



**THE
CASE
FOR**

PRO BONO

Financial Planning

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Foundation for Financial Planning

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Why Pro Bono Matters

It's often said that a true profession embraces a pro bono tradition—its practitioners have a highly-sought after set of skills that benefit society yet can be too expensive for lower to modest-income (LMI) consumers to access. Although the financial planning profession is much younger than law or medicine, CERTIFIED FINANCIAL PLANNER™ professionals are indispensable guides for those they help in a complex financial world. Based on prevailing compensation models, however, it's also true that most LMI households cannot access or afford this service.

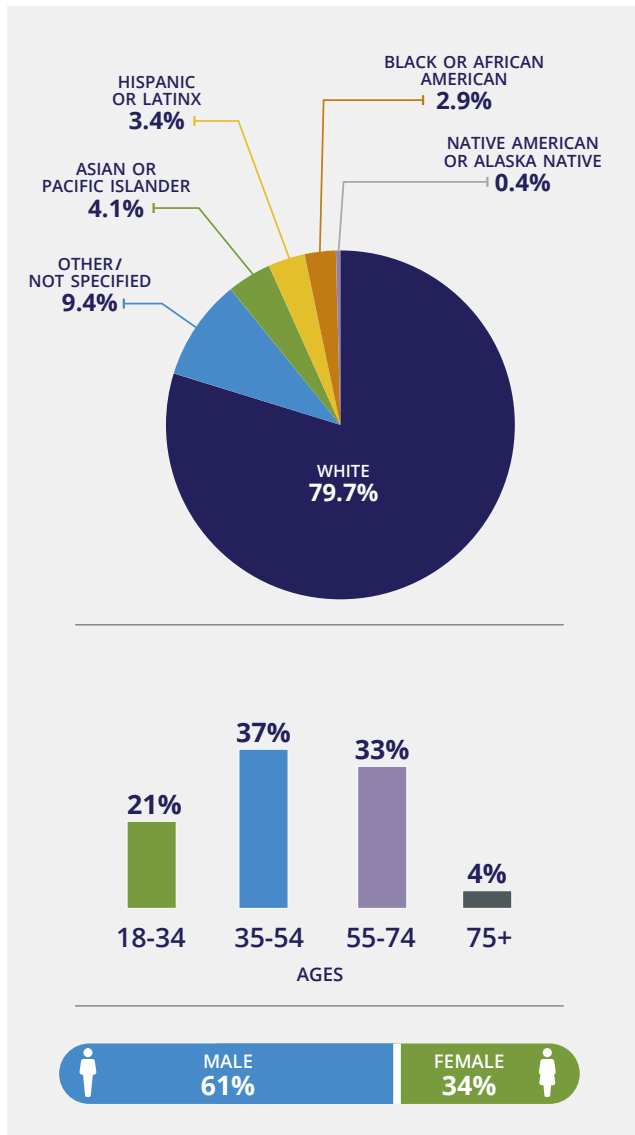
Foundation for Financial Planning (FFP) is dedicated to expanding pro bono financial planning and advice to underserved families,¹ believing that this can improve the lives of people in need while also sharpening practitioners' skills, benefiting their employers, and bolstering the profession. Our groundbreaking recent survey supports a compelling case for pro bono service—a case with moral, business, and professional development dimensions.

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.

FFP Survey of CFP® Professionals on Pro Bono

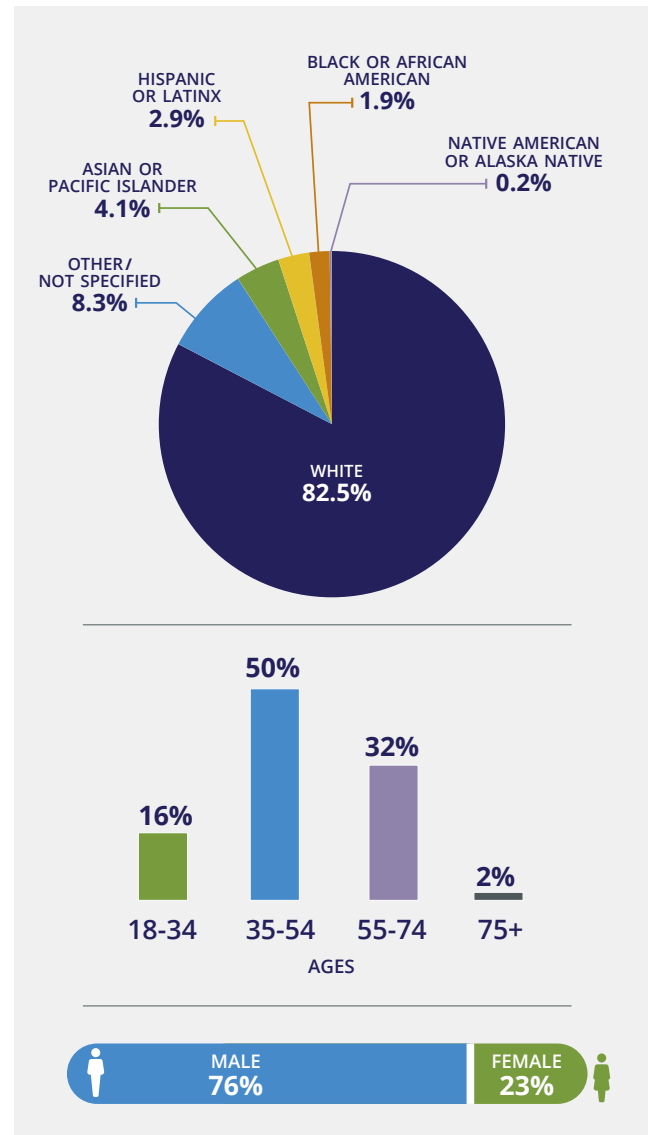
Conducted in June 2023, FFP's survey received **responses from 1,166 CFP® professionals**, with a random sample that closely mirrored the demographics of all CFP® professionals. Of all respondents, 73% had previously performed pro bono service, with 50% engaged in 1 to 12 hours in the past year, and 22% engaged in more than 12 hours.

SURVEY RESPONDENTS



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

ALL CFP® PROFESSIONALS

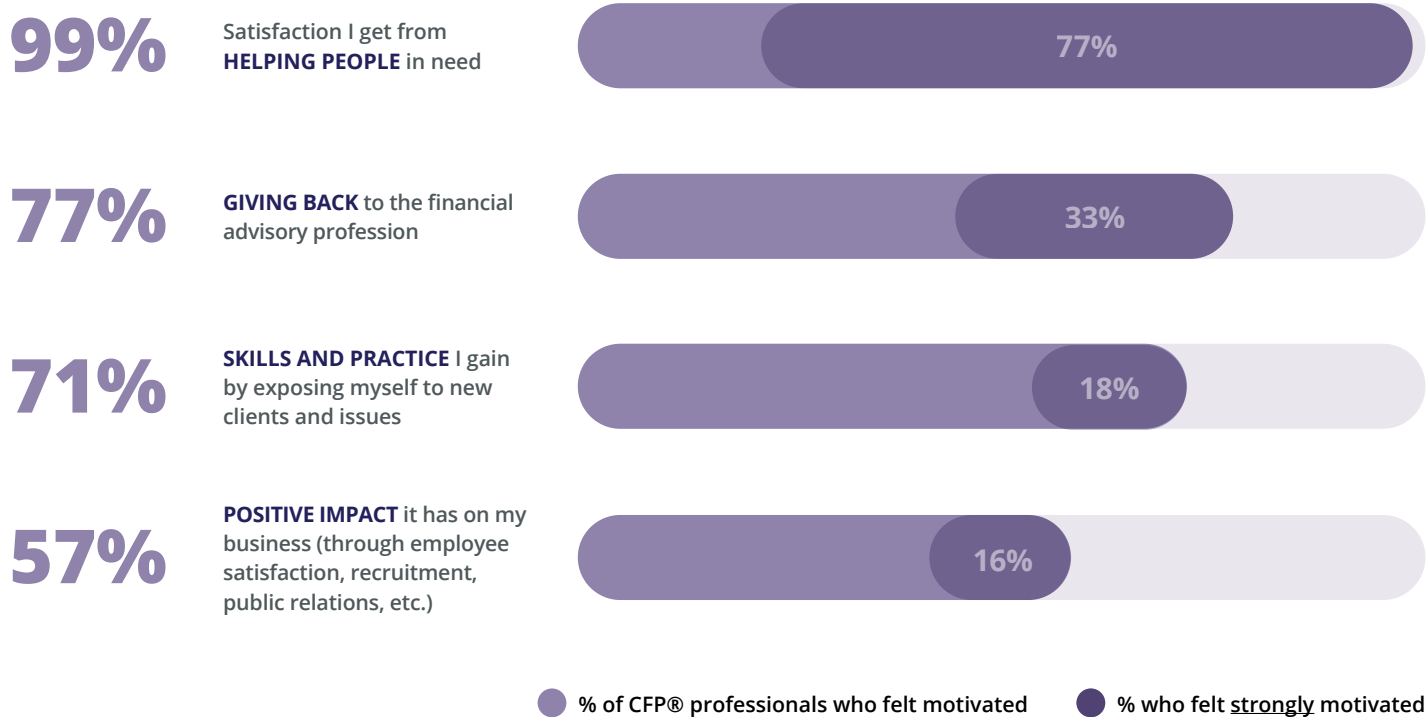


CFP Board, CFP.net, August 2023

Service to Others is the Top Motivator

With more than half of Americans unable to pull together even \$1,000 for an emergency expense, and so many bewildered by financial issues, there is a special kind of satisfaction planners can get by helping pro bono clients, who have almost no margin for error. Indeed, the moral imperative of helping these clients motivated virtually all CFP® professionals responding to our survey, although other motivations were also cited as important. Younger planners especially valued acquiring new skills and the positive effects they saw on their practice.

Key Motivations for Pro Bono




Planners under age 35:



Firms Encouraging Pro Bono Gain Competitive Edge

In today's war for talent, successful recruitment, engagement and retention of advisors is an employer imperative. FFP's survey found that almost half of all CFP® respondents said they would be more likely to want to work for a firm with an encouraging policy on pro bono service... yet less than a third reported that this was true of their firms. The enthusiasm for pro bono was even more pronounced among younger (under age 35) and female planners. A firm that adopts policies and practices to encourage and support advisors doing pro bono service can position itself as an 'employer of choice,' gaining a human capital edge among all advisors and key diverse segments.

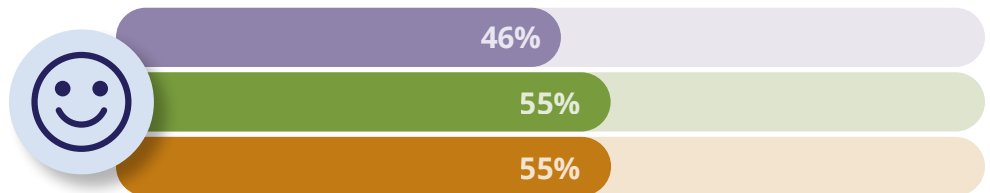


Only **28%** of CFP® professionals report that their firm **encourages pro bono**

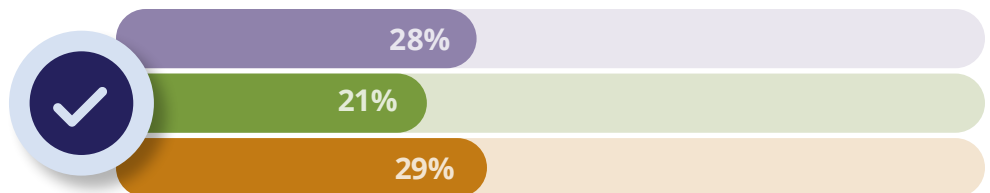
Pro Bono Influences Employer Choice

Would a firm's encouraging policy on pro bono make you more likely to work there?

It would make me **MORE LIKELY** to want to work there



My current firm has an **ENCOURAGING POLICY**



● All CFP® professionals
 ● Under age 35 CFP® professionals
 ● Female CFP® professionals

How Firms Can Advance Pro Bono Service

FFP asked CFP® professionals what employers could do better to encourage and support pro bono service, with respondents identifying the top three action steps they would recommend. Not surprisingly, advisors want their employers to smooth the way with compliance but also to incentivize service with modest policy changes that show the pro bono service is valued. CFP® professionals under 35 were even more intense in their support of policies that encourage pro bono.



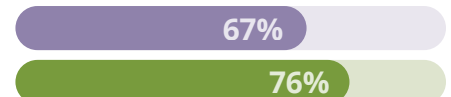
70%
OF CFP®
PROFESSIONALS
AGREE WITH
THIS STATEMENT:

“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.*”

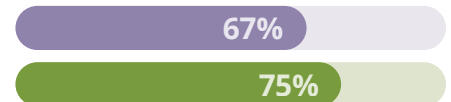
Policies & Practices to Support Pro Bono

CFP® respondents want employers to better support their advisors who perform pro bono service, saying firms should:

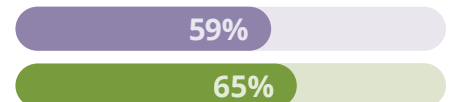
ALLOW ADVISORS TO USE SOME OF THEIR WORK HOURS to engage in pro bono service



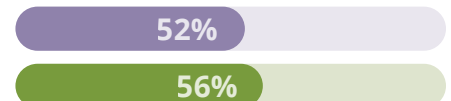
TAKE CARE OF ALL COMPLIANCE-RELATED ISSUES and/or front-run pro bono compliance on their advisors' behalf



HAVE PARTNERSHIPS WITH NONPROFIT ORGANIZATIONS who lead the pro bono movement



TAKE POSITIVE NOTICE OF PRO BONO SERVICE during performance reviews

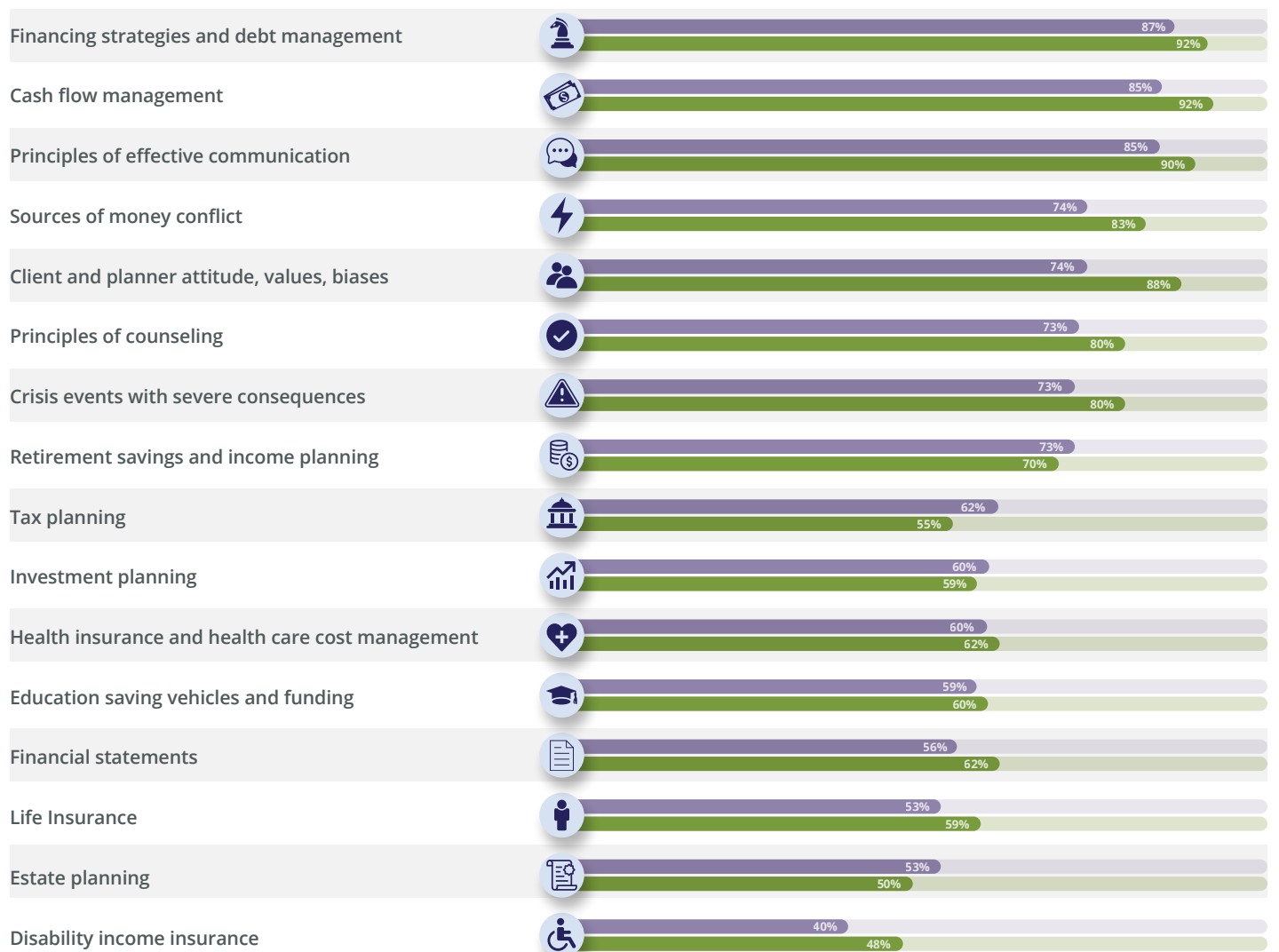


- All CFP® professionals
- Under age 35 CFP® professionals

Pro Bono Service Develops Key Advisor Skills

CFP® professionals must master educational content as outlined in CFP Board’s ‘Principal Knowledge Topics,’ a roadmap to the skills needed to be an effective advisor. FFP asked survey respondents who had provided pro bono if their service helped to develop various specific skills and issue knowledge that constitute these Knowledge Topics—and we found overwhelming agreement that it did, especially related to the topics covered in the ‘Psychology of Financial Planning’ domain. Younger advisors were even more emphatic that their service bolsters specific skills.

Advisors Agree that Pro Bono Service Develops Key CFP® Principal Knowledge Topic Skills



● All CFP® professionals ● Under age 35 CFP® professionals

Advisors Apply “Soft Skills” from Pro Bono in Broader Careers

Just as CFP® professionals gain skills from pro bono service in very specific areas, they also develop certain “soft skills” that are invaluable to their broader careers. Advisors report that pro bono service sharpens their skills communicating with clients, interacting with diverse individuals, and leading in new roles while learning new issues – making them better advisors overall. Advisors under 35 are even more likely to report improved soft skills, perhaps arising from the opportunities pro bono affords them to have extensive direct client interaction with diverse individuals.

81%

of CFP® professionals under age 35 said pro bono improved **communications skills.**



Advisors Agree that Pro Bono Develops Soft Skills They Use in Broader Careers

Pro bono financial planning has helped me develop more effective **CLIENT LISTENING AND COMMUNICATION SKILLS.**

71%
81%



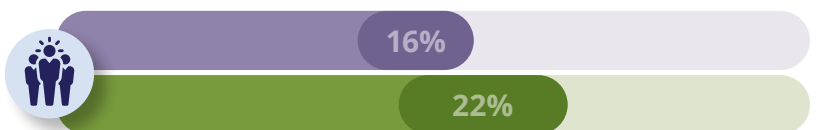
The opportunity gained through pro bono financial planning to **INTERACT WITH A MORE DIVERSE CLIENT BASE** makes me more effective as an advisor.

73%
76%



Pro bono financial planning allows me to take on new roles and **DEVELOP SPECIFIC LEADERSHIP SKILLS** that I can apply with paid clients and/or in my broader career.

56%
68%



● % of CFP® professionals who agreed
● % who strongly agreed

● % of under age 35 CFP® professionals who agreed
● % who strongly agreed

A Shared Commitment to Expanding Pro Bono Financial Planning

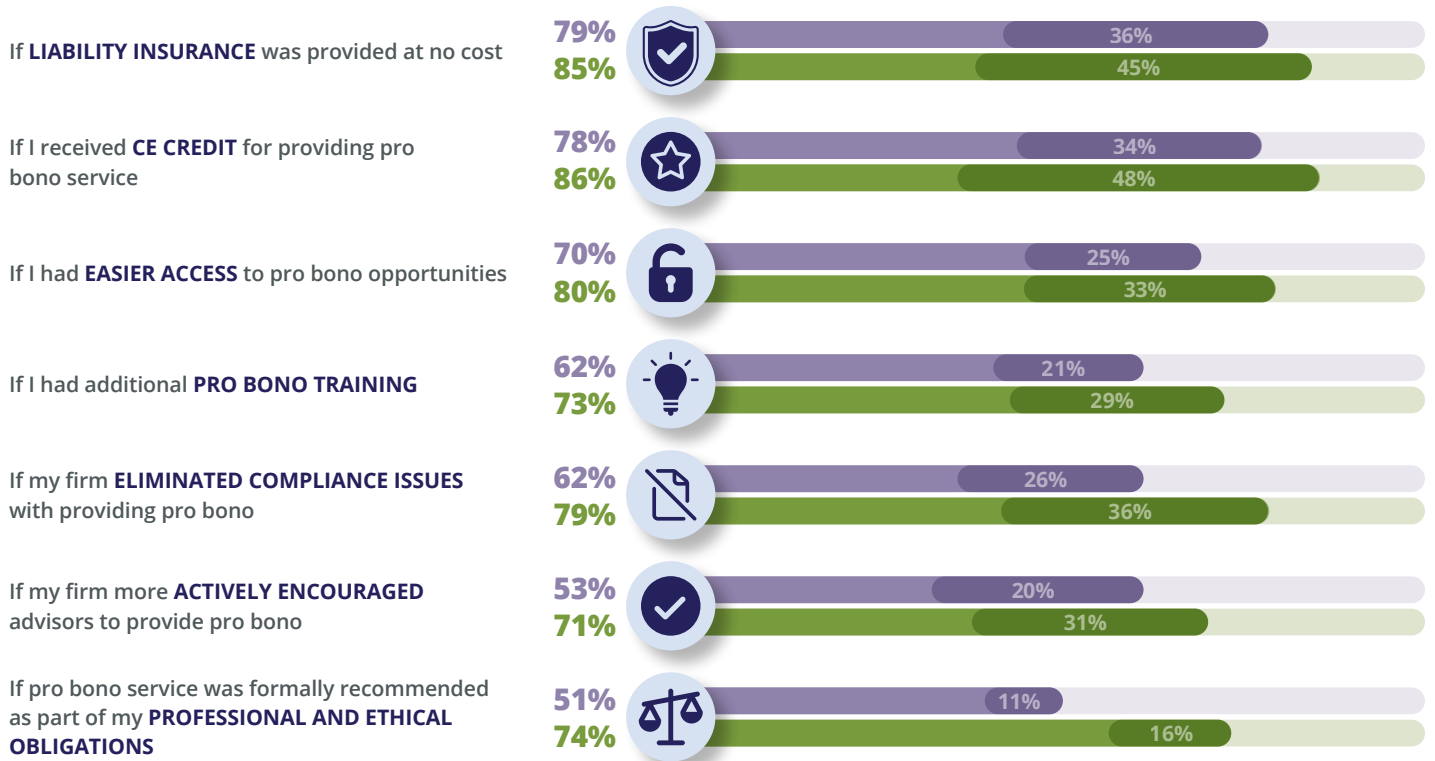
As FFP leads the movement to foster pro bono financial planning across the advisory profession, we work to remove barriers; collaborate with leading nonprofits, companies and RIAs/firms; and develop incentives and easier pathways for advisors to engage. Most of all, we listen to CFP® professionals about what they say they need to increase their likelihood of providing pro bono service. FFP's survey results show that the key actors who can fuel the pro bono movement are taking many of the right steps, with younger planners even more responsive to various incentives.

53%

of CFP® professionals would do more pro bono **if their firm encouraged it.**

CFP® PROFESSIONALS ON:

What Would Increase Your Likelihood of Providing Pro Bono Service?



● % of CFP® professionals who said would increase likelihood
 ● % who said would strongly increase

● % Under age 35 CFP® professionals saying would increase likelihood
 ● % who said would strongly increase

Providing Incentives, Removing Barriers

Progress has been made or is underway on many of the issues previously identified, although continuing outreach and education is needed to make all CFP® professionals aware of the latest developments:

LIABILITY INSURANCE

FFP offers [free E&O liability coverage](#) for eligible CFP® professionals who volunteer with our grantees or for the nonprofit partners who post opportunities on FFP's [ProBonoPlannerMatch.Org](#) site. Financial Planning Association® (FPA®) likewise offers free coverage for its eligible members.

CONTINUING EDUCATION CREDIT FOR PRO BONO SERVICE

Currently, the National Association of Personal Financial Advisors (NAPFA), awards some CE credit for members who provide pro bono service.

EASIER ACCESS TO PRO BONO OPPORTUNITIES

FFP created [ProBonoPlannerMatch.Org](#), our free, online volunteer matching platform, so that CFP® professionals can register, create a profile, and browse a diverse array of opportunities at nonprofits nationwide. Many are virtual opportunities, and the CFP® professional can volunteer right from their office or home.

ADDITIONAL PRO BONO TRAINING

FFP offers an introductory course for CFP® professionals to [learn the basics](#) of providing pro bono, plus skills-building [webinars](#) (live and on-demand) throughout the year.

COMPLIANCE ISSUES

FFP works with our pro bono compliance advisory firm, MarketCounsel, to maintain a "[Compliance FAQ](#)" for advisors to address the concerns that may be raised by advisors' compliance departments. We also urge employers to put in place encouraging policies for pro bono so that advisor requests to volunteer are not treated as one-offs and instead have institutional support.

EMPLOYER POLICIES THAT ENCOURAGE PRO BONO

FFP is increasingly working with companies and firms who want to lead on pro bono service, not only because it's the right thing to do, but also as part of their human capital and diversity, equity and inclusion strategies. As examples, the leaders who make up FFP's [Corporate Advisory Council](#) and [RIA Impact Partner](#) firms are on the vanguard in helping to advance pro bono in the profession.

PRO BONO SERVICE AS A PROFESSIONAL COMMITMENT

In July 2023, [Certified Financial Planner Board of Standards, Inc. \(CFP Board\)](#) announced that it recommends each CFP® professional voluntarily provide at least 20 hours per year of pro bono service, and certificants are asked to log service hours as they renew their credential. [FPA](#) and [NAPFA](#) have long histories of encouraging members to provide pro bono. As the pro bono movement grows, each group has collaborated with FFP on helping it to advance.

What You Can Do

FFP invites you to join the pro bono movement!



SIGN UP TO VOLUNTEER at ProBonoPlannerMatch.Org
(must be a CFP® professional to register)



SUPPORT THE CAUSE with a charitable, fully tax-deductible gift
at FFPprobono.org/donate



ENCOURAGE YOUR FIRM or employer to sign on as an FFP RIA
Impact Partner or Corporate 100 Club member; find out more
at FFPprobono.org/our-supporters



STAY INFORMED by signing up for our monthly e-newsletter
at FFPprobono.org/get-updates



TELL YOUR NONPROFIT PARTNERS about how FFP
can help them to develop pro bono programs; find out more
at FFPprobono.org/nonprofits

The author thanks the FFP team for their work on this initiative, especially Rachel Roth, Senior Director of Grants & Programs, who led the survey research. FFP also thanks CFP Board, FPA, and NAPFA; and our RIA Impact Partners and Corporate 100 Club supporters, who helped us promote the survey to CFP® professionals.



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