

ALWAYS YOUR
TRUSTED
PARTNER

Hiring a Trusted Advisor

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INVESTOR'S RESOURCE

When to hire a professional

Often the more assets you have, the more you stand to gain by hiring a professional, particularly one with expertise in both investment management and advanced planning. Planning skills can be useful to your financial assets are working more efficiently, eliminating waste, and minimizing overlap.

When choosing an advisor, compare your assets and desired services to their typical client. If you have fewer assets or complexity than your advisor's typical client, you risk getting lost in the shuffle or not being exposed to the latest strategies. If you have substantial assets or a need for advanced planning, you risk not having experience and resources typically found

with advisors serving that population of clients.

Many advisors have moved to a team-based business model to better serve their clients to retain personalized service, and a wide range of experience. It's important to ask prospective advisors to describe their typical clients, other types of clients they hope to attract, and how your situation compares to each.

Top Three Reasons

TO HIRE A PROFESSIONAL



REASON #1

You don't have a plan

Even if you are excellent at setting goals and making spreadsheets, a professional usually has more experience and better tools to gauge your financial situation and provide strategic advice beyond investing.

Developing a basic idea of what it will take to accomplish your main goals is the top priority. Once the initial framework for goals is put into place, the next step is to plan for contingencies—death, disability, aging, your parents, your children, job changes, and more. Preplanning for change is a key part of wealth management and plays a bigger role as your

portfolio grows over time, yet it often is neglected in more basic discussions. After planning for the contingencies, you can work scenarios and strategy into your framework to help you make decisions over time. You can also determine the rate of return you need over time and ways to leverage the latest tax, estate, and other strategies to your benefit.



REASON #2

When you realize you need advanced planning or face big, new decisions

Sometimes change is an unpleasant surprise. Other times, you can anticipate change but remain uncertain about whether you are fully prepared for it. However it happens to you, when facing big life changes, chances are you need to hire a professional—and someone who understands both investing and other wealth management strategies.

It's particularly important for those with complex portfolios and life circumstances to have a professional take a holistic approach to their financial situation. Today, even with advancements in technology, it often takes a live human, as opposed to a software projection, to accurately identify, calculate and define your situation and answer the questions that matter most to you.

Questions You May Have

- How can I save the most in taxes right now?
- Is it better to pay more taxes today because money will likely last longer?
- How and at what age should I take Social Security or pension income?
- What are the best ways to fund the cost of children's or grandchildren's college expenses?
- Where is the best place to save money (pre-tax, after-tax, tax-free, tax-deferred) for my goals?
- Which accounts should fund my lifestyle needs and how (and in what order)?
- How much and what type of life insurance do I need?
- What can be done to help protect my portfolio from the rising healthcare costs and aging-related expenses?
- How might my parents' needs affect my portfolio?
- How can I help protect my portfolio against liability or perhaps being unjustly taken?
- What is the best way to transfer my assets upon death?
- Would changing my strategy or investment approach give me a potentially better long-term result?
- Is there a better way to gift money to certain causes I feel strongly about?

When you want a higher level of expertise and capacity

Investment professionals are all different, with a wide range of strengths, expertise and weaknesses. The advisor you begin your career with may not be the advisor you need later in life. Just as other professionals develop in their careers, so do financial advisors. There are many ways to specialize and niches to serve in the big world of investing, so it's important to be sure the person or organization you choose has the level of expertise and service you need.

To better ensure you're engaging with a skilled wealth manager, we recommend a comprehensive discussion on:

- Modeling of portfolios across multiple market and economic outcomes
- Access to institutional managers and variety of strategies
- Ability to provide integrated advice across all accounts no matter their location
- Degree of tax, estate, insurance and other financial planning topics they cover

Many professionals approach advanced planning differently. It is important to understand how their roadmap of systems and processes prioritize and address your needs.

If you need advanced planning, consider seeking out advisors with industry certifications such as CFP®, AWMA®, CIMA® and CFA®. These designations generally reflect specialized education, training, and experience requirements.



Top questions ask when hiring a financial advisory team

WHAT IS YOUR INVESTMENT PHILOSOPHY?

Not all advisors construct their own portfolios. Some tend to introduce the portfolios of others. Either way, having a strong portfolio construction, selection, monitoring, and benchmarking process is crucial. Established businesses will have this and will have a continuity plan so the process is documented and can be implemented constantly over time.

ARE YOU A FIDUCIARY AND IF SO, AT WHAT LEVEL?

Legislation passed in 2019 changed the landscape of how clients and advisors interact. You may not see it directly, but the SEC adopted Regulation Best Interest standard of conduct, which is something you should know about and understand. Investment Advisor Representatives who are affiliated with a Registered Investment Advisor are subject to a fiduciary duty when providing investment advisory services to their clients.

HOW ARE YOU COMPENSATED?

Advisors are either commission-based, fee-based, or fee-only. Knowing the differences in these and how they align with your goals is important to understand up front. If a commission is earned, it should be discussed and disclosed. If working with a fiduciary, they can charge a fee based on a percentage of your assets/account, a flat rate for financial planning, or both. The cost of advice should be fully transparent and disclosed.

ARE YOU INDEPENDENT?

Familiarize yourself with all of the business channels —brokerage houses, wirehouses, independent broker dealers, insurance broker dealers, captive agents, and RIAs (registered investment advisors). So you understand how to lessen potential conflicts of interest.

WHAT WAS YOUR PRIOR EXPERIENCE?

Seasoned advisors have usually been in more than one place, and you can learn a lot about the person by asking this question. In the end, if you aren't aligned in personal philosophy or aren't impressed by their previous experience, there's probably not a good basis for a long-term relationship.

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Every advisor has a story. Knowing where someone spent time in their past gives investors a deeper look into the personality of their advisor.



Your Trusted Partner for Life

Experience has taught us success comes when you are able to pursue your true passions, seek fulfillment, and share your vision with those you love. Over the years, we have also learned just how much money can shape life experiences and change how your story plays out.

We believe holistic financial planning is an integral part of preparing for and living your best possible life. It's purposeful planning that can give you confidence, and the freedom to pursue what brings you joy. This is what makes us different at Investor's Resource. We're not about selling products and sending you reports.

And we don't see life in terms of dollars and cents. We are about giving you the solutions, advice, and creative guidance you need to live confidently to and through retirement.

We want to provide solutions and services that give you the ability to answer life's greatest questions. Because answering questions like "What's next?" and "Why not?" builds a more enriching story.

We believe this commitment to your entire life—not just your retirement—is what sets us apart. It's what makes us different, and not just a financial advisor. It makes us a lifelong partner.

Let Us Help You Build a Richer Life.

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