Sham Credentials

One Chinese proverb suggests that talent counts for thirty percent and appearance counts for seventy. It seems that the financial services industry has taken heed. As competition intensifies, advisors are sporting an increasingly long list of impressive-sounding credentials that are, dare I whisper, less than rigorous. By my count, the National Association of Securities Dealers, a regulator and industry watchdog, lists no less than 62 financial designations and program sponsors on its website. Other sources put the number of financial credentials at over 100.

As I sifted through many of these programs I found the educational regimen for a number of them to be…I'm thinking of a nice word…abbreviated. Here are a few gems: Certified Retirement Financial Advisor (4-day class), Accredited Investment Fiduciary (2½-day program), Certified in Long-Term Care (2-day "master" class), Asset Protection Planner (12 hours, on-line or in person), Certified Annuity Consultant (one seminar), Certified Trust and Financial Advisor (none), Board Certified in Mutual Funds (none), and Board Certified in Annuities (none).

And watch out if you're a senior citizen because the industry has a number of credentials aimed squarely at you: Certified Financial Gerontologist (24 study hours), Certified Senior Consultant (25 study hours), and Certified Senior Advisor (3½-day "live" class).

To be fair, some of these programs do impose certain prerequisites, but the issue of watered-down professional credentials is earning the ire of regulators. The lesson? Not all credentials are created equal. As always, a healthy sense of skepticism is your best defense.

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