

## The right fit



Finding the ideal advisor can go a long way towards helping you reach your financial goals.

**EVER NOTICE HOW MANY OF LIFE'S BIGGEST GOALS** have some financial component? Sure, you can master a foreign language or run a marathon without making a significant financial commitment. But try buying a home, starting a family or helping your kids go to university. Same goes for retiring early or leaving a legacy. Without disciplined planning and saving, these goals can just slip away.

If you're juggling a job and a busy family life, you probably don't have time to figure it all out for yourself. Then again, like many Canadians, you may feel you don't have the expertise to tackle the complexities of your financial affairs alone. That's when turning to professional advice is a huge advantage. In fact, getting the right person on board can be the decisive factor in helping you meet your goals. Good advice might even help you *surpass* them. Surprised? According to a recent study, of those surveyed, Canadians with advisors financially outperform those without.<sup>1</sup>

### It's okay to have high expectations

Given the high personal stakes, you should have equally high expectations of your advisor. A solid advisor will do three things:

**1. Learn about you.** This includes assessing not just your finances, but also your family situation, short- and long-term goals – even your hopes and dreams. Just as important, your advisor will establish your risk profile. Are you the button-down type of investor that avoids risks? Or do you relish the thrill ride of stock markets, with their potential big payoffs? Perhaps, like most of us, you fall somewhere in-between.

**2. Build your plan.** This is the all-important “advice” part. Your advisor should deliver a plan that's actionable – things you can do immediately. It should also have milestones along the way, so you can gauge your progress. A complete plan will most likely include:

- Disciplined savings – amounts to put aside on a regular basis
- Investment portfolio – based on your risk profile, a diversified portfolio can help to protect and grow your money
- Debt management – this should be part of every financial plan
- Tax strategy – to help minimize taxes, of course

<sup>1</sup> [www.ific.ca/wp-content/uploads/2015/11/Advisor-Insights-Advice-Creates-Strong-Value-for-Canadians.pdf/12051/](http://www.ific.ca/wp-content/uploads/2015/11/Advisor-Insights-Advice-Creates-Strong-Value-for-Canadians.pdf/12051/)

- Risk management – life, disability and critical illness insurance, to help protect your family
- Retirement plan – depending on your age and goals, the plan may include projections of when you can expect to retire, and with how much money

**3. Adjust your plan.** Life is all about change – often unexpected change. This means your plan should be flexible and subject to a regular review, generally once a year. That’s when you’ll sit down with your advisor to check your progress, revisit your goals and, if necessary, reset your course.

### Not just about retirement

Some Canadians start thinking about talking to an advisor in their 40s or 50s, when retirement first peeks over the horizon. Life-changing events such as buying a house or having a child can also trigger a financial reckoning and the need for advice. But your goals don’t have to be that large. Saving for a car or a once-in-a-lifetime trip might also be a good reason to start talking to an advisor.

The point is, you call the shots on what you want from your advisor – from helping you plan your estate and create a comprehensive roadmap to just being a sounding board.

Be prepared, as well, to hold up your end of the relationship with some basic knowledge about the financial world. Start by reading the business section in your paper or following financial experts on social media. You don’t have to be an authority. But the more you know, the more you can be involved in some of the most important decisions in your life.

### Finding the right fit

Like you, every advisor is a unique individual, and each brings a different professional and personal skill set to the table. But there’s also that “gut feeling” that can tell you you’ve found the right professional for you and your family.

So where to find that special person? If you have no candidates in mind, ask family and friends for recommendations. You can also search online through

the Financial Planning Standards Council website, [fpssc.ca](http://fpssc.ca) (in Quebec, L’Autorité des marchés financiers at [lautorite.qc.ca](http://lautorite.qc.ca)).

Before making first contact, take a look at the advisor’s own website or LinkedIn profile – both can provide information on their accreditations and services. And when you are ready to meet an advisor face-to-face, approach it as a job interview, and plan on meeting at least three prospects before deciding.

### The interview

A lot is riding on the relationship, so ask plenty of questions about an advisor’s education, experience and philosophy.

Think about practical matters, too. Will his office location work for you? Is she willing to meet you at your home or office? How accessible is the advisor, say, online or over the phone?

Consider the advisor’s age and background. If you’re a baby boomer you may be more comfortable with an advisor closer to your age. Similarly, if you’re in your 30s or 40s, you may prefer someone who “gets it” when you talk about your goals.

And most certainly give the advisors you meet plenty of opportunity to ask about you. It’s a good sign if they ask not only about your financial goals, but also about your family, lifestyle and life goals.

### Tie up the loose ends

Once you find the right advisor (and chances are, you’ll know pretty quickly), it might be a good idea to ask for a signed agreement that outlines the scope of services and nature of your relationship, to help set clear boundaries and expectations. Beyond the agreement, your advisor should be easy to talk to and give you a good feeling of trust and comfort. After all, you’ll be sharing a great deal of personal information with him or her over a long period of time. And a rewarding relationship is one that benefits you both today and well into your future. ■

#### Sources:

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