

TTU PFP Loves MGP!

For the past several years, the Personal Financial Planning program at Texas Tech University has been using Money Guide Pro in several of our academic courses. We selected MGP as our first software program to teach in our Advanced Technology course because it is instantly engaging, user friendly, and the collaborative aspects allow us to easily see what our students are creating during the course of the class. Students, who have never seen a financial plan, immediately understand the integrated aspects of planning, once they prepare practice plans in MGP. And because MGP interfaces with so many other programs, students learn the practical application of FinaMetrica, Morningstar and other software they can use post graduation. Through the comprehensive tutorials, class lectures and labs, they practice the mechanics of the software for use in other classes as they continue their PFP academic program.

For example, there's no better way to demonstrate the impact of retirement planning than using MGP in our Retirement class. With the help of MGP goal cards, students role play to learn how to have meaningful conversations with clients about their retirement objectives. Using the workbook and their own financial data, goals and objectives, they prepare their own retirement plan, (or one for their parents or close family members.) What-if scenarios allow students to explore retirement planning alternatives and flexibility in recommendations.

We really put MGP to use in our Capstone course, the class requirement before students graduate from the program. In this class, students prepare a comprehensive financial plan, using MGP and other resources to prepare a plan for a fictitious family. We chose MGP for this class because it is collaborative and interactive, which means we can follow along with our students as they prepare the data in the software, assisting them as we go along. Additionally, they use MGP to present their plan orally to the client (and the class) at the end of the semester. While our students are aware of the "Super Solve" feature of MGP, we don't allow them to use it until their plan is complete. After all students have presented, we run the Super Solve to show how we might have improved their plan with some strategic reshuffling.

MGP also allows our students to role play, learning the critical aspects of communicating and delivering the plan, as well as engaging the client in the development of his own plan. For the final presentation, each student is allowed 20 minutes to present the plan to the fictitious client. Then, randomly, the student is given a unique question that a client may ask during a plan delivery. It may be anything from exploring what would happen if they worked longer, to changing return or inflation assumptions or what the impact may be if the client retires three years earlier. In this timed exercise, the student, using Money Guide Pro, must navigate the program, changing the input to



demonstrate how the new goal or assumptions would impact the outcome. The new Play Zone feature has proven to be a great tool for this exercise.

MGP is an invaluable teaching tool and has been integrated throughout the program. Many graduates of our program have commented how well the use of this software has prepared them for their entry-level positions in planning.

PFP loves MGP!

Deena B Katz, CFP®

Associate Professor

Texas Tech University

Akron & Broadway Streets

MS 1210, Box 41210

Lubbock, TX 79409-1210

Deena B Katz, CFP®
MS 1210, Box 41210 | Lubbock, TX 79409-1210
T 806.742.5050 x237 | F 806.742.5033

An EEO/Affirmative Action Institution