International Foundation for Retirement Education® (InFRE)

2018 Practice Analysis

Certified Retirement Counselors (CRC©)

Summary

Background
The International Foundation for Retirement Education® (InFRE) conducted a practice analysis study with the assistance of the Professional Testing Corporation (PTC). The purpose of the study was to obtain information on the professional activities and knowledge areas required for those who work as retirement counselors and who wish to achieve the credential of Certified Retirement Counselor (CRC©). The results of the study will allow InFRE to:

- Ensure the validity and defensibility of the CRC© certification examination;
- Update the CRC© certification examination content outline to reflect current professional practice;
- Use empirical data to inform decision making regarding updating the test specifications for the CRC© certification examination; and
- Obtain empirical data regarding the applicability of the eligibility and recertification requirements

Practice Analysis Steering Committee
InFRE appointed a Steering Committee (SC), consisting of seven CRC©s who were representative of the field, to provide guidance, serve in an advisory capacity and oversee the practice analysis study. The SC met to discuss the focus of the project and approved groups of subject matter experts (SMEs) to serve as a task force to carry out the rest of the study and as a panel of independent reviewers to complement the work done by the task force.

Practice Analysis Task Force and Independent Review
The 11-member practice analysis task force met in a series of virtual meetings to refine task statements, knowledge areas, and demographic/background questions, using the existing content outline derived from the 2013 practice analysis study as a reference point. In particular, they considered how the profession has changed since the 2013 practice analysis to evaluate how the task statements and knowledge areas should be updated to ensure that they reflect current, best practice. The eight-member panel of independent reviewers assessed the work done by the task force and made recommendations concerning edits, additions, or clarifications that should be made. The task force discussed the feedback provided by the independent reviewers and finalized the domains, task statements, knowledge areas, the appropriate validation scales, and demographic questions to be included on a validation survey.

Validation Survey
A survey was created in electronic format to generate data to validate that the lists of task statements and knowledge areas are appropriate for the field of retirement counseling. The survey consisted of four major sections:

- **Tasks:** Respondents rated 48 task statements as to the *Frequency* with which they performed the tasks during the past 12 months and the *Importance* of the tasks to optimizing outcomes for clients/employees.
- **Domains:** Respondents rated the *Percentage of Time* they spent performing the tasks related to each domain and the *Importance* of each domain for competent performance.
- **Knowledge Areas:** Respondents rated 64 knowledge areas as to the *Importance* of the knowledge to optimizing outcomes for clients/employees and the timing of the *Acquisition* of the knowledge (before or after certification).
- **Demographic and Professional Questions:** Respondents were asked 13 questions covering their level of experience, primary occupation, and other demographic and professional questions.

The survey was distributed via email that included a link which took respondents to a webpage where they each could access the survey. The link was sent to 1,959 email address, of which 1,888 were delivered successfully. Of the 1,888 who received the email, 259 (13.7%) provided responses to the survey.

Highlights Related to Demographic and Professional Background
Almost 41% of the respondents became certified as retirement counselors from 2014 to 2018, while approximately 46% were certified in 2013 and earlier. On average, the respondents had almost 12 years of experience as retirement counselors, although the group that certified before 2014 had on average more years of experience (approximately 17 years) than the group that certified between 2014 and 2018 (approximately 13 years). The most commonly held primary professions or occupations are registered representatives, investment advisors, and employee retirement counselors. The most common types of organizations for whom respondents work are public, independent advisor, brokerage firm, bank, and insurance company. Other than CRC©, the most commonly held designations or licenses are Series 63, Series 7, Series 65, Series 6, and Personal Financial Specialist. Of the few respondents who reported being a member of a professional association, roughly half are members of the Financial Planning Association. Most respondents work with employer sponsored retirement plans and service the public sector and unions. Almost all respondents reported that they work in the United States; of the 41 states identified, the most highly represented were Colorado, Texas, and Ohio. Approximately 72% of the respondents have a bachelor's degree or higher. Approximately 73% identified themselves as being White (Non-Hispanic). Of those who identified a gender, over half are male.

The practice analysis task force reviewed the demographic data and concurred that the characteristics of the survey respondent group were representative of the population of those who hold the CRC® and that their responses could be used for decision-making regarding the test content outline. Since the differences between the more- and less-recently certified groups were small, the task force concluded that the total sample should be used when evaluating the results and making validation decisions regarding the content outline.

Key Findings Related to Tasks, Domains, and Knowledge Areas
None of the tasks was rated higher than 3.5 nor lower than 2.5 in terms of frequency, suggesting that all tasks are performed on a monthly, quarterly, or annual basis. Roughly 10% of the tasks were rated highest in importance (>3.5), while none of them rated the low (<2.5) in importance to optimizing outcomes for clients/employees. The tasks in the survey, therefore, are judged to accurately portray the activities necessary for practice as a CRC©.

All five of the domains were rated between 3.0 and 3.4 for importance. The domain that was rated highest among the five was Domain 01: Identify Needs, Concerns and Goals in Terms of Quantitative and Qualitative Factors by Career State/Phase of Retirement. The domains that represent the highest percentage of work time were Domain 05: Provide Education Content and Programs (at 24.6% of work time) and Domain 01: Identify Needs, Concerns and Goals in Terms of Quantitative and Qualitative Factors by Career Stage/Phase of Retirement (22% of work time).

Out of the 64 knowledge areas, there were 11 (17%) that were rated higher than 3.5 in importance to optimizing outcomes for clients/employees, and none were rated lower than 2.5. The highest rated knowledge area was “Fiduciary and professional responsibility when acting in the best interest of the client”. The overall ratings of when knowledge should be acquired were consistently within the range of 2.1 to 2.5, indicating that the respondents felt that the relevant knowledge should be acquired before becoming certified.

Development of Test Specifications for the CRC© Certification Examination
The method used to calculate the weightings for the domains is based on the task statement ratings for frequency and importance and takes into consideration the number of tasks per domain. The formula used to derive the relative weighting of each domain consists of the sum of frequency*importance products for each domain, divided by the grand sum of products for all domains. The InFRE task force discussed the preliminary results of those calculations and, after making some minor adjustments, recommended the test specifications below, which the Steering Committee approved as the new Test Specifications for the CRC© certification examination:

Final Test Specifications

Domain	Specification
01: Identify Needs, Concerns and Goals in Terms of Quantitative and Qualitative Factors by Career Stage/Phase of Retirements	29%
02: Design Retirement-readiness and Post-Retirement Strategies within the Context of the Regulatory, Operational and Structural Plan Environment	34%
03: Facilitate the Implementation of the Retirement-readiness and Post-Retirement Strategies	18%
04: Evaluate, Adjust and Document Retirement Strategies Across Career Stages/Retirement Phases	12%
05: Provide Education Content and Programs	7%