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The Intellectual Challenges of Financial Planning



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As I made the transition from a full-time internal medicine specialty practice to one of personal fee-only financial planning, I wondered about how vigorous the science behind my new profession would be. I regarded medicine as a strict science and evidence-based practice that was vigorous and explosive in its governance. My initial thoughts about finance were that it was much less academic, and perhaps full of inaccuracy. However, early in the course of study to achieve the certified financial planner certification, my textbooks revealed a great deal of history and scientific theory on how investments should be approached and managed. In addition, there was a significant depth of academic study underlying the other sections of the course such as tax planning, retirement planning, asset protection, estate planning and more.

As I began work as a planner, I was somewhat amazed to discover the deep breadth of the scientific community working to solve financial issues. There is a constant and vigorous debate among both academics and practitioners (especially mutual fund/hedge fund managers) about how best to invest. There have always been strong academic centers based on economics and finance, but now there are many university-based departments of financial planning as well. In addition to academic information on markets, there is a lively and constant feed of information about how best to manage financial planning clients. Vendors offer quality white papers on a variety of topics and several financial planning organizations (especially the fee-only NAPFA.com) offer forums in which financial planning professionals communicate daily on both investment and other topics. (For more from this author, see: [Seeking a Financial Advisor? You Probably Need a CFP.](#))

Many Opportunities for Certified Financial Planners to Learn

The fee-only planning community is small (perhaps 2,000 individuals), but has organized into many peer groups that provide regular educational sessions to themselves via email, phone and meetings. There are a number of professional financial planning organizations (not all fee-only) that have multiple educational meetings per year with tens of thousands of attendees. These organizations include the Financial Planning Association, the National Association of Personal Financial Advisors, the Certified Financial Analysts Institute, and the Investment Management Consultants Association. Membership in these organizations as well as being a certified financial planner mandates dozens of hours of documented continuing education per year (as much or more than I have to do to maintain my medical license).

Contrast the above with my experience with medical continuing education. I had the occasional time to peruse a journal and otherwise found it hard to keep up beyond studying for board recertification. We had little in the way of academic exchanges in the private practice arena and left significant ongoing education and debate to the academic world. I am embarrassed to admit that I spend much more time “keeping up” with finance and with personal financial planning than I do with medical topics.

So, I've been pleasantly surprised by the intellectual challenges of financial planning. I recognize that this level of academic inquiry and learning is mostly confined to the fee-only planning world, but that's where I exist!

(For more from this author, see: [What It Costs When You Don't Manage Your Finances.](#))



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