
A New Designation Is Born: the RMA

By Editor Test *Wed, Oct 13, 2010*

The Retirement Income Industry Association (RIIA) announced the first recipients of its Retirement Management Analyst designation at its annual meeting last week.

Riding the underfunded but Wi-Fi-equipped *Acela* from Boston to New York last week after the fourth annual meeting of the Retirement Income Industry Association, I watched the salt marshes and inlets and islands of the Connecticut coastline go by and tried to identify what distinguishes Francois Gadenne's organization from other trade groups in this field.

To me, three things characterize RIIA, which Gadenne started in 2006. First, the messaging is simple, consistent, and substantive. RIIA has two slogans, "The View Across the Silos" and "Build a Floor and Create Upside." Neither of them needs much further explanation. The Keep-It-Simple-Stupid strategy still works best.

Second, RIIA's members represent a cross-section of the corporate, academic, and professional subgroups of the retirement industry. RIIA encourages a diversity of viewpoints and rejects groupthink. Since almost everyone agrees that there's no single solution to the retirement income challenge (at the personal, group or national level), this approach makes sense.

The third distinguishing characteristic, I think, is RIIA's entrepreneurial flavor. Gadenne likes to call this a "bottom up rather than top down" philosophy where the members rather than the leadership drive the agenda. Like Gadenne, many of its members are entrepreneurs (by choice or otherwise). Which makes for some intense networking.

At the meeting, RIIA announced the graduation of its first crop of Retirement Management Analysts—designees who have taken a course and passed a test based on the "Build a Floor, Then Pursue Upside" retirement planning approach that's codified in a book that RIIA produced last year, *RIIA's Advisory Process*, by Gadenne and Michael Zwecher.

The RMA is a new designation for advisors who want to distinguish themselves as retirement income specialists. It also serves as an outreach and marketing tool for RIIA. It reflects a belief among RIIA's leadership that the most intense money-making in the retirement income space will occur in the offices of independent advisors when they are advising high net worth retirees. There might be action elsewhere—say, in the 401(k) arena—but not as much as in the advisor sphere.

So far, about a dozen people have passed the test and received the designation. Fifteen more took the exam last week and were waiting for their grades to be posted. It's a significant step and the culmination of a couple of years of work. But it will probably take awhile for the RMA to catch up with, say, InFRE's 13-year-old Certified Retirement Counselor (CSC) designation.

Boston University's Center for Professional Education is offering an online course on the RMA that starts in

late October and runs until early December, when a third flight of candidates will take the test. The course has an official price of \$1,250 but an introductory price of \$995, according to BU's Ruth Ann Murray. The RMA is open to anyone, although RIIA membership is required.

Like many other organizations, companies and individuals, RIIA absorbed some setbacks during the financial crisis. But the fact that RIIA convinced major retirement industry players to sponsor this year's RIIA annual meeting in Boston on October 4-5—including Bank of America Merrill Lynch, Allianz Global Investors, Barclays Capital, New York Life, LPL Financial (and Boston University)—suggest that the juices are flowing again.

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