

Reaching Your Goals Vs. Spinning Your Wheels

Written by Rob Copeland

Friday, 12 April 2019 07:49 - Last Updated Friday, 12 April 2019 07:51

What's the difference between people who accomplish big goals in life and those who muddle along? Based on my nearly 20 years as a financial advisor, the answer is clear: Successful people are those who not only have a vision, but who work with experts who can help them create and execute a plan.

Achieving big life goals usually means creating the means to pay for them. And that is where the guidance of a financial advisor is crucial. A good advisor will work with you to create and follow a financial plan, which you should think of as a roadmap to your goals.

The difference between building wealth and failing to build wealth boils down to understanding your cash flow and making smart decisions about your money. This is right in a good advisor's wheelhouse. An advisor should help you pinpoint unnecessary spending and maximize your savings.

And with that savings, he or she can help you achieve superior investment returns. Vanguard, the mutual fund company, estimates that investors who work with an advisor enjoy additional net gains every year of around 3%.

Whether it's retirement, college funding, a big purchase or another important goal, your advisor will be able to tell you exactly how much money you need to save, and how you need to invest it, so that you can successfully fund the goal.

It's critical though, that you work with a qualified financial advisor. Literally anyone can hang out a shingle and use the title "financial advisor." It's wise to make sure that your advisor is registered with the Securities and Exchange Commission or financial regulators in their state as a fiduciary. Fiduciary simply means that the advisor cannot put his or her own financial interests ahead of yours.

Bear in mind that "advisors" are distinct from "brokers," who are investment salespeople and are registered with FINRA, the regulator for brokers. Brokers earn more by selling you certain products. Advisors are paid a fixed rate, and so they don't face this conflict of interest.

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Make sure they don't have complaints against them and that they have the experience in working with others similar to you. A good place to start your research is by going to the SEC site, entering the advisors name and finding their [Form ADV](#) (Part 1 only).

Don't hesitate to contact us with questions about your financial goals or about selecting a financial advisor.