A Study of Interest and Perception of the Financial Planning Profession Among Finance Undergraduate Students

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We conducted an annual survey of undergraduate students taking finance courses over the past 5 years (2009–2014). Our results showed that although more than 70% of students considered the financial planning profession to some extent, the percentage of students who had seriously considered it declined over time, despite the increasing number of new hires in the area. Our regression models showed that students with a higher level of related experience were more likely to show increased interest over time and that male students were less likely to change their minds regarding their decisions to become a financial planner. These results suggest that academic programs need to form stronger partnerships with the industry and to facilitate better communications with female students regarding the profession.

Keywords: financial planning, student interest

In 2006, there were approximately 176,000 financial planners in the United States, and the outlook for job growth during the years 2006–2016 was projected by Department of Labor (DOL) to be 40.9%, much faster than average for all occupations (Dubofsky & Sussman, 2009). This growth projection is still going strong, as seen by the DOL's 32% job growth projection during the years 2010–2020. That growth amounts to about 66,400 new jobs from 2010 to 2020 (Corbin, 2013). On the other hand, the housing bubble burst in 2007 and the collapse of mortgage-backed securities led the stock market downward from 13,930 for the Dow Jones Industrial Average (DJIA) in October 2007 to 7,608 in March 2009 (Yahoo! Finance, 2015). In the meantime, unemployment went from 4.7% in late 2007 to 10% in October 2009 (Bureau of Labor Statistics, 2015). Since 2009, the economy has rebounded to a great extent, with unemployment rate falling to 5.6% and the DJIA rising to 17,823 at the end of 2014.

To understand the impact of these changing economic conditions on students' expectations of the financial planning profession, we initiated this project in the Fall 2009 semester at the College of Business of our state university, which is in the Midwest region of the United States. We conducted an annual survey of students taking courses in the Finance department and asked a series of questions that concentrated on students' demographics, interest, and perceptions of financial planning as a promising profession. Survey data were collected until the 2013–2014 academic year for 5 years.

A recent report from the November 2013 issue of *Financial Planning Magazine* (Corbin, 2013) indicated an "advisor shortage" problem that has been going on in the United States. Most fresh financial planning graduates in 2013, even those with little experience, were able to land jobs, and many of them had several job offers. At least three factors contributed to this talent shortage. On one hand, the demand is increasing when baby boomers head into retirement and seek financial advisors for help. On the other hand, the advisory industry is likely to shed 25,000 positions between now and 2017 because of advisors' own retirement without sufficient back-filling of new advisors. This is projected by Cerulli Associates in September 2013 (Corbin, 2013). Furthermore, according to this report, "Educators say they struggle to recruit students into planning programs" and "There is a sharp fall-off between the few outstanding candidates and the rest . . . it's a bit

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of a needle in a haystack" (Corbin, 2013, p. 58). Given the imbalance between supply and demand of financial planners, students with this career goal may find themselves in a good spot in today's tough job market. It is thus at least puzzling to see financial planning programs struggle to recruit students and graduate much fewer talented financial planning graduates than needed by the industry.

We believe that our study may contribute to the understanding of students' perception and interest in the financial planning profession, and also hope that the results provide some insights into the puzzle of the imbalance between the supply of and the industry demand for financial planners. This article is organized as follows: We first provide literature review on the perception of the financial planning profession. We then discuss the survey and its summary statistics and present our empirical models and results. Finally, we conclude this article and discuss potential future research.

Literature Review

Past literature studied the perception of the financial planning profession from the perspectives of consumers, practitioners, and students. As of now, however, to the best of our knowledge, this strand of literature is rather limited. Regarding student perceptions and interests of financial planning profession, Pope and Howe (1991) found that students' educational and career aspirations were contributing factors in their attitudes toward financial planning, and those who had higher level of interest in financial planning were those who desired to pursue their future in law, government, graduate school, self-employment, and as housewives. McClune (2010) studied the expectations of financial planning students using the 2010–2011 Financial Planning Salary Survey data and found that students generally had realistic expectations regarding their future job duties and salaries. However, in that study, only students' expectations of the salary and job duties were examined, and their level of interest was not directly measured. In our study, we included survey questions that measured both student interests and the change of student interests over time. Danes and Haberman (2007) studied the gender differences of teen financial knowledge and behaviors by investigating 5,429 male and female high school students after studying a financial planning curriculum. They found that females gained more knowledge and believed managing money affected their future more than males, whereas males felt more confident in making money decisions. Goetz, Cude, Nielsen, Chatterjee, and Mimura (2011) used survey responses from undergraduate students to examine their interests in three financial education methods (on-campus counseling, online resources, and in-person workshops). They found that having taken a personal finance course was positively associated with interest in all three delivery methods.

Several other studies were focused on the perceptions of the financial planning profession from the consumers and practitioners' perspectives. Hanna (2011) used 10-year data from the Survey of Consumer Finances datasets and found that the proportion of households using a financial planner increased from 21% in 1998 to 25% in 2007, providing optimism for the growth of the industry. He also found that the likelihood of households using a financial planner was generally positively related to the level of risk tolerance, implying the value of portfolio management in financial planning. If this theory is correct, we should expect a decrease in the likelihood in using a financial planner after 2008 if the 2008 financial crisis lowered people's risk tolerance. Garman (1997) stated that employers typically offer narrowed focused financial education, such as retirement, and argued that a comprehensive personal financial education for employees is a better approach because of the low cost and high benefits, such as better retention rate, more productive workforce, higher participation in retirement plans, and higher employee discretionary income. Bae and Sandager (1997) used a consumer survey to investigate the most desired characteristics of a financial planner. They found that consumers prefer their financial planner to have a certified financial planner (CFP) designation, a master's degree, and to be affiliated with an independent financial firm. Salter, Hampton, Winchester, Katz, and Evensky (2011) used survey data of financial services practitioners in the United States to analyze the level of expertise needed and the importance of each financial planning topic in the real world. Their survey was supported by the Charles and Helen Schwab Foundation and was administered online during the summer of 2009. They found that employers of entry-level financial planning graduates ranked "personal skills" the highest and "employee benefits planning" the lowest in both expertise and importance. They also found that, in general, "investment planning," "insurance planning and risk management," "income tax planning," "retirement planning," and "estate planning" were ranked important, but low expertise was required for entry-level positions.

The Survey and Summary Results

The university is a regional state university that has taught both insurance and finance since 1960. The College of Business is Association to Advance Collegiate Schools of Business accredited, and the Bachelor of Science track in Financial Planning and Insurance has been a CFP Board registered program since the early 2000s. The Financial Planning and Insurance track is also one of the most popular tracks within the finance department.

Surveys were given to students in selected core finance courses, regardless of students' major and track, although most students taking the survey majored in finance. The surveys were given to students in class and in paper form. Students had an allocated time in class to finish them. Although the survey was voluntary, nearly everyone who was asked did respond. Students were told not to take the survey again if they had already taken it in another course during that academic year. Five hundred eighteen survey responses were collected during 5 academic years. As most of the surveys were administered in the spring semester, it is reasonable to intuit that most of the respondents were either already looking for full-time employment or soon would be. As such, it also seems a reasonable assumption that they had thought about job prospects for financial planners before taking the survey. Table 1 shows the survey summary statistics and has three panels: Panel A describes the demographics of the respondents, Panel B shows the students' decision to become a financial planner, and Panel C summarizes students' various perceptions of the financial planning profession.

As can be seen from Panel A "all years" column, approximately two thirds of the respondents were seniors overall and in most years sampled. In Panel A the "all years" column also shows that most of the respondents were male, which is consistent with the makeup of the financial planning industry and that most respondents were finance majors as expected. Panel A suggests that fewer students in 2010 had any financial planning experience than in 2009, but there was not much difference among all years between 2010 and 2013. One notable difference was that in 2013 around 50% fewer students than those in 2010–2012 reported that they already had a lot of experience related to financial planning. Although students were not specifically asked what their related experiences were, this may suggest that students became less serious toward going into the industry than before, which is a bit puzzling, given the increasing amount of opportunities (such as internships) that they have had.

Panel B presents the responses of students' decisions to become a financial planner based on two different survey questions. One question asked whether a student had considered going into the financial planning profession after graduation. The other question addressed the change of such a decision, by asking "has your decision to either go or not go into financial planning after graduation changed in the past year, and if changed, has it increased or decreased?" The responses are summarized in percentages in Panel B. As to the decision to become a planner, overall in the past 5 years, 38.4% of students seriously considered it, whereas 22.4% of students did not consider it. However, student responses changed considerably over the years surveyed. Although there were more students who had considered at least to some extent than those who had not, the proportion of students who included financial planning as a potential career choice declined from 2009 to 2011 and slightly increased from 2011 to 2013. Also, the proportion of students who had seriously considered declined to around 26% in 2013, as compared to 35%–41% during 2010–2012, and around 51% in 2009. It also appears that students were relatively single minded about what they would do after graduation, as Panel B shows that when asked if they had changed their mind in the past year about going into financial planning, around 70% of students responded "no." Among those 30% who answered "yes," slightly more students showed decreased interest than increased interest, except in year 2012.

Panel C summarizes students' various perceptions of the financial planning profession. In the question asking if respondents believe the need for financial planners have changed over the past year, it is interesting to see that many more students answered "yes" than "no" overall and in each year. Thus, it seems that students consistently believed the need for financial planners has changed over time. Similarly, students consistently thought employment opportunities would be better in the future. Additional analysis shows that those who believed the need for financial planners had changed were usually also those who thought employment opportunities would be better in the future. A little more than 50% of students claimed that their employment expectation did not influence their decision to pursue the financial planning career overall in the past 5 years. More students believed that consumers value planners' experience and training more than the firm reputation and that consumers value planners' experience more than the academic training.

TABLE 1. Survey Results—Summary Statistics

Panel A: Demographics of Respondents						
	All Years	**2009**	**2010**	**2011**	**2012**	**2013**
Junior	163	36	40	31	33	23
Senior[a]	353	79	80	67	58	69
Male	338	80	69	61	59	69
Female	180	36	51	38	32	23
Finance major	397	92	90	70	67	78
Accounting major	50	11	12	16	8	3
Management major	43	9	13	8	8	5
Marketing major	11	2	2	2	3	2
Other majors	17	2	3	3	5	4
No related experience	258	47	66	53	46	46
Some related experience	188	49	39	32	29	39
A lot of related experience	72	20	15	14	16	7
Total responses	518	116	120	99	91	92
Panel B: Decision to Become a Financial Planner						
	All Years	**2009**	**2010**	**2011**	**2012**	**2013**
Did not consider	22.4%	10.3%	20.0%	30.3%	28.6%	26.1%
Considered to some extent	39.2%	38.8%	45.0%	32.3%	30.8%	47.8%
Seriously considered	38.4%	50.9%	35.0%	37.4%	40.7%	26.1%
Decision unchanged in past year	69.9%	73.3%	65.0%	73.7%	68.1%	69.6%
Increased interest	12.7%	8.6%	14.2%	11.1%	16.5%	14.1%
Decreased interest	17.4%	18.1%	20.8%	15.2%	15.4%	16.3%
Total responses	518	116	120	99	91	92
Panel C: Perception of the Financial Planning Profession						
	All Years	**2009**	**2010**	**2011**	**2012**	**2013**
The need for planners has changed	85.3%	92.2%	87.5%	83.8%	86.8%	73.9%
The need for planners has not changed	7.1%	4.3%	8.3%	6.1%	6.6%	10.9%
Unsure	6.9%	3.4%	4.2%	10.1%	3.3%	15.2%
Employment will be better	76.4%	79.3%	83.3%	69.7%	72.5%	75.0%
Employment will be worse	12.4%	10.3%	7.5%	19.2%	17.6%	8.7%
Unsure	11.2%	10.3%	9.2%	11.1%	9.9%	16.3%
Employment expectation influenced decision	37.3%	37.9%	25.8%	46.5%	45.1%	33.7%
Does not influence decision	56.4%	54.3%	66.7%	47.5%	52.7%	58.7%
Unsure	6.2%	7.8%	7.5%	6.1%	1.1%	7.6%
Consumers value experience and training more	42.3%	34.5%	46.7%	45.5%	49.5%	35.9%
Consumers value firm reputation more	14.7%	12.1%	13.3%	15.2%	14.3%	19.6%
Consumers value BOTH more	30.7%	41.4%	31.7%	28.3%	20.9%	28.3%
Consumers value NEITHER more	6.9%	5.2%	5.8%	9.1%	11.0%	4.3%
Unsure	5.2%	6.9%	2.5%	2.0%	4.4%	10.9%

(Continued)

TABLE 1. Survey Results—Summary Statistics *(Continued)*

Panel C: Perception of the Financial Planning Profession						
	All Years	**2009**	**2010**	**2011**	**2012**	**2013**
Consumers value experience more	38.6%	37.9%	27.5%	47.5%	48.4%	34.8%
Consumers value academic training more	10.0%	6.0%	12.5%	11.1%	12.1%	8.7%
Consumers value BOTH more	47.1%	52.6%	57.5%	38.4%	36.3%	46.7%
Consumers value NEITHER more	2.9%	2.6%	1.7%	1.0%	1.1%	8.7%
Unsure	1.2%	0.9%	0.8%	2.0%	2.2%	0.0%
Total responses	518	116	120	99	91	92

[a]There are also two graduate students taking the survey because they are in the undergraduate finance class at a certain time. We did not report these numbers in the table.

Empirical Model

In this section, we explore the determining factors of students' interests (and the change of their interests) in the financial planning profession. All variables used in our empirical analysis are defined in Table 2. We consider student demographic information and their perceptions of the financial planning profession to be exogenous in our modeling. Therefore, we consider two general models below.

$$Decision = f\,(\text{student demographics, student perceptions of the profession}) \quad (1)$$

$$Decision\_change = g\,(\text{student demographics, student perceptions of the profession}) \quad (2)$$

Decision is a categorical variable that measures student level of interest and is obtained from the survey question that asks whether a student has considered going into the financial planning profession after graduation. The three choices are "did not consider," "considered to some extent," and "seriously considered" (also see Panel B of Table 1). *Decision_change* is also a categorical variable that measures the change of student interest in the financial planning profession and is obtained from the survey question that asks whether students' decision to either go or not go into financial planning after graduation has increased, remained unchanged, or decreased during the past year. Equation (1) above is estimated using the ordered probit model and can be specified in the Equation (3) below.

$$\begin{aligned} Decision_i^* = {} & \beta_0 + \beta_1 Junior_i + \beta_2 Male_i \\ & + \beta_3 Finance\_major_i + \beta_4 Experience\_none_i \\ & + \beta_5 Experience\_a\_lot_i + \beta_6 Perceive\_employment\_better_i \\ & + \beta_7 Employment\_influence\_decision_i \\ & + \beta_8 Perceive\_experience\_more\_value_i + \varepsilon_i \end{aligned} \quad (3)$$

$Decision_i^*$ is the unobserved latent variable with respect to $Decision_i$ in the setting of the ordered probit model, and $Decision_i$ is a categorical variable that equals "0" if student *i* chooses "did not consider," "1" if student *i* chooses "considered to some extent," and "2" if student *i* chooses "seriously considered." $Junior_i$ is a dummy variable that equals "1" if student *i* is a junior, and "0" otherwise. $Finance\_major_i$ is a dummy variable that equals "1" if student *i* is finance major, and "0" otherwise. $Experience\_none_i$ is a dummy variable that equals "1" if the student chooses "no related experience," and "0" if the student chooses "some related experience" or "a lot of related experience." $Experience\_a\_lot_i$ is a dummy variable that equals "1" if the student chooses "a lot of related experience," and "0" if the student chooses "no related experience" or "some related experience." $Perceive\_employment\_better_i$ is a dummy variable that equals "1" if student *i* perceives employment opportunities will be better in the next 2 years, and "0" otherwise. $Employment\_influence\_decision_i$ is a dummy variable that equals "1" if student *i* feels that the employment outlook over the next 2 years influenced his or her decision to become a financial planner, and "0" otherwise. $Perceive\_experience\_more\_value_i$ is a dummy variable that equals "1" if student *i* perceives that consumers value financial planners' experience more than the academic training,

TABLE 2. Definitions of Variables Used in Empirical Models

Variable	Definition
Decision	A categorical variable that equals "0" if the student chooses "did not consider (the profession)," "1" if the student chooses "considered to some extent," and "2" if the student chooses "seriously considered."
*Decision**	An unobserved latent variable with respect to *Decision* variable in the setting of the ordered probit model.
Decision_change	A categorical variable that equals "−1" if the student chooses "decreased interest," "0" if the student chooses "decision unchanged during the past year," and "+1" if the student chooses "increased interest."
*Decision_change**	An unobserved latent variable with respect to *Decision_change* variable in the setting of the multinomial logistic regression model.
Junior	A dummy variable that equals "1" if the student is a junior and "0" otherwise.
Male	A dummy variable that equals "1" if the student is a male and "0" if the student is a female.
Finance_major	A dummy variable that equals "1" if the student is finance major and "0" otherwise.
Experience_none	A dummy variable that equals "1" if the student chooses "no related experience" and "0" if the student chooses "some related experience" or "a lot of related experience." Related experience refers to students' previous or current job/internship experience in the field of finance (including insurance, personal finance, banking, investment, etc.)
Experience_a_lot	A dummy variable that equals "1" if the student chooses "a lot of related experience" and "0" if the student chooses "no related experience" or "some related experience."
Perceive_employment_better	A dummy variable that equals "1" if the student perceives employment opportunities will be better in the next 2 years and "0" otherwise.
Employment_influence_decision	A dummy variable that equals "1" if the student feels that the employment outlook over the next 2 years influenced his or her decision to become a financial planner and "0" otherwise.
Perceive_experience_more_value	A dummy variable that equals "1" if the student perceives that consumers value financial planners' experience more than the academic training and "0" otherwise.

and "0" otherwise. Equation (2) is estimated using the multinomial logistic regression model. We choose multinomial logistic model over ordered probit model for Equation (2) estimation because we intend to catch the determining factors of students' increased interest and decreased interest separately. Equation (2) can thus be specified in the Equation (4) below.

$$\begin{aligned} Decision\_change_i^* = {} & \gamma_0 + \gamma_1 Junior_i + \gamma_2 Male_i \\ & + \gamma_3 Finance\_major_i \\ & + \gamma_4 Experience\_none_i \\ & + \gamma_5 Experience\_a\_lot_i + \gamma_6 Perceive\_ \\ & employment\_better_i \\ & + \gamma_7 Employment\_influence\_decision_i \\ & + \gamma_8 Perceive\_experience\_more\_value_i + \varepsilon_i \end{aligned} \quad (4)$$

$Decision\_change_i^*$ is the unobserved latent variable with respect to $Decision\_change_i$ in the setting of the multinomial logistic regression model. $Decision\_change_i$ is a categorical variable that equals "−1" if student *i* chooses "decreased interest," "0" if student *i* chooses "decision unchanged during the past year," and "1" if student *i* chooses "increased interest." $Decision\_Change_i = 0$ is the base outcome in our multinomial logistic regression model. The remaining independent variables are the same as described for Equation (3) earlier.

Results

We present estimation results for Equation (3) in Table 3. As expected, students who were finance majors, students with higher level of related experience, students who perceived

TABLE 3. Determining Factors of Student Interests in Financial Planning Profession (Ordered Probit Regression Model)

*Decision** (Level of Interest = 0–2)	Coefficient	*SE*	Marginal Probability: *d*[Prob(*Decision* = 2)]/*dx*
Junior	−0.768	0.109	−0.029
Male	0.062	0.109	0.023
Finance_major	0.590**	0.127	0.207
Experience_none	−0.556**	0.111	−0.208
Experience_a_lot	1.003**	0.205	0.384
Perceive_employment_better	0.231†	0.126	0.085
Employment_influence_decision	0.333*	0.139	0.129
Perceive_experience_more_value	−0.070	0.107	−0.026
Observations	518		
Wald χ^2 (7)	125.91		
Pseudo R^2	0.126		

Note. Marginal probability is a statistic that indicates the effect of one unit change of an independent variable on the magnitude of the probability change on average. This statistic is useful because the coefficients obtained from the ordered probit regression model do not represent marginal probabilities because the dependent variable (*Decision**) is a latent variable that does not represent true probability. In this table, *d*[Prob(*Decision* = 2)]/*dx* measures the marginal probability, that is, the probability change of "seriously considering the profession" when there is one unit change of the dependent variable *x* in the setting of the ordered probit regression.
*$p < .05$. **$p < .01$. †$p < .10$.

employment opportunities to be better in the next 2 years, and students who claimed that their decisions were influenced by employment outlook were more likely to show interests to become a financial planner. Interestingly, students who perceived planners' experience to be a relatively more important factor to consumers did not generally show a lower level of interest. Furthermore, students' decision to become a financial planner did not statistically differ by gender or by class standing (junior vs. senior). We further estimate the marginal probability effects of our estimation. Marginal probability is a statistic that indicates the effect of one unit change of an independent variable on the magnitude of the probability change on average. This statistic is useful because the coefficients obtained from the regression model in this study do not represent marginal probabilities because the dependent variable is a latent variable that does not represent true probability. A marginal probability effect estimation of Equation (3) shows that finance major students were 20.7% more likely (absolute, not relative difference of the likelihood) to "seriously consider" the profession than other major students on average; students with a lot of related experience are 38.4% more likely to "seriously consider" than students with some related experience, whereas students with no related experience are 20.8% less likely to "seriously consider" than students with some related experience; students who perceived employment opportunities to be better in the next 2 years were 8.5% more likely to "seriously consider"; and students who claimed that their decisions were influenced by employment outlook were 12.9% more likely to "seriously consider" the profession.

Table 4 shows the estimation results for Equation (3) for subsamples by year (Panel A) and by gender (Panel B). Subsample analysis by year may provide some insights into whether the determinants of student interests changed over time. The comparisons between the results of the most recent year (2013–2014 academic year) and the results of previous years yield several interesting observations, as shown in Panel A of Table 4. In particular, male students, students with perception of better employment outlook, and students who claimed employment outlook influenced their

TABLE 4. Determining Factors of Student Interests in Financial Planning Profession—Subsample Analysis (Ordered Probit Regression Model)

Panel A: Subsample Analysis by Year					
	Coefficient				
Decision* (Level of Interest = 0–2)	**2009**	**2010**	**2011**	**2012**	**2013**
Junior	−0.381	0.107	0.036	−0.206	0.204
Male	0.173	−0.225	0.314	−0.363	0.553†
Finance_major	1.211**	1.173**	−0.063	0.296	0.520†
Experience_none	−0.882**	−0.607*	−1.191**	0.025	−0.238
Experience_a_lot	1.325*	1.617**	0.621	0.696†	1.549**
Perceive_employment_better	−0.275	0.530†	0.522	0.014	0.549*
Employment_influence_decision	0.041	0.728*	0.073	0.182	1.035**
Perceive_experience_more_value	−0.243	0.424	−.020	−0.074	−0.100
Observations	116	120	99	91	92
Wald χ^2 (8)	46.63	51.79	37.27	10.80	32.82
Pseudo R^2	0.274	0.268	0.168	0.046	0.164

Panel B: Subsample Analysis by Gender				
	Coefficient		*SE*	
Decision* (Level of Interest = 0–2)	**Male**	**Female**	**Male**	**Female**
Junior	−0.150	0.071	0.138	0.191
Finance_major	0.468**	0.853**	0.162	0.216
Experience_none	−0.559**	−0.594**	0.135	0.195
Experience_a_lot	1.074**	0.811*	0.243	0.401
Perceive_employment_better	0.135	0.544*	0.155	0.238
Employment_influence_decision	0.173	0.823**	0.165	0.271
Perceive_experience_more_value	−0.068	−0.025	0.130	0.194
Observations	338	180		
Wald χ^2 (7)	75.28	52.96		
Pseudo R^2	0.126	0.144		

Note. Year 2009 represents the academic calendar year of 2009–2010, and so forth.
*$p < .05$. **$p < .01$. †$p < .10$.

decisions were more likely to show higher level of interest in the recent year (2013–2014 academic year) than in previous years. This may suggest that efforts of business academic programs to promote the awareness and job outlook of the profession among the undergraduate students may become more efficient now than in previous years. Also interestingly, Panel B of Table 4 shows that the perception of the employment outlook and whether employment influences decisions were two key determinants of interest for female students but not for male students. This result suggests that the promotion of the awareness and job outlook of the profession may be more important and effective for female students.

We further measure the change of student interests as the dependent variable in Equation (4), and results are presented

TABLE 5. Determining Factors of Students' Change of Interests in Financial Planning Profession (Multinomial Logistic Regression Model)

Decision_change* **(Increased Interest and *Decision_change* = +1)**	**Coefficient**	***SE***	**Marginal Probability: *d*[Prob(+1)]/*dx***
Junior	0.149	0.303	0.008
Male	−0.524†	0.285	−0.041
Finance_major	0.494	0.373	0.045
Experience_none	−0.367	0.324	−0.037
Experience_a_lot	0.436	0.374	0.055
Perceive_employment_better	0.628	0.392	0.057
Employment_influence_decision	0.874**	0.321	0.098
Perceive_experience_more_value	−0.405	0.293	−0.029
Constant	−2.277**	0.576	
Decision_change* **(Decreased Interest and *Decision_change* = −1)**	**Coefficient**	***SE***	**Marginal Probability: *d*[Prob(−1)]/*dx***
Junior	0.340	0.252	0.047
Male	−0.637**	0.242	−0.083
Finance_major	−0.003	0.280	−0.009
Experience_none	−0.007	0.263	0.006
Experience_a_lot	−0.226	0.428	−0.038
Perceive_employment_better	−0.032	0.283	−0.015
Employment_influence_decision	0.375	0.318	0.032
Perceive_experience_more_value	−0.604*	0.266	−0.074
Constant	−0.908*	0.405	
(*Decision_change* = 0 is the base outcome)			
Observations	518		
Wald χ^2 (16)	34.50		
Pseudo R^2	0.044		

Note. Marginal probability is a statistic that indicates the effect of one unit change of an independent variable on the magnitude of the probability change on average. This statistic is useful because the coefficients obtained from the ordered probit regression model do not represent marginal probabilities because the dependent variable is a latent variable that does not represent true probability. In this table, *d*[Prob(+1)]/*dx* or *d*[Prob(−1)]/*dx* measures the marginal probability, that is, the probability change of either "increased interest" or "decreased interest" when there is one unit change of the dependent variable *x* in the setting of the multinomial logistic regression.
*$p < .05$. **$p < .01$. †$p < .10$.

in Table 5. Interestingly, the results show that male students were less likely to change their minds regarding their decision to become a financial planner. Males were 8.3% less likely to show decreased interest than females, and 4.1% less likely to show increased interest than females based on marginal effect analysis. Interestingly, students' related experience is not statistically related to any increased or decreased interest. Furthermore, students who claimed that their decisions were influenced by employment outlook were 9.8% more likely to show increased interest, but students who claimed otherwise did not show significantly decreased interest.

Conclusion

College of Business students, especially finance major students, have a significant stake in the future of the financial planning profession and their potential clients. A study of their interests and perceptions of the profession should add value to our understanding of the supply side of this particular job market. This study contributes to the understanding of the impact of changing economic conditions on students' expectations of the financial planning profession. Perhaps more important, the results may provide some insights to the puzzle that financial planning programs across the nation struggle to recruit and graduate enough students needed by the industry, despite the fact that the supply–demand imbalance of the profession may easily put a student seeking a financial planning career at an advantageous spot in today's tough job market.

Using survey data from the past 5 years 2009–2014, we found that most of our undergraduate students taking finance courses had considered the financial planning profession at least to some extent. However, students who seriously considered it had declined to around 26% in 2013, as compared to 35%–41% during 2010–2012, and around 51% in 2009. This seems to suggest a declining interest in financial planning as an academic program over the past few years, despite the increasing numbers of new hires in the area. Interestingly, results from students' perception of the financial planning profession seem to suggest another story—students were not really pessimistic. We found that in each year, students consistently believed the need for financial planners had changed over time and thought employment opportunities would be better in the future. More students believed that consumers value planners' experience and training more than the firm reputation and that consumers value planners' experience more than the academic training.

To further explore student perceptions and their impact on their level of interest in the profession, we estimated ordered probit and multinomial logistic regression models on all observations. We found that students majoring in finance were more likely to show an interest in becoming a financial planner. Also, students with higher level of related experience, students who perceived employment opportunities to be better in the next 2 years, and students who claimed that their decisions were influenced by employment outlook were more likely to show not only interest but also increased interest over time in the financial planning profession. Perhaps more interesting, we found that male students were less likely to change their minds regarding their decision to become a financial planner.

One plausible explanation of students' declining interest in the profession is that their perceived opportunity cost of not seeking other career paths may have increased. This may be especially true since the beginning of year 2013, when the stock market at that point had rebounded to a level higher than the pre-2008 historical high. Because stock prices or market indexes reflect investors' aggregate rational expectations of future corporate cash flows and the economy in general, students at that time may have perceived a higher level of available job opportunities and compensations in financial or business areas other than the financial planning profession. However, this may be an overly optimistic perception because the job market prospect may lag well behind other economic indexes, and some highly sought-after jobs (such as investment analyst) still remain quite competitive and require some years of experience even for an entry-level position. Some senior finance major students at our college have a determined mind to pursue a career in investment field and have prepared to take the Chartered Financial Analyst (CFA) Level 1 exam in the past few years. Although some of them are quite successful in landing a desired entry-level job, some others among them have actually expressed the difficult situation in seeking a desired job position.

On the other hand, students who have obtained financial planning internship experience showed increased interest in this profession, and our survey results also showed that students were generally optimistic about the future of the financial planning profession. This seems to suggest that academic programs still have much room to improve the communications with the students (perhaps especially female students) regarding the profession and the employment outlook. We can increase the awareness and student interests of the profession by facilitating more internship and/or externship opportunities and by forming stronger affiliations with the industry.

As a final note, we acknowledge the limitations in this research, mainly because the sample is limited to one state university in the Midwest region. Future research may include a larger sample that includes universities across different regions and also compare student interests among different programs (such as business, economics, consumer science, and stand-alone financial planning programs).

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