

Picking A Financial Advisor

“An investment in knowledge pays the best interest.” ~Benjamin Franklin

Saving for the future is hard enough. Picking a qualified financial advisor can be daunting. According to researchers, the benefit can be an additional 1.5% to 4% more investment returns. However, not all financial planners have the same commitment to your fiscal future.

What to look for in a financial advisor:

What is your strategy?

Do you want to be aggressive or conservative with your investment strategy? Not sure which path to go? Learn a little about bonds, index funds, mutual funds, and stocks to better understand your options. Be an informed consumer. Research and prepare a list of questions for the financial advisors.

Interview several financial advisors

Finding the right fit may take time. Credentials matter, and more importantly, do you feel comfortable with them. Do they listen to what you say? How do you feel when they answer your questions? Create a list of questions based on this flyer beforehand to ask each advisor for a thorough comparison.

Are they a fiduciary?

A fiduciary is ethically bound to act in your best interest, not theirs. This minimizes conflicts of interest. Select your investment choices based on the return on investment while considering commissions and fee schedules.

Ask about his or her specialty

Where are you in your financial journey? You might be starting with nothing, have savings, actively investing, or getting ready for retirement. While you interview financial advisors, did you notice some seemed better suited to where you are and where you want to go? As your nest egg grows, you may need to switch advisors, but you will avoid the inconvenience later if you select wisely from the start. It can be costly with unanticipated fees.



Ask about credentials and experience

Credentials are one thing; experience is another. You will want a combination of both. Ask your advisor about their licenses and certifications. What do they mean? Is the financial advisor a Certified Financial Planner (CFP)? Lastly, how much experience do they have, and will they provide a list of references?

Before you invest, do your homework

If the financial advisor is pressing you to make an investment today or see your financial statements, be cautious. Although it is wise to have a summary of your finances ready, you are interviewing them. Check their credentials, reputation, and results before you deposit any funds at their direction.

source: www.smartasset.com

Although hiring a financial advisor can be one of the best decisions you can make, it can also be one of the scariest. Ask questions, keep learning, and revisit your plan regularly to ensure your advisor and nest egg work for you.



Compliments of Alliance Work Partners

Here for you as life happens ...

Your EAP is here to help with family, work, health and legal issues.
To access your AWP EAP services, call **1-800-343-3822**.
EAP Services are free and confidential.