



EDUCATION

A Faculty Member's Perspective of Change

by Craig W. Lemoine, CFP®

FINANCIAL PLANNING TECHNIQUES AND

tools are constantly changing. Taxes, insurance products, compliance environments, investment options and risk measures are always in a state of flux. Recommendations used to help clients meet their goals today must be constantly monitored, adjusted and occasionally discarded entirely to ensure client goals will be met in the future.

I graduated from Texas Tech University in 1998 with a degree in family financial planning. In the past 15 years I've had the opportunity to work in traditional insurance environments, fee-only planning firms and those charging planning fees while selling commission products. Proactively responding to environmental and client change is one of the key drivers to success for every type of compensation model in the financial services industry. Firms that have ethically embraced and managed change are thriving; those that maintain the status quo often struggle.

When asked to add to a discussion about change three topics jumped to the forefront of my mind:

1. Technical concepts are always evolving. The federal estate tax is an extraordinarily maniacal and fluid example. In the 1990s, taxable estates over \$675,000 were potentially subject to estate taxes. Today, the threshold for a household that has done no estate planning is slightly over five million. Had Steve Jobs passed in 2010 instead of 2011 his taxable estate would have faced no federal estate tax instead of

owing 35 percent on any amount above 5.12 Million. The moral of this truth is to always keep estate-planning instruments up to date. Investing thousands with a qualified estate-planning attorney and insurance professional today can save clients millions in the future.

2. Some of us are charged with selling suitable products, others acting as fiduciaries when making recommendations to a client. The future may hold all financial services professionals to a universal standard or continue to delineate between salesperson and fiduciary. Without knowing how choices today will be legally viewed through tomorrow's lens we should engage in ethical behavior, always putting the goals and objectives of the client first. Remember the pledge you take when becoming a CLU®, ChFC® or MSFS:

"In all my professional relationships, I pledge myself to the following rule of ethical conduct: I shall, in light of all conditions surrounding those I serve, which I shall make every conscientious effort to ascertain and understand, render that service which, in the same circumstances, I would apply to myself." (<http://ethics.theamericancollege.edu/about/code-of-ethics>)

You agree to make every effort to read, understand, attend conferences, gain appropriate continuing education and take the time to master every aspect of a client's goals and ensuing recommendations. Maintaining this level of



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care for a client rises above today's suitability or fiduciary standards and will prepare you for what future regulatory environments may require.

3. The American College has evolved dramatically to meet the needs of the financial services industry over the past five years and will continue to be the industry leader in financial services education for the next decade. We have changed our method of authoring and delivering content from textbooks to learning objectives. In the past, a faculty member would act as an author and write series of books to support courses. These books and faculty were the backbone of our college. Today, instead of a 500-page textbook, our content is broken down into learning objects built one paragraph at a time. The faculty continues to be made up of industry-recognized experts, but today they are also subject matter experts in specific learning objectives. Our library of knowledge has transformed from 50 textbooks to hundreds of thousands of learning objectives that can be woven together to meet the specific needs of our students. Our content can be published online in multiple formats, added to object-appropriate videos and integrated into customized programs—all of which allows for amazing collaboration between faculty members.

The shift to learning objectives, coupled with a student-first attitude and outstanding faculty has allowed us to be ready for the challenges of today and tomorrow. We have created new educational programs such as the Retirement Income Certified Professional™ and Chartered Health Care Consultant® designations. This July we are launching our inaugural class in the nation's first Doctor of Philosophy in Financial and Retirement Planning.

Change will always occur in the financial services industry. To be ready, a professional must embrace and understand technical changes (such as the estate tax). The same planner must consistently maintain high ethical standards to ascertain and understand their evolving world. The American College has evolved to provide professionals with resources and solutions to ensure understanding of changes in our industry. ■■

**The American College
will announce a
major, exciting new
business venture
on July 1, 2013.**

Check our website that morning for details and a special announcement from Todd Schoon, JD, CLU®, ChFC®, Chair of our Board of Trustees.

July!