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Physician investing should take emotion into account

by Steven Podnos, Md, Mba, Cfp • Sept. 2, 2015 • 1 min read • [original](#)

The financial planning process involves the discovery of values and goals of the client by the planner. However, it is not unusual for the client to become more self-aware during the process.

Much of the planning involves a relatively dry perusal of documents such as insurance face sheets and beneficiary forms. However, other documents, and then later discussion, may elicit unexpected questions and emotions from the client.

As I look at the investment accounts, I ask "what is the money for?" I might ask "What if money was not an issue, would you live your life differently?" Another question might be "Were you scared to watch your account values drop during the period 2008 to 2009? Did it cause you to lose sleep? How did you change?"

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Estate planning review almost always involves some deep thought and emotion. If your children are young, who would take care of them if you are not around? Who do you trust to manage your money in your absence? How would you want your children to be treated and funded?

The simple question, "What scares you in general," may elicit an answer that is vital to address in the planning process. Each of us has our own anxieties related to work, life, and money, and the planning needs to take these into account.

For example, some families feel more comfortable having large sums of cash available. Whether rational or not, the reasons should be discussed and understood as important. It is the planner's job to both reconcile the client's desires with his goals. The desire for keeping most investment capital in liquid cash must be meshed with the adequacy of savings and ability to maintain purchasing power in the future.

I would encourage you to explore these and other topics with your trusted adviser. If you don't have one, maybe now is the time to engage one to help you plan for the future.

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