

How to Choose a Financial Advisor

Finding a Financial Partner you can Trust

Your parents, friends, and colleagues may all have opinions about what you should do with your money in times like these, but do they really know your personal and financial goals? Do they know your current financial reality? Are they qualified advisors in any way?

Finding an advisor who you trust and who offers the services and expertise you need, can take some time and research. It starts with you being clear with your goals and some basic knowledge of what you're looking for.

It's best to ask for referrals and interview 2 or 3 potential advisors. Ask hard questions and remember – the advisor is there to serve you so make sure they are listening to you and treating you with respect.

FYI: This list of interview questions is adapted from a chapter on investing in our Build Your Own Financial Plan program.

Questions to Ask

Can you describe the type of clients you serve?

Do you have a minimum investment or net worth requirement?

What are your qualifications?

What are the fees for your services and any products/investments you sell?

How are you compensated?

What products and services do you offer?

How often will we meet and how much contact will we have?

Will I be working with you or with your assistant?

More questions for advisors who manage investments:

How will I know how much money I'm making?

How is my rate of return reported to me?

How often will I receive my statements?

Will you explain them to me?

Trust your gut – if you don't feel good about your connection with the advisor then move on to someone else!

Be an Informed Consumer of Financial Services

Remember, even if you work with a financial advisor, it is up to you to educate yourself so that you can delegate, not abdicate responsibility for your money. It is in your best interest to become a discerning consumer of financial products and advice. After all it's your money and your life.