

BEFORE

You Decide to Sit for the

CFA[®] EXAM

Advice and Information from Past Exam Takers



See inside >>

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WELCOME

So, you're considering
the CFA[®] program...

now what?

As you likely know, the CFA charter is globally accredited in the financial industry for its intense focus on investment knowledge, analytical skill, and ethical standards. There's not a stronger or better-recognized accreditation to pair with your name if you plan to pursue a finance career. You probably have a lot of questions about the CFA exam, the process, and your career options in general. We have enlisted the help of many CFA

charterholders who have successfully gone through the program and asked them for advice on what it takes to earn the CFA charter. We brought all of their advice together in this eBook to help you decide if the CFA charter is right for you.

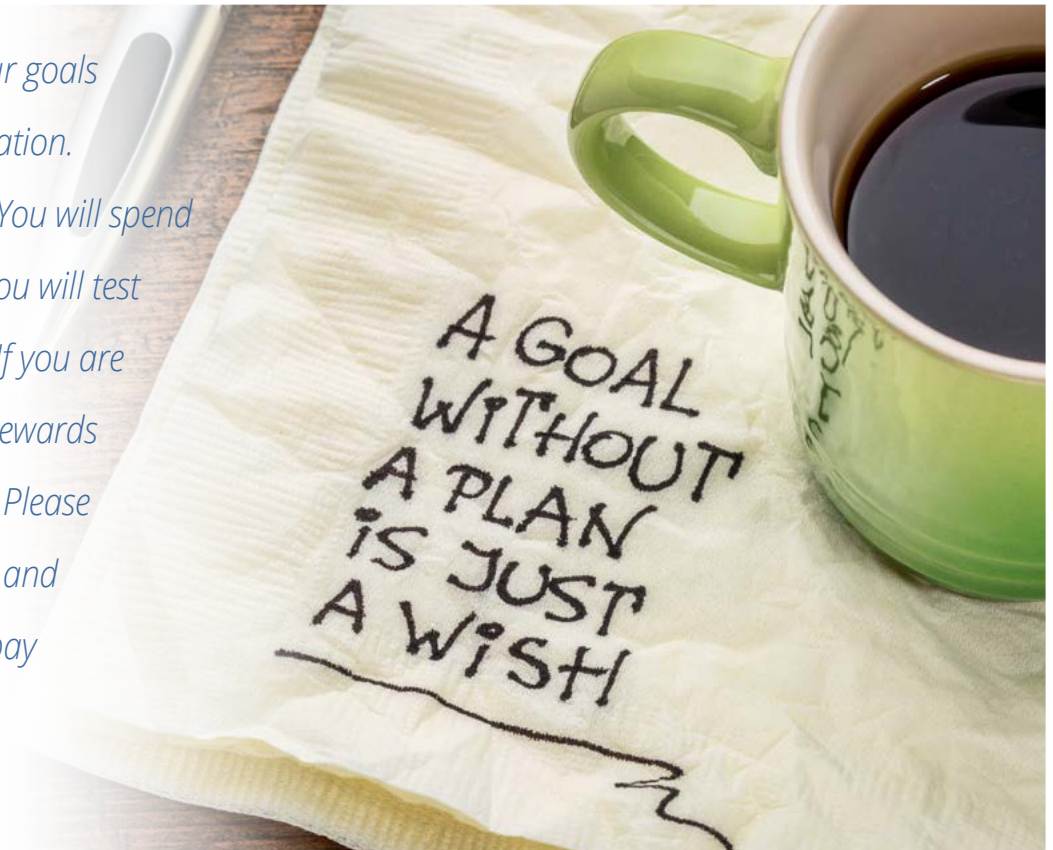
We hope you find this resource helpful, and we wish you the best of luck as you embark on your CFA journey.



Know Your Goals

“Reflect on yourself and your goals before pursuing this designation. Success comes with a cost. You will spend hours and days studying. You will test the limits of your patience. If you are willing to pay the cost, the rewards will wait for you at the end. Please know why you’re doing this and what cost you’re willing to pay to achieve success.”

– Jason Smith, CFA



Before you get started in the CFA[®] program, it is important to ask yourself why you want to pursue the charter in the first place. Many people pursue the CFA charter because it will make them better finance professionals. Certainly, the knowledge gained from the CFA program will improve your confidence and ability to converse about a diverse variety of financial topics. Others pursue the CFA charter because of the potential payoff from it. Not only will the CFA charter help you differentiate yourself in the industry, but it is relatively inexpensive to get. The cost of pursuing the CFA charter can be as much as 1/8 of the cost of

completing an MBA program, setting you up for a much higher return on your investment.

The amount of studying required for the CFA exam can be demanding at times. Successful candidates take four years on average to earn their CFA charter, according to [CFA Institute](#). Many of the charterholders we interviewed spoke of minimized social lives, weekends spent studying, and lost time with family and friends throughout the exam prep process. Focusing on your goals will keep you motivated to get through the program.



You Must Be Ready to Commit



“The CFA charter needs to be a full commitment. It is an absolute grind at times, but it is much better to endure longer hours, over-prepare, and pass. The other option is to do less work and potentially spend another year chasing the charter.”

– Nick Caldwell, CFA

Before you decide to enroll in the CFA program, it is important to evaluate what is happening in your life. Do you have the time to dedicate yourself fully to studying for all three exams? Are there obligations in your life currently that will interfere with your ability to endure the long hours? There is a lot of sacrifice that is involved in studying for each level, so you must be ready to commit to the work involved.

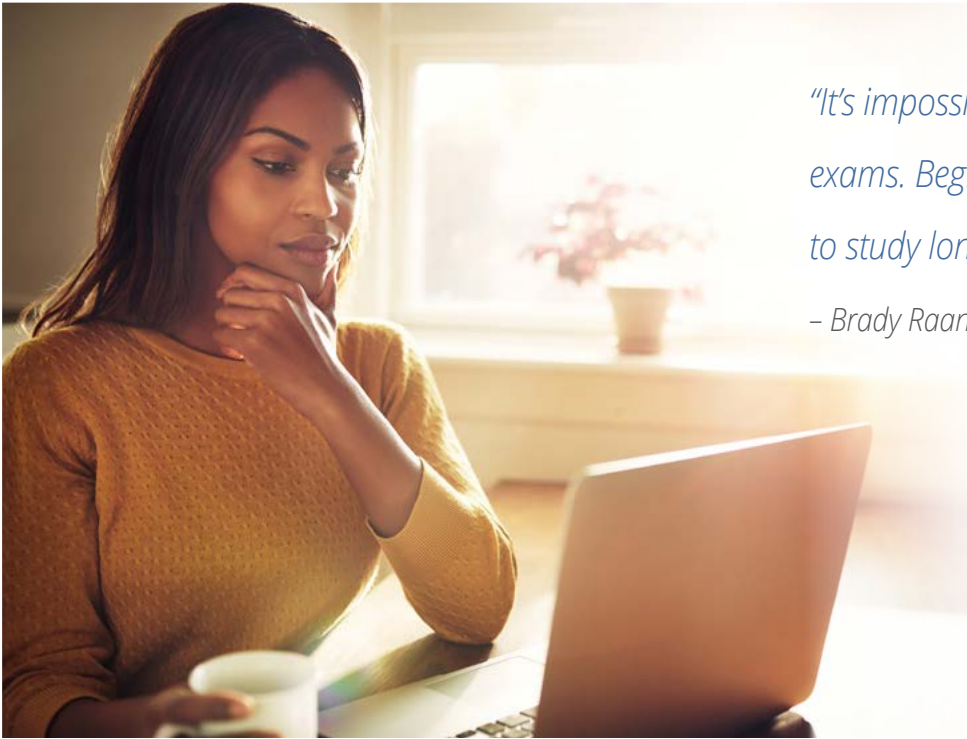
We hear over and over again from CFA charterholders that it is not about the material being difficult so much as the amount of time you need to commit to learning the

material and applying it to realistic scenarios. Even the best test-takers have said that it is impossible to show up and simply wing it—you have to put in the work to pass.

That being said, CFA charterholders continually tell us they have found the CFA experience to be well-worth the time and effort required. As one CFA charterholder told us, “Think of it as investment in your own future.” The CFA charter provides you with expertise and confidence that will benefit you throughout your career.



Get Into a Study Routine Early



"It's impossible to cram for one of the exams. Begin studying early and be willing to study longer than you anticipated."

– Brady Raanes, CFA, CFP

Many successful CFA charterholders credit their study routine for their success taking the CFA exams. Not only do you need to study the material, but you need to be able to apply what you learned to scenarios on the exam. This level of understanding and practical application takes time to develop. Therefore, it is crucial that you get into a study routine early and stick to it.

We recommend following the **Prepare ▶ Practice ▶ Perform®** method of studying. In the prepare stage, you absorb information through reading and listening to lectures. In the practice stage, you start working through practice problems. In the perform stage, you simulate exam conditions to assess your level of readiness.

As you develop your study plan, we typically advise spending:

- 30–40% of your time preparing
- 40–50% practicing
- 20% performing



Apply Concepts to Real Situations

“The information learned throughout the process must be executed in a real-life environment. Because of that, it is important to not only focus on the material, but to continue gaining professional experience, so the two components—the CFA material and real-life cases—complement each other.”

– Sina Rezaei, CFA



As previously mentioned, just knowing the material isn't enough to pass the CFA exam. You must be able to take the knowledge and apply it to realistic situations. Most questions are not asking you to regurgitate memorized material. They are asking you to use problem-solving skills and apply knowledge to situations you may encounter on the job.

Many CFA charterholders advise you to always tie back what you are learning to the real world. Saqib Baig, CFA, recommends, “As you are going through the learning outcomes, keep asking yourself questions as to why you are learning this and how you are going to use this in your work.” The more you can make the study material real to you, the easier it will be to remember it.

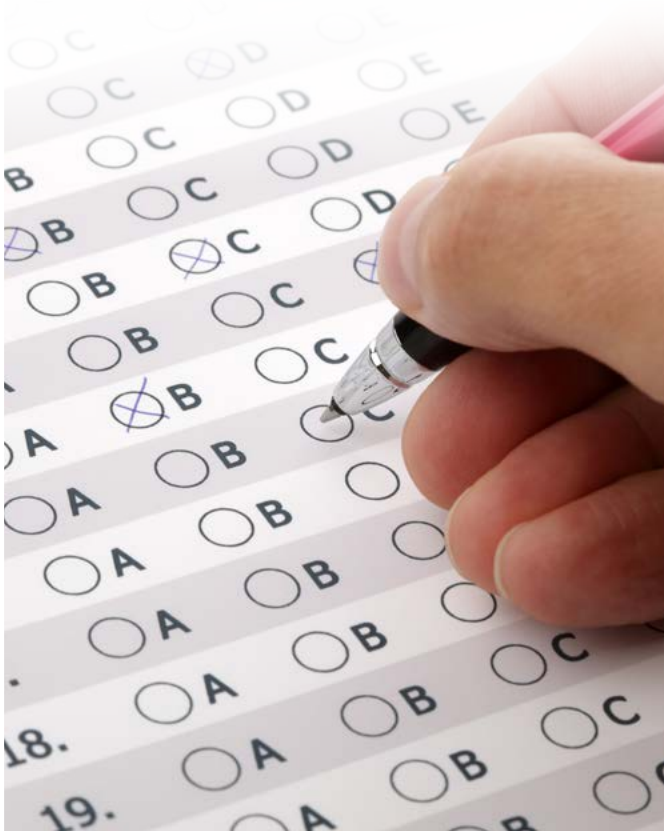


ADVICE FROM CFA[®] CHARTERHOLDERS

Respect the Tests

“The CFA is a respected designation the world over, for a good reason. It’s a long difficult process with a high attrition rate. For me, it was something to accept with grace and humility once achieved; which is befitting of the spirit of the program.”

– Stephen Bell, CFA



While everyone hears about the difficulty of the CFA level exams, very few believe it until they experience it for themselves. To pass each exam, you will need to achieve at least the minimum passing score (MPS) set by the CFA Institute Board of Governors after each exam. The pass rate for the December 2015 Level I CFA exam was only 43%. People who are studying for the CFA exam are smart, driven, and want to pass just as much as you do. You simply can’t get around studying.

The exam material covered builds on itself from previous levels, so preparing well early on will work to your advantage as you move through each level. Making time to build a foundation of knowledge and really learn the concepts will be the key to your success.

“People thinking about the CFA charter are likely very smart and have had success in their other educational endeavors. This success may lead to overconfidence that could lead to a lack of preparation. You cannot pass these tests simply by being smart. You’ve got to adequately prepare, or else a year of effort will go to waste.”

– Josh Sampson, CFA



DO YOU HAVE WHAT IT TAKES TO PASS THE CFA® EXAM?

We asked CFA® charterholders what skills are important to **staying focused and passing the exams**. In the following section, we've detailed some of the skill sets that were mentioned most often.

Diligence

"To achieve the mastery required to pass the tests, the candidate needs to commit to learning the material in the depth required."

– Jason Smith, CFA

There is no doubt about it—you will only get through each exam if you have the diligence to stay focused on your studying. There are going to be times that test your patience and perseverance. There will be times when you will want to stray from your study plans to attend to your personal or professional life. As Reggie Chan, CFA says, "Nothing is more painful than putting in 8 to 10 hours of work at the office and then going to the library for another 2 hours." But it's worth it...diligence will keep you moving forward in your studies.

"There is no way to avoid the work required. The only way to pass is to dedicate oneself to the task of learning the curriculum."

– Andre Marcotte, CFA

Time Management

"The final test day is not the only deadline you need to worry about. By assigning several deadlines along the entire span of your studying period by different tasks (reading, note taking, flashcards, testing etc.) and topics (equity, fixed income, portfolio management etc.), you will allow yourself less chance of falling behind."

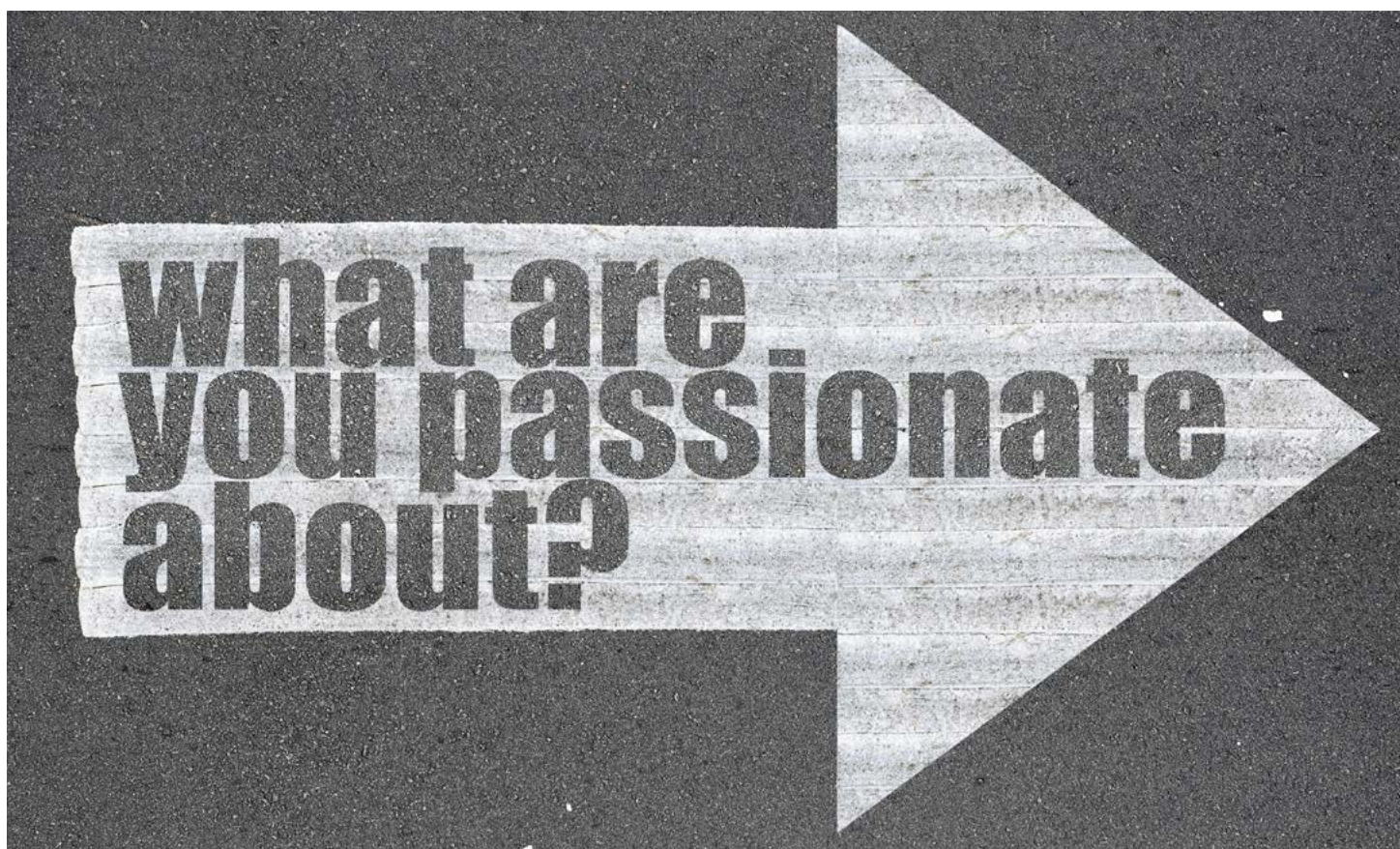
– Benjamin Finley, CFA

Each CFA exam covers a wide breadth of knowledge. Time management skills are crucial to keeping on track with your studies. After all, life doesn't stop just because you are studying for a test. Work, family, and life commitments can make it difficult to find the time you need to properly prepare for the exams.

You have to pace yourself. As one CFA charterholder told us, you have to study for the CFA exams like you would train for a marathon. You have to train consistently and build up your studying mileage as you get closer to exam day. Time management skills will help you pace yourself.



DO YOU HAVE WHAT IT TAKES TO PASS THE CFA® EXAM?



Passion

"Pursue the program because you have a passion for the investment profession. That deep drive will serve as a strong motivator to successfully complete it."

– Stacy-Ann Tait

Before you begin, make sure you are passionate for financial analysis, and you're doing this for the right reasons. Time and time again, past exam takers cited passion as a critical skill for success on the CFA exam, as well as in their career. And it makes sense. Anything that you dedicate this much of your life to should mean something to you. Earning your CFA charter is remarkably rewarding, because it is a strong and lasting symbol to yourself and the rest of the world of your knowledge, skills, and passion for finance.



DO YOU HAVE WHAT IT TAKES TO BE A CFA® CHARTERHOLDER?

We asked what skills were most critical to **performing as a CFA® charterholder** in a finance profession. We combined the most common traits, cited in the section below.

Curiosity

"The most important skill to be successful as a CFA charterholder is to always be striving to understand the driving force behind changes in your firm and the industry/economic environment."

– Sharan Gangwani, CFA

Curiosity can make the difference between a good financial analyst and a great one. How can curiosity benefit you as a CFA charterholder? A great analyst doesn't just take things at face value, without digging a little deeper. A natural curiosity and the inclination to always question "why" is a valuable characteristic to possess as a CFA.



DO YOU HAVE WHAT IT TAKES TO PASS THE CFA® EXAM?

Integrity

“Getting the charter is just the beginning. There is greater responsibility on charterholders to understand a wide range of aspects impacting the economic environment. With great knowledge comes great responsibility.”

– Sharan Gangwani, CFA

Given that there is an entire section of each level exam dedicated to ethics, it should be no surprise that integrity is critical to success. CFA charterholders are hired for their expertise and ability to provide honest analysis. Doing so requires a commitment to upholding a standard of ethics and integrity in everything you do. This is why CFA Institute requires all CFA charterholders to abide by the Code and Standards of Professional Conduct. This means placing the reputation of the profession and interests of your clients above your own, as well as acting with professional competence and respect at all times.

Communication Skills

“What sets people apart and gives them an additional level of success is their ability to communicate their analysis and decisions in a persuasive and understandable manner.”

– Timothy Davis, CFA

The CFA program will teach you how to crunch numbers and do a thorough analysis of investment opportunities. But the best analysts are able to communicate with their clients effectively. Communication involves being able to articulate analysis in a way that resonates with clients, as well as being able to listen effectively to client needs. This is how you will build trust and retain clients for the long-term.



WHAT DO YOU THINK?

After reading this eBook, we hope you feel educated and informed on what to expect as a CFA® candidate and as a charterholder. If you would like additional information, we encourage you to check out our expansive library of [free resources](#), designed to guide you through the decision-making process.

Since 1990, Kaplan Schweser has been student-focused, results-driven, and fully committed to

helping individuals earn the CFA charter and succeed in their careers. We strive for greatness, so our customers can do the same. After all, it's your success that determines ours.

Visit [our website](#) to browse or enroll in one of our CFA study programs. Best of luck on your pursuit of the CFA charter!

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