

Student's Name

Professor's Name

Course

Date

Disciplinary Literacy Assignment

Executive Summary

Financial planning is a profession that utilizes financial principles, standards as well as codes that enable practitioners to achieve the needed expertise and skills as well as the knowledge that will benefit the individuals in their future life. Additionally, financial planning entails the understanding the respective components of the profession to help individuals appreciate the influence of financial savings by individuals in an economy. Financial planning development as a profession commenced all the way back in 1862. One outstanding event that steered financial planning education was the passing of the 1862 Land-Grant College Act commonly known as the Morrill Act.

The introduction of the topics was the first step to the advancement of the financial planning to one of the most profitable and smart professions on demanding in the world. The year between 1984 to 2010 discernable a revolution stage of financial planning to employees, managers as well as to associates of small-sized manufacturing companies. As an education system financial planning has evolved over the years, and experienced a scaled down standards and principles as well as concepts that are guiding its learning in a classroom setting and practice.

Financial planning and advising of industries have developed over the past few years both as a profession and practice compounded with new core ideologies to meet the growing

demands of the financial market and industry analysis. Though, the emerging problems of economy accompanied by unemployment as well as reducing of disposable earnings has negatively affected new and recurring advice charges. Financial planning has a significant influence in the life of individuals in the community. Considering an appropriate financial planning by people will substantially upset the economy of the country especially when most employees are saving for their future investments.

Introduction

Having the basic knowledge about a particular profession, understanding what it expects from an individual and who the professionals serve in the industry. Besides, the standards and principles that persons should hold when practicing the profession is the first step towards becoming a member of the occupation. Also, entails looking at oneself and understanding their history and how they have evolved over the years to look in a particular way that favors pursuit of the profession. All these elements are essential for the acquisition of the skills that will make one fit for a particular occupation and profession. Moreover, it is important that these items that are indispensable in accommodating to a particular job are addressable in most academic programs and continuing education process. However, the general history of evolution towards the career often fades away until an individual occasionally refreshes these components. Therefore, this paper will offer a concise understanding of financial planning as a profession as many people who pursue it may interpret it.

Institutional framework

When people talk about financial planning education, it is always important to remember all the transformation that led to the development of the profession. Financial planning development as a profession began all the way back in 1862 (Yeske, 10). One remarkable event

that ushered financial planning education was the passing of the 1862 Land-Grant College Act commonly known as the Morrill Act. The land grants colleges were initially meant to promote advances in agriculture as well as industrial arts to strengthen the economic energy of the country. In the 19th century, one department known as home economics evolved in the land grant universities that aimed at offering information as well as directives in the economic management of the farm households. However, the department later expanded to involve maintaining the financial administration of the private houses in other holdings. The introduction of these topics was the first step towards the evolution of the financial planning to one of the most lucrative and attractive professions on demanding. The year between 1984 to 2010 marked a revolution stage of financial planning to employees, managers as well as to associates of small-sized manufacturing companies.

The Financial Planning Curriculum

As one of the education systems that has evolved over the years, financial planning has scaled down some of the basic financial planning standards and principles as well as concepts that are guiding its learning in a classroom setting and practice (Hass, 08) The key concepts of the profession include;

- i. The profession looks at the power of interest compounding and power of time within a given span
- ii. The idea behind diversification of all associated risks in a given business or project venture
- iii. The allocation of a particular assets
- iv. The incentives on taxes that permit savings and investment
- v. Management of risks through considering insurance policies

vi. The utilization of debt and credit management

These principles have established the best framework for developing and has provided the best values adopted by both the practitioners and learners over the years. However, the principles of financial planning have undergone drastic changes and transformation over the years. In the 19th century, most financial planners employed the use of a three-legged stool model in presenting the income sources, especially when expecting retirement. The tool of analysis about sources of retirement included pension plans, savings, and social security benefits. The three-legged stool model has been significant in shaping the development and teaching of financial planning as a profession empowering people to satisfactorily manage their finances during their active years to invest and save for their old age.

IBISWorld asserts that financial planning has been one of the greatest profession over time, providing practitioners with the necessary robust skills and expertise to provide financial and market advice to economist and clients (*IBISWorld.com*). Financial planners are capable of predicting the trends in the industry and markets by projecting the increasing financial market robustness allowing individuals to save and invest wisely in an economy that is fiscally shaking.

Through the use of principles of financial planning helps people to provide major industry analysis, statistics, market size, revealing the market share for the industry with as well as future industry trends. IBISWorld has over the years published extensive collections of industry reports and summary provided by financial planners. The financial planning principles follow the supply chain of a particular industry and market, keys buyers of a particular market and economic forces in estimating the value of money for saving and mortgage.

Financial planning and advice industry have developed over the past few years both as a profession and practice compounded with new core principles to meet the growing demands of

the financial market and industry analysis. However, the emerging problems of economy accompanied by unemployment as well as the dropping of disposable earnings has negatively affected new and recurring advice charges. In the 21st century, many consumers have utilized the principles of financial planning to help them save money for their future investments or paying off debts. Therefore, individuals whether or not practitioners have applied the principles and concepts of financial planning to invest wisely and plan how they can save for their loved ones.

Accordingly, financial planning is a good profession that will help the consumers to understand the economy, industry and market analysis over a particular period. Financial planning as a profession offers theories that allow practitioner to apply the models to market and industry analysis as well as trends in a given economy. Consequently, financial planning as a profession and practice allows individuals to develop high confidence in whatever they do by pursuing a particular goal in life and reducing stress level concerning how much they will invest.

Financial planning is a profession that utilizes multifaceted concepts and learning processes allowing individual students to understand how the fundamental principles relate to each other in a broader perspective. Consequently, understanding these concepts and principles and how they relate is essential to establishing an institutional framework for financial planning as a profession and practice. I conducted an interview with Professor in financial planning.

An interview with professor

Me: What is financial planning

Professor: It is an on-going process that assists any individual to make sensible decisions concerning finances which can help one to attain them their financial goals in life. Furthermore, the process is not just about purchasing and selling of products.

Me: Has financial planning developed over the years?

Professor: Financial planning has evolved over the years. The development of the profession began some years of 1862 after the inception of Land-Grant Colleges. Until now the profession has grown with sophisticated concepts and principles that have allowed practitioners to assess the financial value of the market, analysis, and trends.

Me: What are some of the principles of financial planning?

Professor: The principles of financial are based on the three-legged model. The stool includes pension plans, saving and social security.

Me: Is financial planning worth undertaking as a profession?

Professor: Yes! The value of money in the current economy is not constant. Therefore, individuals need to understand and estimate the value of money in future to help them save for their future life. Additionally, they need to assess the value of the social security for their retirement benefits.

Me: Are their standards that guide the profession?

Professor: Yes! Some standards guide the practitioners and learners in the field of financial planning. Rules and principles are essential in ensuring the professionals work to maintain ethics of the profession.

Economic and Quality of life issues in financial planning

Financial planning has a significant influence in the life of individuals in the community. Undertaking the best financial planning by a person will considerably affect the economy of the country especially when most employees are saving for their future investments. Additionally, saving will reduce the expenses and the amount of money circulating in the economy. Having higher proportion of income put aside for future investments will mean the living expenses are

lessened and therefore, consumers will modify their budget to put some money to mortgage payments or saving for their retirements.

Consequently, financial planning both as a profession and practice will improve the quality of life in a country by saving for future use. When consumers spend less today, they save for future utilization and compensation in case they may lose their jobs. Furthermore, the capacity to put up with the financial hardship possibly means the economy improves very fast than an economy where consumers spend almost all of their earnings.

Works Cited

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