Minnesota State University, Mankato

Financial Planning Certificate Program

MINNESOTA STATE UNIVERSITY, MANKATO
FINANCIAL PLANNING CERTIFICATE PROGRAM STUDENTS
EXCEED NATIONAL PASS RATE ON JULY 2005 CFP® CERTIFICATION EXAMINATION

Students in the Minnesota State Mankato Extended Learning and College of Business Financial Planning Certificate Program achieved a higher pass rate on the July, 2005 CFP® Certification Examination than the national pass rate. The national average pass rate was 58% and Minnesota State Mankato’s Certificate Program students achieved an amazing 72%.

“Our advisory board and instructors are committed to offering a high-quality program,” said Chan Lee, program director. “We are pleased to see our pass rate statistics validate their hard work.”

CFP® Certification Examinations Who Succeeds?

A survey on factors affecting passing rate for the CFP® Board Certification Examination has been done by the team of academicians1 in the field of financial planning and was reported in the 2004 CFP® Program Directors conference held in Denver, CO.

In this column, an effort is made to highlight the findings from the survey. While the variables included in the study were extensive, four were chosen for observation: (a) age of test-takers, (b) academic major field, (c) the time elapsed between the completion of required CFP® courses and the exam taken, and (d) the length of time spent reviewing the materials.

The survey result showed a statistically significant difference between the passing rate for the younger test-takers and the older test-takers. Those age 30 or below achieved a 65% pass rate, compared to 60% for the group older than age 30.

Highest degree earned was not significantly related to the passing rate for the younger test-takers, while it was positively related to the older test-takers; that is, the higher the degree earned, the better the passing rate for those over age 30.

The younger test-takers with a major in economics or accounting achieved a higher passing rate (73% and 72%, respectively) than other majors such as finance and business (64% and 61%, respectively). Results were similar for the older test-takers; 66% and 69% for majors in economics and accounting, compared to 64% in finance and 56% in business.

The shorter the time elapsed between the completion of required courses and taking the exam produced a higher passing rate for both the younger group and the older ones. With less than 6 months elapsed time, the passing rate for the younger test-takers was 64%, compared to 61% for the older group. With 7-11 months of elapsed time, the passing rate was reduced to 39% for the younger test-takers and 52% for the older group. If the time factor exceeds 2 years, the passing rate declines to 43% for the younger group and 54% for the older ones.

For both the younger test-takers and the older ones, the passing rate was lowest if the time spent on review was 5 weeks or less (55% for the former and 58% for the latter). By extending study time to 17-20 weeks, however, the passing rate for the younger group increased to 71%, while it decreased to 57% for the older group.

1This survey titled “Determinants of Success on the CFP® Certification Examination” was conducted by a team of academicians in the field of personal financial planning. Included in the team were Prof. Vickie Hampton, Texas Tech University, Vance Grange, Utah State University, and three others.
From the Program Director
Dr. Chan H. Lee

The Financial Planning Certificate Program at Minnesota State Mankato was initiated in 1998, and its primary mission has been to provide quality education for the students pursuing CFP® Certification. In order to fulfill the mission, the following efforts have been made:

1. Explore the means through which high quality instruction could be maintained.
2. Provide an environment for the students to interact among themselves.
3. Facilitate a networking opportunity with the practitioners in the community.

Explore the means through which high quality instruction could be maintained

The faculty forum was introduced in 2003 and its main objective is to promote quality classroom instruction by the faculty members of the program. At each forum several faculty members are chosen to do presentations which include (a) specific topic areas, (b) the teaching strategies used for each topic area, (c) type of homework assignments, (d) case analysis and (e) the number of exams and quizzes given. Following the presentation, the other faculty members were given an opportunity to ask questions as well as to make comments and/or suggestions.

In addition, at the end of each forum, comments from student evaluations of instructors were presented anonymously. An attempt was made to explore the means through which our faculty members could provide effective classroom instruction.

Provide an environment for the students to interact among themselves

In our program case studies have been used in each course. The CFP® Certification Examination is largely based on case analysis and the results of an empirical study suggest that students prefer real applications at work and group discussion based on real cases. The same study also suggested that pure lecture was the least preferred method of instruction (please refer to “Student Preference for Methods and Teaching Aids in Education Programs” by Benedicta Eyemaro, Bridgewater State College, Massachusetts, presented at WACRA 21st annual conference in Argentina, July 2-7, 2004).

Facilitate a networking opportunity with the practitioners in the community

It is fortunate that we have strong support from the Financial Planning Association, MN Chapter. A large number of our Advisory Council members are members of the FPA. Upon joining the FPA, students are given unique opportunities to establish networking relationship with the practitioners in the community, not only to explore employment opportunities, but also internships and scholarship opportunities.

From the Director of Extended Learning
Kathy Trauger

The year 2005 is nearly at an end and we have had another successful year with the Financial Planning Certificate Program. As you read elsewhere in the newsletter, our pass rate is above national average which makes us proud of our students, faculty, advisory board and everyone involved with the program.

We are grateful for the support and interest from all of you in our program. Please do feel free to contact us if you have any questions about the Financial Planning Certificate Program.

Happy Holidays!