



June 3, 2021

FPA President Skip Schweiss, CFP®, AIF®
FPA CEO Patrick D. Mahoney
Financial Planning Association
1290 Broadway, Suite 1625
Denver, CO 80203

Re: OneFPA Advisory Council Feedback on Potential Member Recruitment Campaign Concept

Dear Skip and Patrick,

The OneFPA Advisory Council Executive Committee (“ACEC”) appreciates the time you spent with the OneFPA Advisory Council (“Council”) on April 8, 2021. Your overview of the Association’s current standing and the steps you are taking to solidify FPA’s standing in the profession was appreciated by the Council, as is the openness with which you provided your update. The message and tone coming from FPA’s leadership are refreshing.

The purpose of this communication is to share the feedback the ACEC received from the Council representatives on the idea of potentially giving away free first-year memberships to newly minted CFP® professionals. To ensure that our communities provided feedback, all Council representatives were provided four questions immediately following the April 8 meeting to take to their respective chapter boards. Council Representatives brought the responses to these questions back to the full Council during a meeting on May 20. Representatives were broken out into small discussion groups to explore how each community responded. Detailed notes were taken during those breakout discussions and were used to inform this report.

The four questions all Council representatives were asked to answer are:

1. If complimentary one-year memberships were given to new CFP® certificants, what is the potential impact (positive or negative) on your chapter?
2. If complimentary one-year memberships were given to new CFP® certificants, what is the potential impact (positive or negative) on FPA nationally?
3. If complimentary one-year memberships were given to new CFP® certificants, would this be a step in the right direction, or a step backward, for FPA?
4. If complimentary one-year memberships were given to new CFP® certificants, how can the Central Office help your chapter create positive engagement with the new CFP® certificants?

As you will see in the following report, the overall sentiment about the concept is positive. Generally, our community leaders feel this can be an opportunity to grow membership potentially. However, there is some concern that FPA may not be able to deliver on the membership experience—both at the national and chapter level. Generally, community leaders believe a more accurate assessment of the strategy’s impact is difficult to ascertain without additional detail. What follows are comments collected during the May 20 Council meeting that provide additional sentiment/general thoughts on the proposed strategy:

- Some felt the value proposition was the key to gaining more members, not the cost of membership.

- NAIFA tried a similar program. They saw few renewals while seeing an increase in work and time on staff and volunteers.
- We need to be careful. A poor experience by the new members can be a step backward.
- This can be a step in the right direction as the organization that represents the interests of CFP® professionals.
- The Central Office focusing their attention on membership (both existing and new) is a step in the right direction.

Through the breakout discussions as part of the May 20 Council meeting, we identified commonalities in the comments and feedback the representatives were sharing. We pooled these comments into four categories: *Potential Positives, Potential Negatives, Questions and Ideas for Consideration, and Potential Recommendations.*

Potential Positives Identified by Council Representatives:

- The general sense is this is a no-brainer way to increase membership.
- This can be an opportunity for chapters to refine their new member outreach to get new folks engaged in volunteerism, mentorship, networking, etc.
- Positive impact for membership growth.
- It will provide exposure to a broader group of CFPs and will be beneficial in terms of potential renewals in terms of potentially improving diversity.
- Higher member counts are a draw for potential chapter sponsors.
- Many NexGen members came into FPA initially because of their initial cost being covered.
- It is an opportunity to match a growth strategy being employed by NAPFA, which sees solid retention numbers. FPA can potentially have high retention if people see the value.
- Has potential to improve the diversity of thought, age, geography, and ethnicity in our organization.
- Growth in membership numbers can lead to better PR for FPA.
- New members mean an opportunity to deepen our volunteer talent pool.

Potential Negatives Identified by Council Representatives:

- This could lead to potential strain on the chapters that don't have the necessary programming or finances.
- There could be potential resentment from long-time chapter members and Allied Professional members.
- Some skepticism that these new folks will not be motivated to renew after the free first year of membership.
- The chapters will bear the cost of a member.
- Consistency in experience is critical. How can consistency be realized when the experience at the local level is different from chapter to chapter?
- For chapters that have an "all-inclusive fee," the financial impact will be more significant.
- Terminology like "free" sends the wrong message by potentially cheapening the value of membership or even letting people believe it has no value.
- What is the "cost of a member" at the national level, and how will this be made up?
- If membership swells, can the Central Office absorb that impact from a staffing and infrastructure standpoint?

Questions and Ideas for Consideration by Council Representatives:

- Is there potential to give free membership to anyone who passes the CFP examination, not just new CFP professionals?
- Why should this be limited to CFP® professionals only? Should this be extended to non-member CFP® professionals as well?
- Chapters with positive cash flow will be less impacted than those facing financial difficulties. Is this something to consider?
- Chapter in-person meetings usually require a separate fee for attendance. Will these still be permissible, and how will this be communicated to the new members?

- The potential impact is both negative and positive. The financial impact could be crushing, but adding members AND keeping members would be positive.
- Would the Central Office consider “stair-stepping” the national dues from year two to year three to not turn off potential renewals? For example, national dues in year two would be \$175 in year two and \$375 in year three.
- Is there an opportunity to select those benefits that these new members get with their free one-year membership, so there is motivation to renew?
- What can be learned from reviewing data and feedback from those who opted not to renew their membership in the past? Can we review that information to learn what we need to do to ensure people have a better experience?
- Assess whether or not the current dues structure is too high. Can this be addressed to make the cost of membership a nonissue?
- Could there be an opportunity to explore a ‘Buy One, Get One’ option where new CFP® certificants commit to a second year of membership a year in advance at full price and get the first year free?
- What happens with the offering if this is a huge success and the number of new members becomes overwhelming for some chapters? What resources will the Central Office be able to provide to those chapters?

Potential Recommendations Identified by Council Representatives:

- A defined value proposition will be central to this effort and ensuring the benefits match the value.
- Central Office must provide a detailed plan for how they will navigate/direct the initiative to provide the most positive impact possible to all chapters of all sizes and ensure a consistent experience for the new members no matter their location.
- A master communications plan needs to be developed that outlines what will be communicated throughout the year and how the Central Office will facilitate those communications. The plan should include how FPA will introduce them to the organization, encourage engagement, and, ultimately, convert a new member to a paying member.
- Provide an analysis showing the financial impact on the Central Office and the chapters.
- Provide a staffing plan to account for the increased membership, need for proactive outreach to new members, development of new programs and benefits, etc.
- Need good touchpoints by local chapter to the new members, which means the chapters will need support from the Central Office.
- Train chapter leaders each month with the focus on creating an excellent experience for these new members.
- Member benefits training needs to be developed to onboard these new members in a way where they get to experience the value of membership.
- Make the onboarding and renewal process as simple as possible.
- Request additional data from the new CFP® certificants as they join to help paint a better picture of who these new members are.
- The renewal should automatically default to the monthly payment plan to make the cost of renewing palatable.
- Consider sharing critical membership data from the Central Office on renewal rates and other metrics.
- Learn what’s working across the chapter system that is engaging these new members and help other chapters learn from these experiences to consider them for their chapters.
- Create a standardized onboarding experience that involves chapters and provide the needed training to ensure it is consistently done.
- Determine the level of flexibility chapters will have in implementing the campaign and follow-up.
- Develop a master plan that includes workflows, timelines, and topics for engagement throughout the year.
- Provide chapters with template emails and other communications that can be easily implemented.
- Consider implementing a buddy system where each new member is matched with a local member.
- Create and offer a unified calendar of all events and programs across the country that any member—regardless of location—can plug into.
- Ensure chapters are notified as soon as a new member joins so outreach can start immediately.

Based on the feedback provided by our Council representatives for their respective communities, **the ACEC recommends FPA continue to define the strategy and explore the merits of offering new CFP® certificants a complimentary first-year membership in the Association.** As part of this work, the ACEC believes it is essential that FPA seriously consider additional recommendations to ensure campaign success:

- FPA needs to define what it means to be a “new CFP® professional.” Is it someone who passes the examination or someone who has met all necessary requirements and is permitted to use the marks?
- FPA must develop a comprehensive strategy document to be shared with FPA’s community leaders to ensure everyone is on the same page. This document must include what the campaign will entail, the strategy for converting these new members to paying members in year two and three, all planned marketing and communications, how it will be executed from a staffing and operational standpoint, a financial analysis showing the impact on FPA and the chapters, and how FPA chapters will be part of this effort.
- A consistent, impactful value proposition will be critical, and we recognize the FPA Board of Directors and Central Office staff are working on this. Because words matter, we strongly advise FPA not to use the word “free” when describing the offer. Instead, use a term like “complimentary.”
- Provide ongoing training to FPA community leaders to learn how they can play an active role in this effort and be sure that the engagement strategies and successes chapters are having are taught to other chapters.
- Develop a standardized onboarding process that FPA and all chapters can use to help ensure a consistent experience for every new member.
- Reporting will be essential. Ensure chapters are aware of new members immediately upon joining, provide regular metrics to chapters about campaign progress and other relevant data.

Thank you for your continued engagement with the Council as we work together to build a brighter future for our Association. If you have any questions about the recommendations we offered, please let us know. We would be delighted to engage further on this crucial issue.

Respectfully Submitted by the OneFPA Advisory Council Executive Committee on Behalf of the OneFPA Advisory Council,

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