

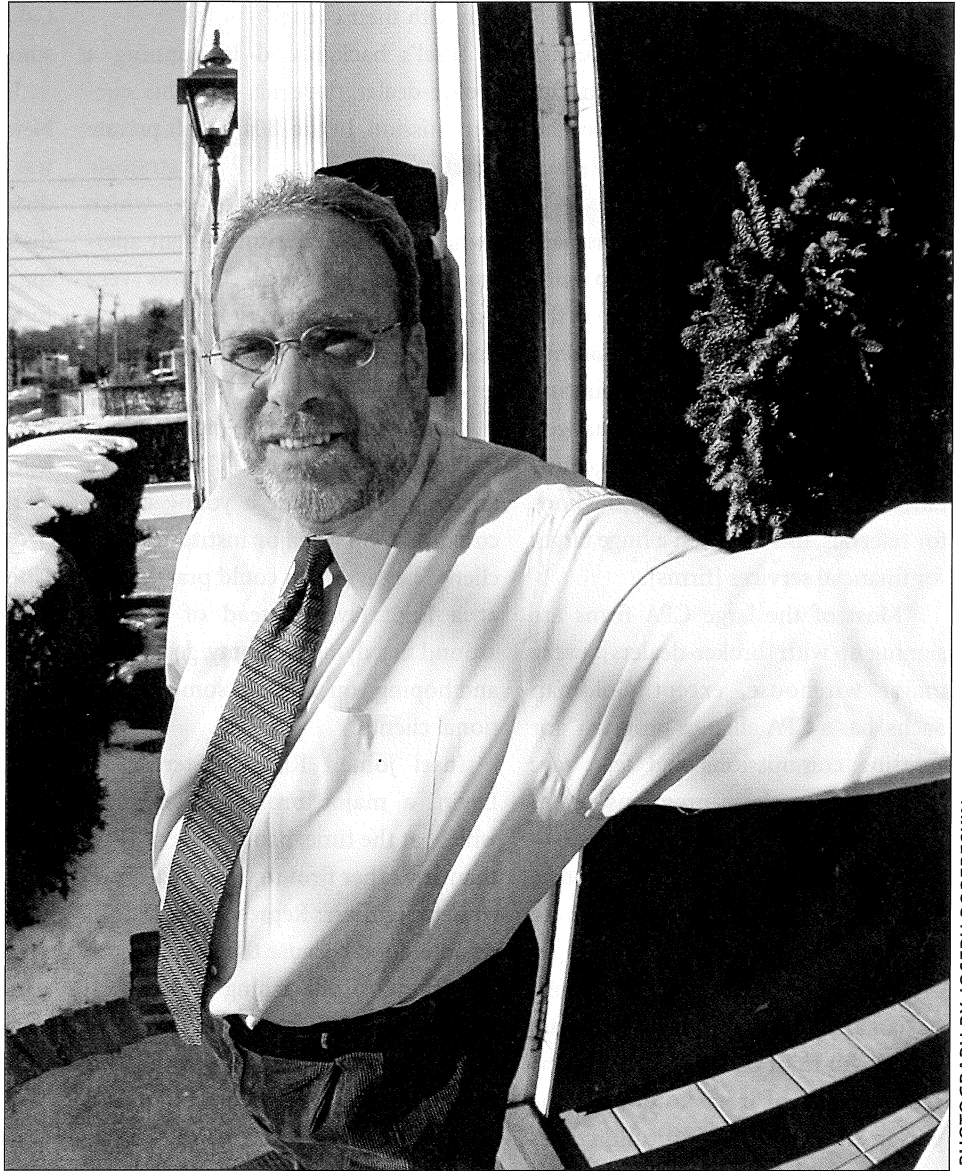
There are two words that often enrage Financial Planning Association

chairman Bob Barry: financial planning.

“Suddenly, everyone’s a planner. We have really fallen into a period of semantic weirdness in the world where people call basically any financial calculation or financial-services sale ‘financial planning.’ To me, that’s odd,” says Barry, perhaps the profession’s most vigilant steward. “Financial planning is what separates us from everybody else. Not only does financial planning make us different, it makes us whole. It isn’t about what we do; it’s about who we are. It’s not about the sale; it’s about your soul.”

As one of the chief architects of the financial planning profession’s ongoing makeover, Barry, 49, has become its most eloquent voice. His one-year term begins this month. Tops on his agenda? Making sure the public knows what financial planning is and what it isn’t.

As he told planners at the organization’s national confer-



PHOTOGRAPH BY JOSEPH POBERESKIN

APOSTLE OF PLANNING

FPA CHAIRMAN **BOB BARRY** HAS GOT RELIGION ABOUT THE VALUE OF TRUE FINANCIAL PLANNING.

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ence in New Orleans last fall: “We need to tell anyone and everyone who will listen that financial planning is about planning. It’s not about compartmentalized planning and it’s not about specialties. It’s about people first, process second and procedures last.”

Barry’s speech that day, along with that of former chairman Guy Cumbie, was viewed as groundbreaking because it opened a national dialogue about the steps the Financial Planning Association’s 29,000 members must take to move their 30-year-old profession forward.

Barry, president of the Hackettstown, N.J.-based Barry Capital Management, has helped steer much of the change the profession has undergone in recent years. Among other things, he helped engineer the merger between the Institute of Certified Financial Planners and the International Association of Financial Planning, which formed the FPA in 2000.

Just two months ago, the FPA announced it was tightening its membership requirements — another move that Barry pushed. By 2009, so-called “financial planner” members must be Certified Financial Planners.

“To me, it’s like saying you’re good to go with six of the 10 commandments. Well, no, it’s all 10, folks. You don’t get to pick and choose,” says Barry. “We have put a stake in the ground and set a direction for the association’s future. And, yes, weeding people out is an inevitable outgrowth

of us being a little more visionary, a little more strident and a little more specific about who we are and where we’re going.

“The reinvention of this profession is under way,” he adds. “This is the first time anyone in a leadership capacity has been willing to stand up and say fundamentally that if you’re going to hold yourself out to the public as a financial planner, you must be a CFP. If you’re going to build a profession, you must be a CFP.”

Over the next year, consumers will be hearing a lot from Barry as he tries to restore truth and integrity to the financial planning process.

“Financial planning is popular for all the wrong reasons, not the right ones,” he says. “What makes it popular is it’s a way to get better investment returns. It’s a way to reduce taxes. It’s a way to buy a better insurance program. It’s sort of all the implementation stuff. Not that that’s bad, but that’s not planning. I can go to an accountant and get my taxes reduced. I can go to a broker for better investment returns. I can go to an insurance agent to get a better risk management return.”

Barry says the best definition of financial planning he’s heard comes from FPA president-elect Elizabeth Jetton. “She asks her clients to identify the most important piece of a jigsaw puzzle. Most people will say the corners or the edges. Our most important piece is the picture on the box. The plan is the picture on the box. You have

to have an advisor who’s willing to have a relationship with clients and understand what that picture should be.”

Barry got his start as a life insurance agent with Guardian in 1974. “For whatever reason, my clients started asking a lot of questions that extended beyond life insurance. I kind of liked that,” he says. “Should I refinance my house? Should I buy a car instead of lease? How should I set up my business? It became a way in the ‘70s to really position yourself to have a pretty high retention rate. A guy may come in behind you with a cheaper policy, but a client would say: ‘If we get rid of Bob, who do we go to for advice?’ That just built upon itself.” Later, Barry worked as a broker. He became a Certified Financial Planner in 1986.

In a recent 42-day span, Barry spent only six days in his office. The rest of the time he was pounding the pavement for the FPA.

“What’s good is this whole conversation is happening. The FPA, through its community, has been able to enter into dialogue, member to member, professional to professional. It’s a textured and rich conversation about where we are and where we need to be,” says Barry. “I just hope the growth continues. I hope people keep on pushing the envelope, doing the things they need to do to build a profession. Because that’s what we’re doing here — building a profession.” 