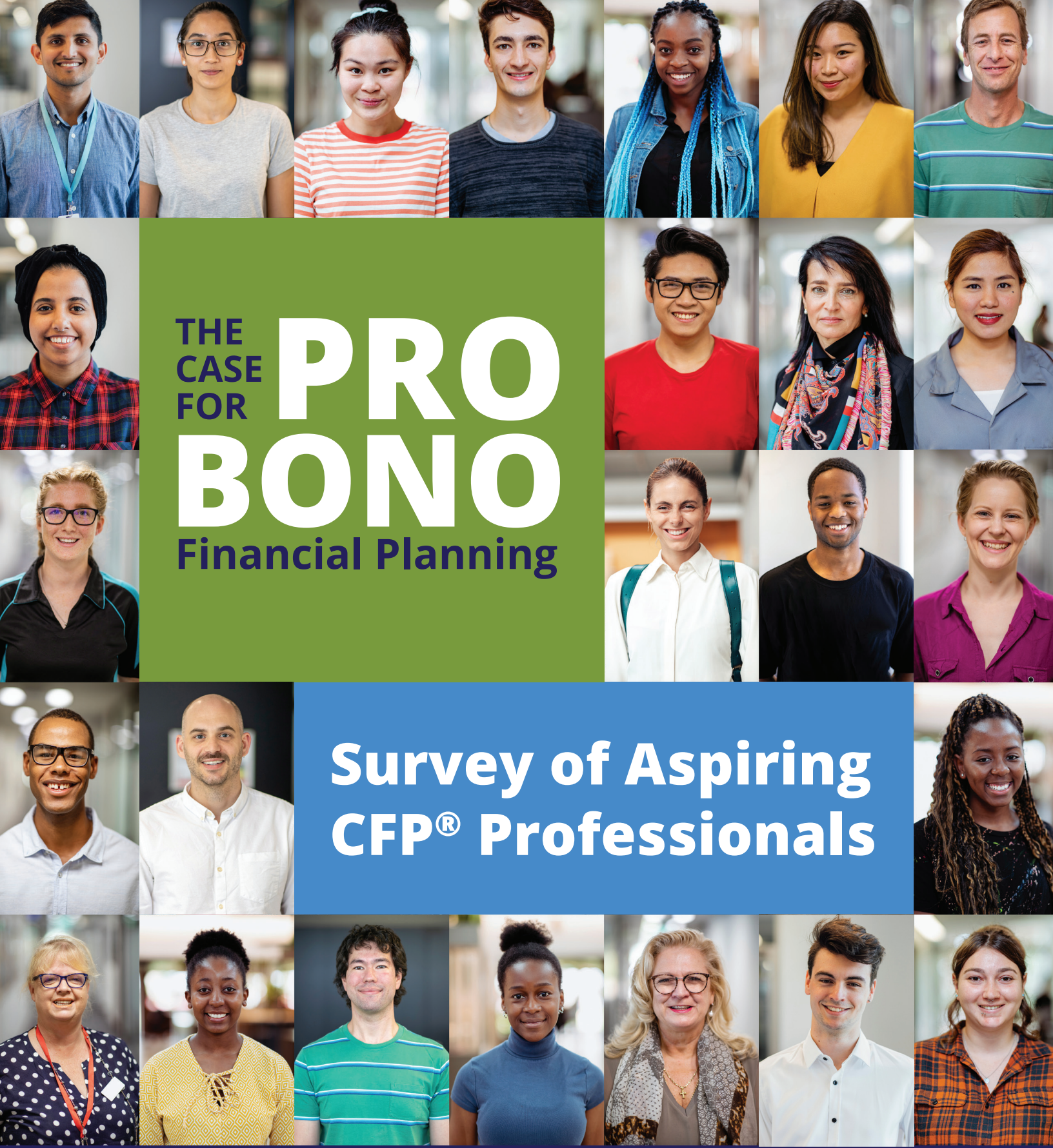

THE CASE FOR PRO BONO Financial Planning

Survey of Aspiring CFP® Professionals

FOUNDATION FOR FINANCIAL PLANNING®
Powering Pro Bono Financial Planning

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OCTOBER 2024

In September 2023, Foundation for Financial Planning (FFP) released the most comprehensive research report ever done on pro bono service in financial planning.[1] Called "The Case for Pro Bono Financial Planning," this report revealed a compelling case for pro bono service across moral, business, and professional development dimensions. Based on a survey of almost 1,600 CERTIFIED FINANCIAL PLANNER™ professionals, the findings demonstrated a keen affinity for and commitment to pro bono service, and a desire on the part of respondents that advisory firms do more to encourage and support it. In almost every area we asked about, CFP® professionals under the age of 35 felt even more intensity in their commitment to pro bono than their older peers, including in their preference that employers and firms do more to support pro bono service, and in their perception that pro bono bolstered vital skills that were utilized across their pro bono and paid practices.

Observing these results across CFP® professionals under the age of 35, we undertook a new survey of those aspiring to become certified as financial planners—those studying for or just starting a career in financial planning. How do these rising planners view pro bono, what motivates them to do it, and how does it influence where they want to work? Here are the results.

Aspiring Financial Planners' Opinions on Pro Bono

In July and August 2024, FFP partnered with Amplified Planning to conduct our research. Amplified Planning is an organization that operates the nation's most well-known and well-attended "Externship" program, an 8-week course for students of financial planning programs and rising professionals seeking to gain knowledge and experience in the financial advisory profession.[2] Participants range from students in or right out of college to career changers to paraplanners and more. Our survey received responses from a total of 314 individuals, 91% of whom intend to get their CFP® designation.

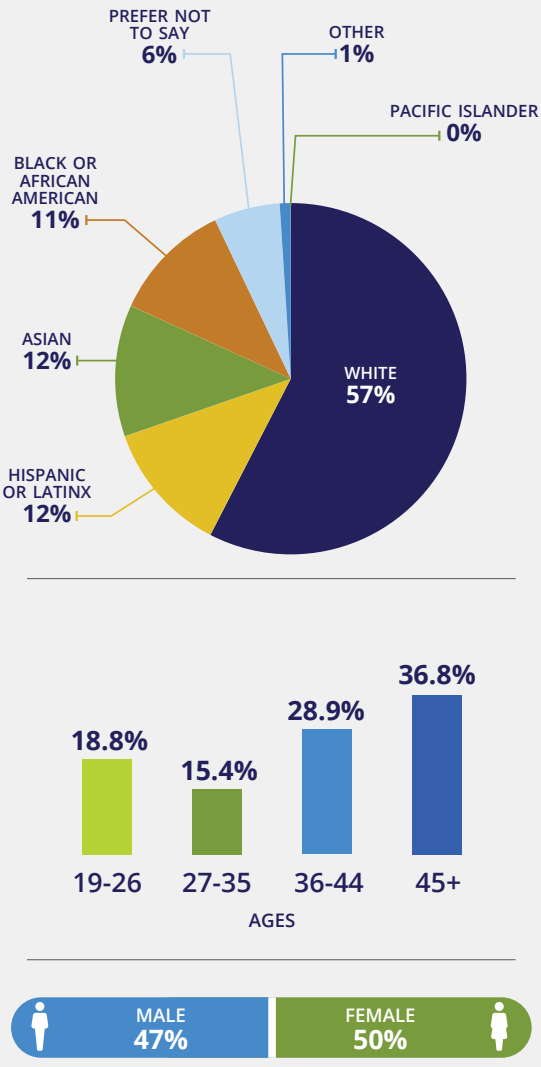
[1] FFP, CFP Board, FPA® and NAPFA have agreed on this shared definition of pro bono financial planning: Free, no-strings attached financial advice or guidance provided by or in conjunction with a CFP® professional volunteer for people who cannot afford a financial planner. These services will be delivered through either one-on-one or small group, interactive sessions. Advisors can connect to pro bono opportunities through a nonprofit grantee or partner of the Foundation for Financial Planning; another nonprofit organization; or through a local FPA chapter or NAPFA-organized effort. Advisors may also engage in pro bono financial planning by providing free financial advice and guidance on a more informal basis to underserved members of their community.

[2] FFP thanks Hannah Moore, CFP®, founder and owner of Amplified Planning, and her team for their generous collaboration and contributions to this project. Hannah founded the Externship program during the COVID pandemic crisis as a way to continue providing internships to financial planning students from across the nation, and since 2020 the Externship has served more than 3,200 participants.

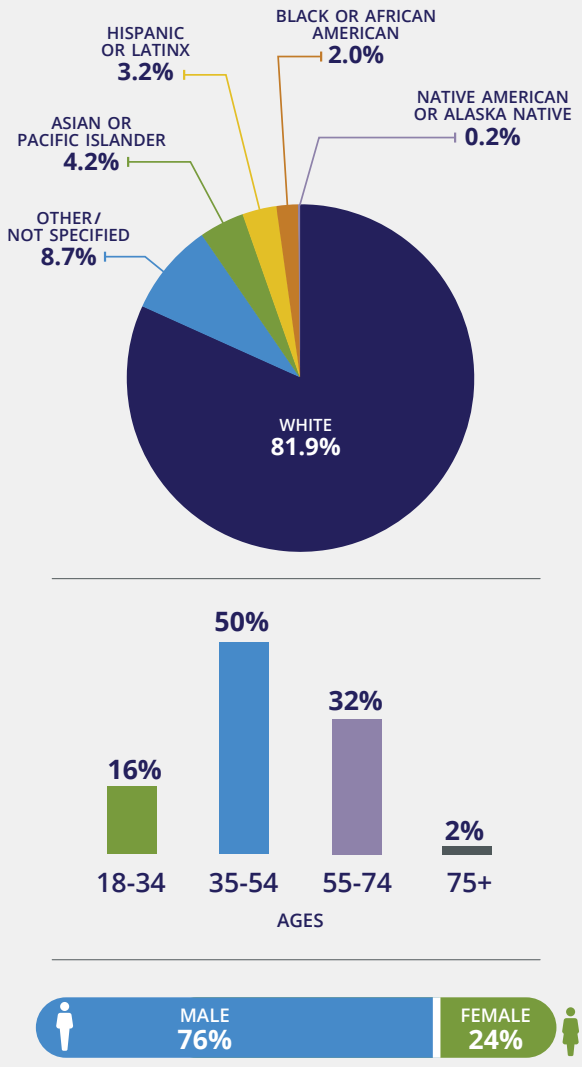
Aspiring Planner Respondents More Diverse than the Current CFP® Population

As noted, The Externship comprises a diverse group of participants, from those in or just out of college, to those returning to the workplace after raising families, to retirees, and more. Accordingly, our sample was more diverse than the current population of CFP® professionals, signifying the increasing diversity of likely new entrants to the financial planning profession. Notably, 11% of respondents identified as Asian; 12% of respondents identified as Black; and 12% identified as Hispanic. The age of the respondents skewed younger than the universe of current CFP® professionals, with 63% forty-four years old or younger. The sample was almost equally divided by gender.

SURVEY RESPONDENTS



ALL CFP® PROFESSIONALS



Figures may not total 100% if respondent didn't provide all requested information.

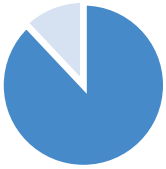
CFP Board, CFP.net, October 2024

Aspiring Planners Want their Educational Institutions to Offer More Pro Bono Content and Preparation

New to the financial planning profession, survey respondents tended to be new to pro bono service. Only 9% of respondents previously provided pro bono financial guidance as part of a course, practicum, or clinic at their educational institution. However, there is strong interest among aspiring planners in knowing and doing more related to pro bono, with 88% of respondents saying their Registered Program/educational institution should offer more content/support to students who would like to learn about pro bono financial planning. Notably, intention to provide pro bono service rose once respondents were informed during the course of taking the survey of the CFP Board's recommendation that all CFP® professionals provide a minimum of 20 hours of pro bono service per year.

9%

of respondents previously **PROVIDED PRO BONO FINANCIAL GUIDANCE** as part of a course, practicum, or clinic at their educational institution



88%

of respondents said their Registered Program/educational institution **SHOULD OFFER MORE CONTENT & SUPPORT TO STUDENTS** who would like to learn about pro bono financial planning

Large Majority of New Entrants Plan to Provide Pro Bono Service Once Certified

A strong majority of respondents (76%) told us that they plan to engage in pro bono service once they receive their CFP® designation, with another 23% undecided. A number of factors can increase the likelihood that these new entrants will provide pro bono. Of the factors that can increase the likelihood that they engage in pro bono service, liability insurance tops the list (mirroring the results of our previous survey of current CFP® professionals), with pro bono training and continuing education credit for providing pro bono service also ranking highly. Significantly, aspiring planners will also look to their firms/employers for encouragement, with 85% saying they would be more likely to engage if they receive support.

Interestingly, respondents cared less about the volunteer opportunity requiring a modest time commitment, with only 40% of respondents selecting that option.

Factors Increasing Likelihood of Aspiring Planners Providing Pro Bono Service.

Newly-Certified Financial Advisors Will Seek Out Employers that Encourage Pro Bono

Even more enthusiastic about pro bono than the broader universe of CFP® professionals, new entrants to the profession will seek out firms that enable them to serve those in need. While our previous survey found that almost half of all CFP® respondents said they would be more likely to work for a firm with an encouraging policy on pro bono service, 83% of respondents in this survey expressed this view. Advisory firms with encouraging policies on pro bono service can gain an edge in recruiting, engaging and retaining this rising group of planners that will benefit them in today's war for talent.

83% of Aspiring Planners Said Employers' Pro Bono Policies Will Influence Where They Want to Work

84%

OF ASPIRING PLANNER RESPONDENTS **AGREE** WITH THIS STATEMENT:

> In the legal field, many leading law firms actively encourage pro bono service for those in need. ***Financial advisory firms should likewise encourage and support advisors who provide pro bono service."***

Aspiring Planners Want Information on How Potential Employers Support Pro Bono Service

In the legal field, when law students are comparing different firms that they have interest in joining, there is an online resource that provides a wealth of information and data on all the major U.S. law firms' pro bono policies, practices and outcomes. While this does not yet exist in the financial advice field, FFP is beginning to identify advisory firms that are on the cutting edge of supporting pro bono service among their advisors through our RIA Impact Partners program and other outreach. We also offer resources and case studies that can show firms exactly how to support their advisors who want to provide pro bono service.

Our research showed that students and new entrants are eager for more information and will use it to help assess what firm they choose to join. In fact, 73% of respondents would find it helpful to their job hunt if their Registered Program/ educational provider made available a list of advisory firms that have pledged to support their advisors who want to do pro bono service. As the pro bono movement grows, and more firms engage, FFP will work across the profession to highlight those firms that have exemplary policies and practices to encourage and support pro bono service.

Pro Bono Highly Valued as Driving Meaning and Purpose in the Profession

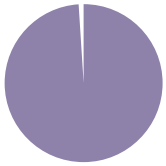
When surveyed, the rising new entrants to the financial advisory profession are clear: they want meaning and purpose in their work; they want to be able to help Americans of all income levels; and they see pro bono service as a great way to achieve both outcomes:

96%

of rising advisors responded positively or very positively when asked how they felt about the **FINANCIAL PLANNING PROFESSION'S COMMITMENT TO PRO BONO**

88%

expect that once they become CFP® professionals, they will fulfill the CFP Board's recommendation that each CFP® professional **PROVIDE AT LEAST 20 HOURS OF PRO BONO SERVICE EACH YEAR**



99%

of respondents would support CFP Board offering advisors the ability to receive **SOME CE CREDIT FOR PROVIDING PRO BONO SERVICE** to people in need

FFP Resources to Assist Educational Institutions and Advisory Firms

By the end of 2025, FFP will be offering a free, modular curriculum on pro bono service to Registered Programs/educational institutions. This resource will provide much that is needed for institutions to develop course programming of varying durations, implement pro bono student practicums and clinics, and more.

FFP also offers advisory firms a growing variety of resources to help their firms become more encouraging and supportive of pro bono service. We salute our current RIA Impact Partners who are on the cutting edge of this movement.

To find out more, go to **FFPprobono.org/RIA**.

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