

WHY FMA IS IMPORTANT TO THE CAREERS OF PRACTITIONERS

J.T. COOK, III

J.T. Cook was the President of the Texas A&M Student Chapter of the Financial Management Association International in 1989 and is currently an account executive at FINOVA capital Corporation in Dallas, Texas. In the years following his graduation, he has become an increasingly active professional member of the Association through positions as a Director-At-Large on the FMA Student Chapters' Committee, FMA Long-Range Planning Committee, and participation at the FMA Annual Meetings.

One of the most important steps a new business graduate can take is to maintain his/her membership in the FMA. All too often in the excitement of getting ready to graduate and preparing for a new job, there is a tendency to let your affiliations lapse with organizations, societies, and clubs that you maintained during your academic career. In one way or another, those organizations, such as the FMA, have served a very supportive role in preparing you to graduate and in finding that perfect first job. It's important to remember that the FMA does not quit working for you once you leave school and that maintaining your membership will prove truly valuable as you take on the new role of "professional." As you begin working in the professional finance sector, it becomes increasingly important to maintain and build on your professional and academic credentials. There are three primary reasons for continuing your professional affiliation with the FMA. These reasons apply to all financial areas, whether your career begins in consulting, banking, investment banking, corporate finance, or continues in academia.

The first reason is an academic one. The FMA serves as a highly respected professional society in academia. Emerging theories in finance and applied concepts are continuously being explored and researched in the academic world. The very latest in research, whether it involves the analysis of stock price movements and returns or the evaluation of investment strategies related to investment banking, is persistently being published by the academic community. Remaining cognizant of changing financial theories, new financial products, and improved financial methods is invaluable to your career path. It may not seem relevant right after you graduate, but chances are that in the future new financial research and innovations will impact you professionally. In the field of litigation support consulting, many areas that are researched in theory are actually put into practice. For instance, in securities fraud claims, the analysis of stock price movements associated with fraudulent or misleading disclosures is sometimes evaluated utilizing an event study approach—an approach which assumes that the true value and price of a security move together except on days where fraudulent information is released. In attending the FMA annual meetings, I've often met the academicians who research the very issues and theories that we put into practice. As you will discover, the FMA assists you in maintaining your learning power and keeps you ahead of the "game". That "game" is keeping yourself aware of the cutting edge of research being developed in the finance world.

The second reason for maintaining your FMA membership is to further your professional development. As you move ahead in your career, maintaining your professional affiliation with other finance practitioners who have similar backgrounds and careers will become increasingly important. The FMA is a good way to network

with others who practice the same or similar type of work while building on your own credentials. In addition, the Association provides a number of publications to finance professionals that share information from within the industry and keep you apprised of current events.

The third reason for maintaining your affiliation with the FMA is that the FMA is the premier organization for bridging the gap between the academic and professional finance worlds. In order for the field of finance to progress, it is important that the academic and practitioner worlds work hand in hand. The FMA serves as a catalyst to bring these two worlds together to ensure that what is being researched is also what is being practiced and vice versa. The ability of FMA to facilitate the interaction between the academicians who research issues and theories and the practitioners who put them into practice is evidenced by the success of the FMA Annual Meeting. Through the Annual Meeting, its publications and services, the FMA merges the academic and professional finance worlds and educates its members regarding research in current theory and applications.

In summary, active membership in the FMA as a professional will keep you up to date on emerging financial theories and research applicable to your area of finance. By assisting in the construction and maintenance of a network of professionals in your field and in other fields in finance, the FMA serves as a valuable tool to enhance your professional development. Maintaining your affiliation and membership in the FMA will serve you both individually and credential in optimizing the development of your professional career.