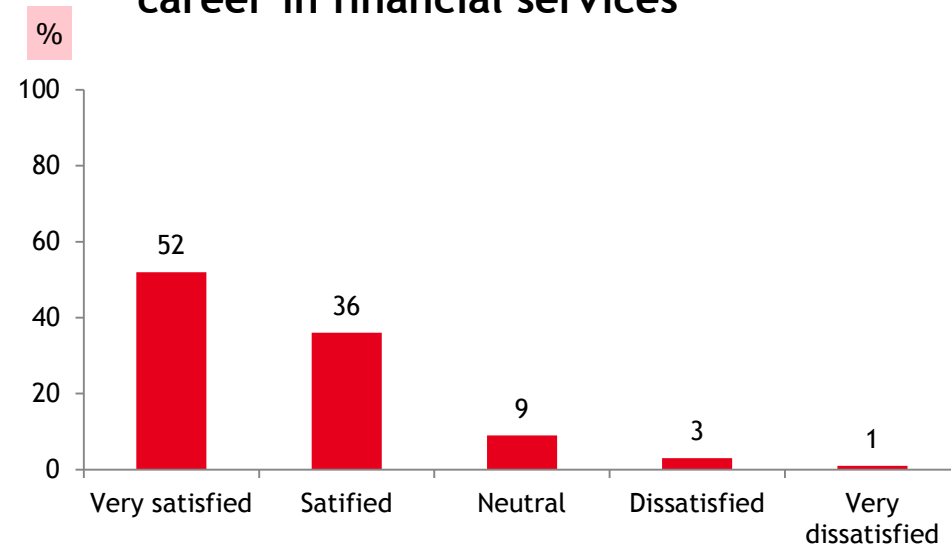
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Taking a closer look at CFP® designation holders

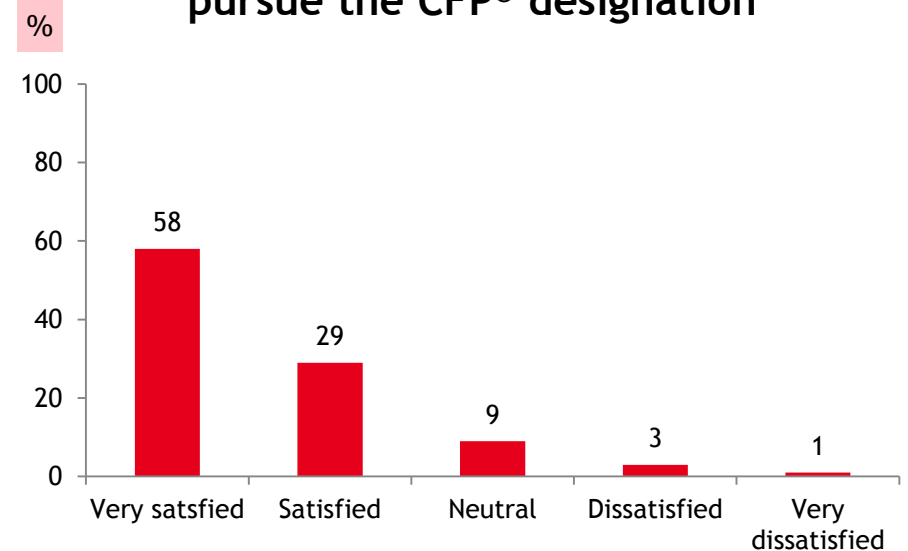
FPI Designations



Level of satisfaction to pursue a career in financial services



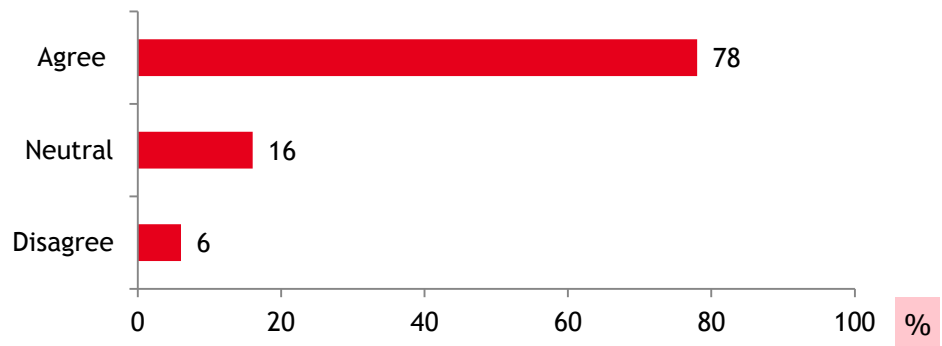
Level of satisfaction with decision to pursue the CFP® designation



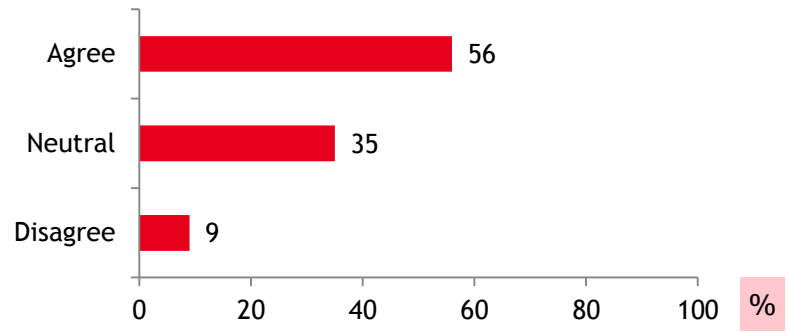
The significance of the CFP® certification according to designation holders



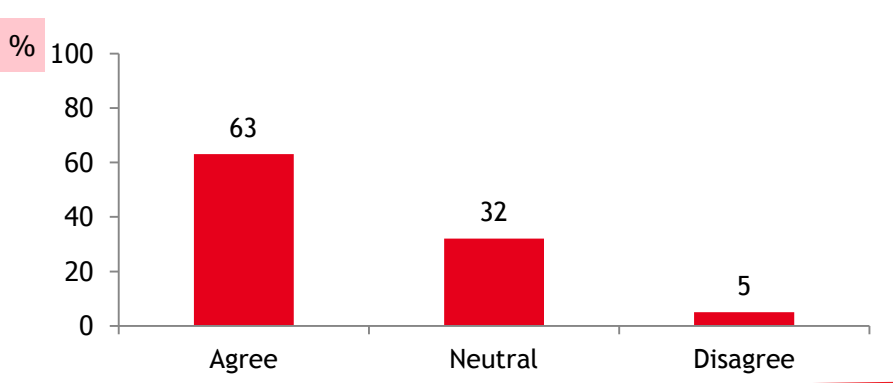
The CFP® designation gives one a competitive edge over peers who don't have such a designation



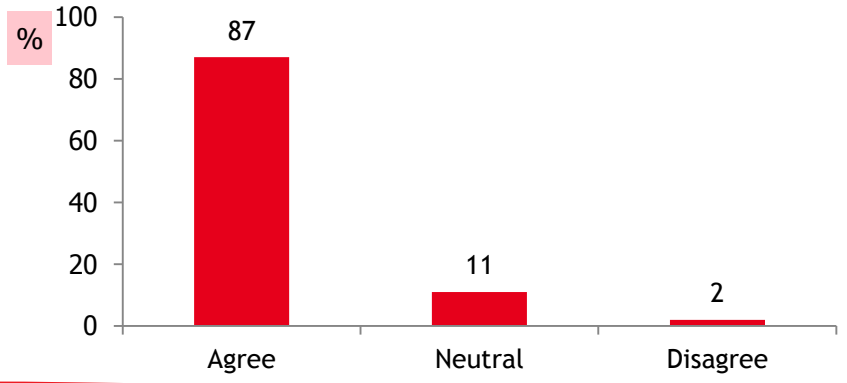
Attaining the CFP® designation has had a positive impact on my income potential



Attaining the CFP® designation has had a positive impact on my career growth



I would recommend the CFP® designation to my peers who are part of the financial services industry



Reasons for joining the FPI



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Q1. What were your 3 main reasons for joining the FPI

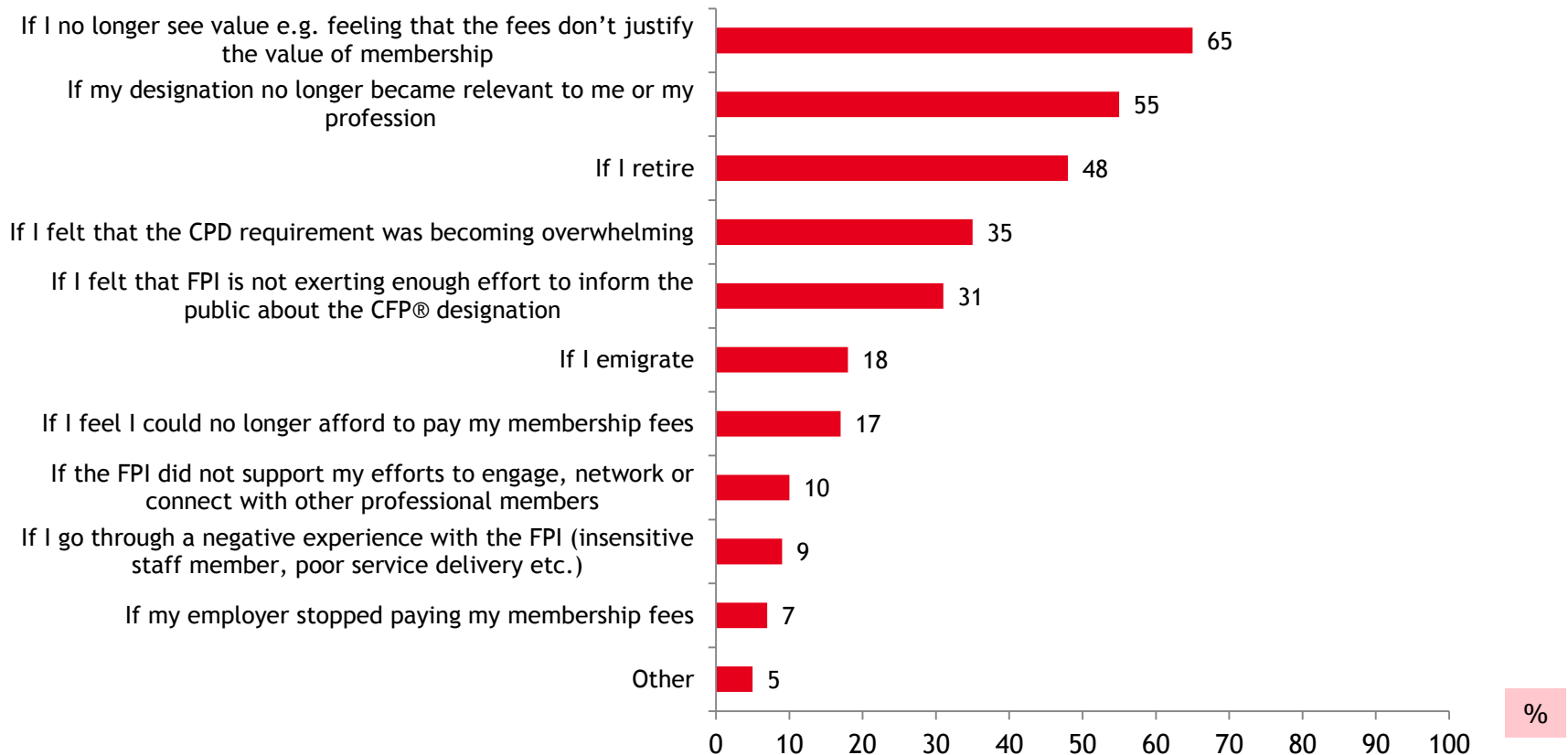
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Motivations member consider worth resigning from FPI



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Q1. What would be your 3 main reasons that would make you consider resigning or not re-certifying as a member

Base size 789

Member profiles - my relationship with FPI

I am a member of FPI mainly because it adds to my credibility and enhances my professional profile	50%
As a member I strongly believe in the purpose of FPI and want to support its mission. I also believe in giving back to my professional community in whichever way I can, this is because I want to create and leave a memorable legacy.	13%
I am an uninvolved member due to time constraints. I am somewhat content for now just to pay membership fees.	11%
I am a disgruntled member, who questions the value of membership, renewing my membership is a grudge payment.	9%
I maintain my professional designation because it is a requirement of my employer or is at least viewed positively from a career advancement perspective	9%
I like to network, connect and share ideas with other like-minded members professionally both from a technical and social aspect. FPI allows me to be part of a community of professionals.	5%
As a thought leader I like to share my knowledge and expertise with the professional community.	2%
I am a member because I like to make use of the membership benefits and save through member discount programmes	1%

Taking a closer look at member concerns



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I am a disgruntled member, who questions the value of membership, renewing my membership is a grudge payment.

9%

- Lack of awareness of membership benefits or value in belonging to a professional body
- “In FPI’s communication too many emails are dedicated to events notice - the outstanding work of FPI staff to further the profession is very behind the scenes”*
- Acknowledgment that CFP® designation carries weight in the financial planning fraternity however not with consumers. This causes of lack of confidence in its impact and significance on career success. Members expecting the designation to enjoy the same prominence as more established professions with a longer history such as law, medicine and accountancy
 - Feeling of neglect from members residing outside the main metro areas
 - Feeling of neglect from members belonging to the Employee Benefits and Healthcare sector within FPI
 - The FPI annual convention always being held in Johannesburg and not being rotated to other regions
 - Perception of exorbitant membership fees and FPI CPD event fees also mentioned as exorbitant
 - Member maintenance or retaining the designation and keeping up to date with CPD is expensive especially member related fees are not sponsored by an employer
 - Perceptions of FPI not exerting enough efforts on advocacy
 - FPI’s perceived to be not vocal on unethical behaviour of corporates and topical issues
 - FPI’s perceived lack of empathy on the plight of members (costs of CPD, legislation and compliance)
- “My mistake was that I worked at a high pressure banking environment at the formative years of my career. I am appreciative of the skills I learnt however the environment is very sales driven and that is the sad reality. I wanted to abide by certain principles such as Treating Customers Fairly however my mentor advised that I would sleep hungry if I did not sell reasoning that client needn’t know everything. I felt lost and trapped. I also felt as I had limited options as I was not ready to open my own practice and was told that independent practices will misuse me more than corporates. ”*

Base size 72



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Top 10 member expectations from FPI

	2013	2014	
Educate / make consumers more aware of what the CFP® designation represents	1	1	* Equal statistics
FPI CPD events must be made more affordable	2	1	
Remain committed to maintaining professional standards	3	3	
Communicate legislative issues in real time	4	4	
Make regulatory compliance convenient by enabling all necessary templates, guidelines and toolkits available on the FPI websites	5	7	
Offer free FPI CPD events occasionally (quarterly basis)	6	5	
Elevate the value of a CFP designation	7	6	
Arrange discounts on industry textbooks, practice manuals and publications	8	10	
Provide guidance on compliance and practice management	9	9	
Have greater media presence	10	8	

Did you know: To boost our public profile FPI has appeared on media platforms informing the public of FPI and more importantly the CFP® designation 285 times in 2014.

2013 Base size 608

2014 Base size 789

FPI service by telephone or email



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	Very dissatisfied	Dissatisfied	Ok	Satisfied	Very satisfied
Ease of getting in touch with us	1%	2%	22%	48%	27%
Turnaround times on queries	2%	2%	24%	47%	25%
Problem/query resolution	2%	3%	23%	49%	23%
Friendly and courteous service	1%	1%	15%	43%	40%

As a leading professional body in the financial services space FPI strives to provide excellent customer experience at every engagement. In 2013 we launched a plan to introduce courtesy calls. The courtesy calls allows FPI to inform members that “we are here for you” . We also use this opportunity of engagement to offer assistance on FPI membership queries and collection of member experience feedback. From January 2014 - September 2014 FPI has called **1275 members** to found out “how are they doing” or “what FPI has done for members lately”

Base size 789

Ways that FPI members keep up to date with FPI news or engage with their professional body



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I read the FPI newsletter	81%
I read The Financial Planner magazine	74%
I attend FPI CPD events	66%
I attend the annual convention almost every year	22%
I am active on traditional media platforms and advocate FPI/ the CFP® designation	06%
I am involved in the Financial Planning Week	06%
I am active on FPI related social media platforms	03%
I am a member of Industry Sector Group Committee	03%
I do pro bono work with the FPI My Money 123™ programme	03%
None of the above	03%
I submit articles to FPI for publication	02%
I volunteer in the FPI Mentorship programme	02%
I am a member of one of the various FPI Advisory panels	02%
I am a member of the Regional Chair Committee	01%
I am a Board member	01%

In which way do you keep up to date with FPI News or engage with your professional body? Please tick all that are relevant to you

Base size 789

The risk of unengaged members or members who are unaware of the value they receive from their membership



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Potential Member	Check-book Member	Sporadic Member	Engaged Member	Loyal Advocate	Brand Ambassador
<p>New to the industry, may lack resources or time, or not a “joiner”.</p> <p>Needs to understand value of association membership.</p>	<p>Pays membership fees or fees are paid by employer, but doesn't actively participate in FPI programs.</p> <p>Questions value when in financial difficulties</p> <p>Renewal is not Guaranteed</p>	<p>Occasionally attends meetings or participates online.</p> <p>Is unaware of membership benefits or value he receives from professional association</p> <p>Renewal is not guaranteed.</p>	<p>Gets involved in association programs on a regular basis.</p> <p>Renewal is likely</p>	<p>Gets involved in association programs, volunteers for committees, appreciates the value of membership.</p> <p>Values their designation and promotes it</p> <p>Renewal is highly likely.</p>	<p>Champions FPI's mission.</p> <p>Renewal is automatic</p>

The possible outcomes of low participation of members to a professional body

Low membership participation

Low membership value

Low renewal rate

Low impact - less funding

Fewer programs to promote membership

Financial difficulties

Member awareness of FPI's efforts to enhance and meet membership expectations and FPI's developments in the past year



28% of the 789 members surveyed responded that there had not seen or experienced any significant improvement in FPI's service in the past year and/ or were not aware of the member benefits

Reasons of lack of awareness

- New member therefore not yet exposed to member benefits or FPI's developments
- Happy or content to pay membership fees without an expectations beyond retaining a professional designation
- Time constraints results in disengagement therefore happy to pay fees without significant expectations from FPI. Other commitment such as career / academic pressures and/or other priorities makes it challenging to be an involved member
- Disappointments with FPI is more top of mind than recognition of current efforts of the Institute to enhance membership experience

- **Member awareness of FPI's efforts to enhance and meet member expectations**

- **Member awareness of FPI's developments in the past year**



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Mentioned improvements from the remaining 72% of the 789 members surveyed

- Improvements of FPI CPD events including FPI convention and annual refresher
- Topical issues, the helpful reminders of FPI CPD events that helps one to be kept abreast on industry developments, improves one's competence, offers discounts to members, provide members an opportunity to network and share ideas, keeps you abreast on legislation changes and overall professionally executed
- Member engagement events
- The communication that is disseminated to members - topical, professionally compiled and technically strong (electronic and published)
- The CPD policy altering from a two year cycle to a one year cycle helps members to manage the requirement more appropriately
- The great consumer awareness initiative - FPI MYMONEY123™ programme
- The review of the AFP™ and RFP™ designations
- The technical tools housed under the FPI website
- The Member discount programme
- The good work that the various task teams are doing
- Memorandum of Understanding between SAIT and FPI & Memorandum of Understanding between FISA and FPI
- The surveys that request for member expectations and the implementation of recommendations that derive from members
- The CFP® designation holders qualifying for the Commissioner of Oath status
- FPI CPD events and communication providing material on Practice Management focus
- The Mentorship programme that accelerates the experience requirement on the path to the CFP® designation
- Improved media coverage and of the CFP® designation
- The enhanced FPI website - better however still needs improvement

Engaged members expressed their sense of fulfilment in belonging to FPI



- *“I think the FPI has done an excellent job at marketing itself to the industry, we are highly regarded. I think CFP® professions could do a lot more to market ourselves to consumers”*
- Being an engaged members helps professionals to be up to date with industry developments and enhances your competence
- Gaining knowledge and exposure.
- Interaction with peers - we network, we learn from each other and are exposed to diverse perspective on matters, we develop greater respect for FPI and fellow members
- Exposure to job or projects opportunities
- A sense of assurance in belonging to a community of professionals
- Receiving recognition my contribution in uplifting the industry and making a difference in my capacity
- Credibility
- Acquiring CPD points
- Allows me to promote my designation
- I am informed of ways to do pro-bono work or give back to the community

The Financial Planning magazine - Pros

The Financial Planner magazine is a professional publication targeted at financial planners. The magazine is FPI's main sources of communication to its members. Released quarterly at no cost to every member it provides articles on topical industry related issues

Recently the magazine had a face lift and this is what members had to say about the before and after....



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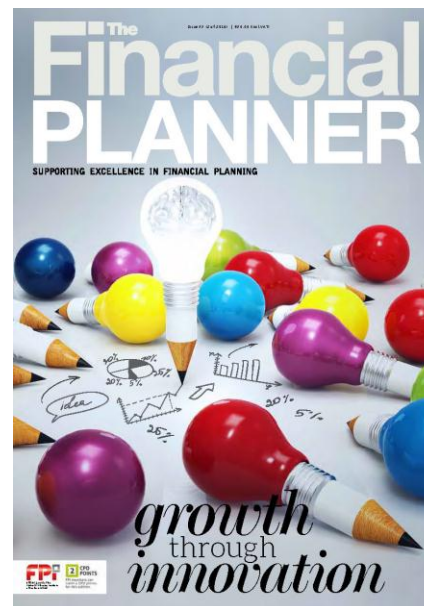
Before

The thin version means lesser pages and more easily digestible. I prefer this volume as it stands a more chance of not landing in a "read later" pile.

I have always felt that Employee Benefits is a neglected sector within FPI however I have noticed that most articles are EB related in this issue. This is quite refreshing



After



The colourful cover is very inviting. I also think the quality of the cover mirrors FPI's professional image.

A magazine that I would proudly display at the reception desk for my clients to browse through

The binding is great

The inclusion of CPD calendar with upcoming events clearly outlined allows me to plan in advance and register in due time

The profile interviews on young performers were very insightful

The information is relevant and in one place

** The Financial Planner magazine is posted to you as an FPI member on request and at no charge. To order your free copy write to marketing@fpi.co.za*

Otherwise available every end of quarter and is sent electronically via the monthly newsletter.

Verbatim from focus group discussions

The Financial Planning magazine - Cons

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Before



Looks like a brochure

After



The volume is too much

Compared to other leading publications in the industry such Financial Mail and Personal Finance the magazine articles can be written in a manner that outlines the facts upfront thereafter provides an in depth view.

What seems to be excluded are the technical research articles on topical issues, CFA is brilliant on this

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Verbatim from focus group discussions

CPD event motivators - 2013



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Choice	Average
Quality of content likely to be received by attending the event	19,15
Relevance of the agenda to my profession	16,53
Price of the event	13,07
Number of CPD points one is likely to receive by attending the event	12,13
Perceived value hoping to attain by attending the event	11,92
Convenience of venue	9,24
Overall CV of the key note speaker/s	6,18
Reputation of the CPD host/institution sponsoring the event	5,56
Networking opportunity	4,04
Catering / quality of food served	2,18
TOTAL	100

Presented below are 10 motivators for attendance of CPD events. We would like you to allocate points to each characteristic ranging from 0-100. Remember the least important characteristics receive zero or lower points and the vital characteristics receive higher points. All points should add to 100.

CPD events and CPD policy

CPD events areas of improvements

- Must be made more affordable as FPI is a non-profit organisation and needs to support members to fulfil their CPD requirement
- Presentations can be more practical and less theoretical
- Calendar of upcoming events must be available in advance to allow for planning
- The introduction of webinars can empower members to adhere to continuous professional development without travelling long distances of the chosen venue or young financial planners who are price sensitive
- FPI annual convention must be rotated to other regions outside Gauteng
- The youth discount at the annual convention . The age bracket must increase to under 35 as apposed to under 30
- Attributes such as being the content owner adds to the speaker's credibility and expertise
- Levels of advancements to be introduced- beginner - intermediate and master class

CPD policy

- Members had a positive response towards the change of the CPD cycle from 24 month to a 12 month cycle
- Ways of attaining ethics points must be made more explicit
- Cost effective ways of adhering to CPD must be communicated to members



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Insight

Member engagement and communication will triumph many of the membership challenges



Social Media strategy can be enhanced



Recommendation

The NewsBrief, The Financial Planner magazine and FPI CPD events are the top three voluntary ways that members engage with FPI. These touch point strength must be maintained

Members recognise the improvement on our current website however stress that there is room for improvement. Major revamp underway will allow for ease of navigation, intuitiveness, simplicity of uploading CPD points and ease of locating cutting edge industry information. Ease of navigation will equal to less pressure on membership services and more self sufficient members.

A strict communication schedule will assist the institute to not over communicate to members and a more personalised and targeted communication will help mirror FPI's professional image

A clear strategy of FPI's preparedness to service the next generation of financial planners has to be compiled. Social media communication is progressively becoming a strength to reach out to technology savvy members. FPI has to find ways to make this platform work for the professional body.

Strategic recommendations



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Insight

FPI members do not understand the value of professional association



Membership recruitment and retention initiatives to grow membership



Recommendation

- New members

Strong initiation activities tactics to be employed to newly joined members. New member welcome letter & 6 months welcome letter ensuring members feel welcomed and are aware of ways their membership can work for them

- Current members

Further promotion of member benefits. Although there has been a significant increase in awareness of member benefits and the work that FPI is doing to further the profession and add value to members a lot more focus is required in this area.

- Resigning members

Exit interviews represent as key member insight to furthering FPI's service

Integrated report must be sent to all members to counter lack of awareness.

FPI Video

A production of a short and crisp videos comprising of testimonials from the various FPI stakeholders [engaged members, young professionals, professional practices, volunteers, comparator research participants] explaining how their FPI membership or association with FPI benefits them.

Strategic recommendations



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Insight

Continuous evaluation of member benefits and their value to members and further needs analysis of members



FPI CPD events are perceived by members to be expensive



Recommendation

To limit reputational risk and enhance membership experience;

Service providers that the Institute partners with for the benefit of awarding FPI members discounted rates on products and services must adhere to the high scrutiny standards ensuring the chosen service providers are highly respected market leaders. Continuous feedback from members must be investigated on usability and value add to one's career or business.

FPI CPD event fee increase due to inflation is not advised. FPI CPD discount package is advised and will be a success to current loyal FPI CPD attendees. FPI CPD calendar for 2015 to be released end of year 2014 or beginning of 2015.

The webinars that will be initiated as part of the new website plan will be beneficial to members and add value. The immediate reward is the promotion of a the sense of community with FPI, convenience and lower costs related to CPD fulfilment.

In-depth exploration of a mini convention for regions outside of Gauteng if there are challenges in rotating the convention to outside regions.

Strategic recommendations

Insight

Members require support in fulfilling their CPD requirement



FPI's presence and visibility in media largely affects their sense of confidence in the Institute's mandate



Recommendation

Positive sentiments have been received in the change of cycle. Members at the commencement of 2015 need interactive communication on ways to fulfil their points for the year

Targeted communication to members who have not fulfilled their ethics points need to be sent out in a form of a reminder email and must include ways to attain ethics CPD points. This should be sent at least 3 months prior to the close of annual CPD cycle.

Senior management must be present at FPI CPD events and more visible on media platforms in order to provide FPI's point of view on topical issues relating to the Financial Planning industry.



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Thank you

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