

Getting Started as a Financial Planner

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Bloomberg Press has done it again. The publication of *Getting Started as a Financial Planner* by Jeffrey H. Rattiner continues Bloomberg's outstanding record of publishing much needed materials about and for the financial planning profession. This book is, by far, the best written, most comprehensive, and coherent text on the subject of establishing, running, and maintaining a financial planning practice.

Rattiner's book addresses questions most often asked by students and others who are considering establishing a financial planning practice. The book begins with a broad overview of the financial planning profession and concludes with a detailed list of resources for additional training. Rattiner takes on the cutting edge issues facing new and experienced planners (e.g., fees vs. commissions), and he presents solutions to questions that every person who has or will establish a planning practice has asked.

The text begins with Rattiner providing a well thought out description of the profession's transition from commission-based income to a fee-based model of compensation. He explores opportunities for planners in the areas of retirement funding, income tax exposure, managing client cash flows, funding education, and accumulating assets. He also presents consumer checklists for planners to use when assessing their competitiveness in the marketplace. For instance, Rattiner suggests that in the future planners who earn significant commissions, rely more on sales techniques than knowledge of the business, and have less education will be at a significant disadvantage compared to planners who offer consumers full disclosure, a fee schedule, and a high level of competency, as reflected in attained education and certifications.

The strength of the book really lies in the chapters that focus on the foundations of success within the financial planning profession. Rattiner walks readers through methods appropriate for selecting a practice structure, preparing business plans, finding professional mentors, gaining credentials, creating advisory boards, building an

office team, using technology, developing marketing plans, implementing practice standards, and complying with regulations. If this list seems comprehensive, it is. Rattiner's descriptions of and application examples for establishing a limited liability company is second to none. His writing is clear, and he provides easy-to-use lists of advantages and disadvantages associated with most of his practice management recommendations.

Readers of *Financial Counseling and Planning* will also appreciate Rattiner's emphasis throughout the book on ethics and full disclosure. He promotes the concept that a planner's role is "to help clients achieve financial well-being" (p. 55), and that, as such, planners must put the interests of their clients above their own and ensure that objectivity is not compromised. The Certified Financial Planner Code of Ethics is provided at the end of the text.

Individuals who are considering transitioning into planning, and students who are learning about planning, are often most concerned about marketing techniques, strategies, and approaches. For the vast majority of people considering establishing a financial planning practice the thought of "dialing for dollars" is the single greatest hindrance to entering and staying in the profession. Fortunately, Rattiner provides dozens of practical marketing tips and strategies that rely on counseling approaches rather than direct sales approaches. As he suggests, these softer prospecting approaches are relatively easy and fun to implement and manage. Furthermore, clients are more responsive to recommendations and are more willing to implement strategies.

Another strength of this book involves the presentation of practice management tools, include sample engagement letters, financial wellness measures, client questionnaires, and risk tolerance scales. The usefulness of these practice management tools is exhibited as Rattiner walks through common planning scenarios that typically present problems for clients. The section detailing the development of a business plan is worth the price of the book alone. Readers will also appreciate the

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book's focus on compliance and legal issues, including descriptions of legal entities, licensing, and ethics as they pertain to client relations.

Financial planning veterans may find Rattiner's marketing strategies somewhat mundane, but for someone just entering the profession, ideas related to pricing services, increasing margins per client, increasing referrals, and increasing client retention are invaluable. Rattiner provides an outstanding service by providing readers with a relatively comprehensive marketing plan example for a fee-based practice. He shows readers how to translate qualitative objectives (e.g. reach an intended target market) into quantitative cost and benefit figures. Rattiner successfully leads readers through an analytical process devoted to developing a target market, implementing a marketing plan, creating strategic alliances, and managing the process.

Unlike other books that focus entirely on the nuts and bolts of creating a practice, Rattiner is unique in devoting an entire section to the softer side of the business – counseling techniques. The chapter titled “The Art of Client Communication” highlights the fact that a financial planner plays multiple roles when dealing with clients. These roles include, but are not limited to, information gatherer, analyst, listener, information provider, consultant, implementer, mentor, coach, educator, and monitor. Rattiner is also unique in providing readers with a financial plan implementation example; readers will find this write-up example very useful when creating their own client communication implementation plans.

After reading this book one is tempted to ask why it has taken so long for a publisher and author to tackle the issues and questions presented? The answer may be that publishers have underestimated the need for such a book. Hopefully sales will be brisk enough to justify the continuation of the financial planning series of books by Bloomberg Press. For those who are intrigued by Rattiner's book, Bloomberg Press has other titles that should be of interest. Other books in the Bloomberg Press library include *Deena Katz on Practice Management for Financial Advisers; Planners and Wealth Managers; Best Practices for Financial Advisors* by Mary Rowland, and *Protecting Your Practice* by Katherine Vessenes, all of which should be on the book shelf of every financial planner and student of financial planning.

References

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