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MONEY

Is Your Wealth Manager Certifiable?

Certificate, Degree Programs Proliferate as Field Expands; NYU, Wharton Add Courses

By **ROBERT FRANK** Staff Reporter of THE WALL STREET JOURNAL

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The wealth-management boom has sparked a secondary explosion of wealth-advisory training programs and certificates.

Offered by everyone from established universities to online for-profit companies, the programs promise an entrance into the fast-growing field of managing rich people's money -- from estate planning and taxes to investment management and philanthropy.

The options are generally of two types: certificate courses that run for a matter of hours or days, and graduate programs that last a semester or two. While many of the courses offer rigorous training, others are little more than marketing ploys, making the task of finding qualified advisers even more confusing.

Last month, New York University launched a certification in wealth management that requires students to complete eight courses, each involving about 20 hours of class time. The Wharton School of the University of Pennsylvania, meanwhile, has doubled its wealth-management offerings for wealthy families and their advisers and is about to launch a new course solely for professional wealth advisers.

There are also offerings from an array of for-profit colleges and not-for-profit associations. Last month, Phoenix-based Apollo Group Inc. launched a program offering the designation of Accredited Wealth Management Advisor. The CFA Institute, meanwhile, has just set up a special task force to study wealth management and decide whether to create a new program or course of study.

Investors already have to wade through an alphabet soup of designations like Certified

GETTING HELP

What to look for when searching for a wealth adviser:

- Total education, including graduate and other degrees, as well as experience.
- Expertise in specific issues facing your family, such as inheritance, family-business succession and investment strategies.
- Continuing training in such issues as trust and estate law, and financial products.

WEALTH 101

See what it takes to get a wealth-management certificate.

multimillionaires has grown. The number of households in the U.S. with more than \$10 million in net worth has surged more than 50% since 1998, to over 338,000, according to Edward N. Wolff, an economics professor at NYU.

Because of this, more and more brokers and everyday financial planners are suddenly rebranding themselves as "wealth managers" to grab high-end business. In addition, the trend toward "holistic" wealth planning -- where an adviser helps with everything from stocks and hedge funds to estate planning and philanthropy -- has also made adviser training more important. The "softer" issues related to wealth -- such as raising privileged children or handling family issues -- have also become critical.

In the NYU program, students can choose from courses on alternative investments, estate planning, financial risk management, art financing, jewelry appraising, fine art as a financial asset, asset protection planning, charities and family foundations. Eventually, NYU says it hopes to even offer an actual degree in wealth management. "The goal is to understand all the aspects of wealth, from raising children to family-legacy to family-succession issues," says Tony Macari, the assistant dean of business and legal studies.

Wharton's Waiting List

Wharton's executive-education program is expanding its wealth-management offering,

Public Accountant, Chartered Financial Analyst and Certified Financial Planner when picking managers. And with wealth advisers being required to know far more today about a broad range of issues -- from taxes and estate planning to derivatives and hedge funds -- locating an adviser with all the right training is getting increasingly complicated.

Industry experts say no program has yet to attain the acceptance of the CFA or CFP designations. "It's a little bit of a Wild West out there," says Stephen Martiros, partner of CCC Alliance, a Boston-based peer group for ultra-wealthy families.

The demand for skilled wealth advisers has ballooned in recent years as the number of

which is a joint venture with the Institute for Private Investors, a New York-based networking group for wealthy families. Wharton's five-day course, which is part of the school's executive-education program, has become so popular that it's now offered twice a year and still has a waiting list.

The program was originally geared to newly moneyed families who needed guidance on managing their fortunes. Over time, executives at family offices -- small companies built solely to manage the fortunes of a super-rich family -- started attending as well.

Wharton is preparing to launch a second wealth-management program aimed at wealth advisers next year. Students will get a Private Wealth Management certificate for the five-day program, which will cost \$8,250.

"There used to be a silo mentality where a money manager was trained in managing money, an accountant knew taxes and a lawyer knew trust and estates," says Charlotte Beyer, founder and chief executive of IPI. "We saw that there was a need for an integrated curriculum. We don't pretend it's the magic bullet, but it's a wonderful start." Wharton, with help from CCC Alliance, has also just launched a new program focused on family business.

On the other end of the spectrum, there's the new offering from the College for Financial Planning, a for-profit college that's owned by Apollo Group. Last month, the college launched its Accredited Wealth Management Advisor designation. The college promises advanced knowledge on asset management, investment performance, tax strategies, insurance and estate planning.

The \$895 course involves no classroom time and requires students to read about 500 pages of material and answer about 500 pages of questions -- all done at home. The course usually takes about three or four months, according to the college, but it can be done faster. Students take a two-hour test at home to complete the course but are allowed to use their book during the exam.

"Will an adviser be an expert in all the investment issues for high-net-worth clients? No," says Holly Skarda, senior director of business development at the college. "But they will be conversant on issues that the average client might ask about."

Meanwhile, the American Academy of Financial Management, a for-profit education company based in Louisiana, has started touting a "Chartered Wealth Manager" certification. The program involves about 80 hours of online study.



Applicants who already have certain professional designations, like a CFA or CPA can simply take the test without going through the course. In some cases, they can skip the test altogether and just pay for the certification, according to George Mentz, the Academy's general counsel.

"It's not a comprehensive course," Mr. Mentz says. "That's why we call it a certification, not a designation."

Brokerage firms have been sending brokers to the Denver-based Investment Management Consultants Association for wealth-management certification. The three-part program, which typically takes 18 months, involves both class time and home reading.

About 30 people have finished the course so far and 50 more are enrolled, says Lee Zimmerman, executive director for the IMCA. Mr. Zimmerman says that the school has purposely avoided creating a new designation -- like a CFA or CFP -- because clients are confused enough already.

Confused Clients

"The more designations there are out there the more the public is going to be confused," says Mr. Zimmerman. "Our certificate is more like an add-on, where investment consultants can say they specialize in wealth, like a doctor may say he specializes in orthopedics."

The CCC Alliance's Mr. Martiros says clients shouldn't hire advisers based on their wealth-training certificates or programs. Instead, advisers should first be judged on their broader education, followed by their continuing education requirements and their latest training. When looking at wealth-management certificates, Mr. Martiros says, clients should consider the depth of the curriculum, the types of professors teaching the courses and the hours involved in each course.

Write to Robert Frank at robert.frank@wsj.com

Wealth 101

Wealth-management programs are proliferating. Here's what it takes to get a certificate.

TITLE	SCHOOL	COST	TRAINING
Accredited Wealth Management Advisor	College for Financial Planning	\$850 plus \$150 enrollment fee	Students get 1,000 pages of material to read at home – half information and half questions. They take a two-hour exam at home and can use the book during the test.
Certification in Wealth Management	New York University	Between \$5,000 and \$5,600, depending on courses chosen	Intensive series of eight courses, which involve home study and about 20 hours of class time for each course. Believed to be the most rigorous program of its kind, with training in alternative investments, portfolio management, hedge funds, art financing and philanthropy.
Wealth Management Certificate	Investment Management Consultants Association	\$3,900 for members and \$4,200 for nonmembers	Popular for brokers trying to attract high-net-worth clients. Involves 32 hours of classroom time and about 180 hours of self-study. Covers wealth accumulation, wealth preservation and wealth distribution.
Private Wealth Management Program	The Wharton School at the University of Pennsylvania, Executive Education, in collaboration with the Institute for Private Investors	\$8,000	Five-day residential program, with about six to eight class hours a day, aimed at families to help them manage their wealth. A second program targeted at for wealth advisers will be launched next year. Both programs use case studies of a wealthy family and try to solve a variety of problems.
Chartered Wealth Manager	American Academy of Financial Management	\$300 for certificate, \$600 for training courses	About 80 hours online, although students with a finance degree from certain schools or a CPA, CFA or other designations can take the test without study. Some can also get waivers to skip the test.

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