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How to Find a Financial Planner

Neither my spouse nor I know anything about investing.

Who do you go to for advice?

Many people learn about financial planning by reading. They cull through the financial pages in newspapers or online and read financial magazines and books. But some of us do not feel comfortable doing it on our own. That is when it is time to consider hiring a financial planner.

Many people may be wary of financial planners. They have concerns that “they’re usually trying to sell you something,” and “don’t like the high pressure sales tactics.” Working with a qualified financial planner, however, can really help get your finances on the right track. The key is to find a planner you feel comfortable with and know what questions to ask.

Understand the Different Professional Designations

You will find a wide variety of “investment professionals” out there, but not all professional designations are created equal. They can be lawyers, accountants, brokers, advisers, insurance agents or financial planners. For information on different professional designations and what they mean, refer to FINRA’s database at finra.org/investors/choosing-investment-professional. The focus here is on financial planners.

What Aspects of Your Financial Planning Do You Want Help With?

A financial planner can offer a range of assistance – they can help you with one aspect of your financial picture, like insurance or retirement planning, or provide more comprehensive assistance that takes into account every aspect of your financial life. Interview two or three different planners. Look for a financial planner who talks with you about risks, and what you are and are not comfortable with. Make

a list of questions in advance including whatever aspects of planning you may not understand, and ask as many questions as you need. You want to find someone who listens to you and understands you. Be sure to also ask the advisor how the services he or she provides are paid for and how fees are calculated.

Ask How They Make Their Money

Financial planners can receive compensation in a number of ways. Some simply receive a salary for the services they provide. Others, called fee-only planners, may charge a flat fee or hourly fee to develop a financial plan. Still others receive a commission for the products they sell, or a percentage of the value of assets they manage for you. To make it even more complicated, some work under a combination of fees and commissions.

Ask every professional you interview to explain his or her fees and put it in writing.

Understanding fee arrangements is essential in evaluating a professional's independence in making investment recommendations. That is why it is always a good idea to ask whether the person—or the person's firm—will receive any additional compensation for selling you a particular product, service, or type of account. Some companies offer incentives for selling certain products. In any case, you should be careful about doing business with a professional who does not want to discuss the fees and other charges that apply to your account. Remember, even if you do not have to pay a fee for a particular transaction, the professional is still getting compensated either directly or indirectly from fees.

Check Them Out - Before You Commit

Before you begin to work with an investment professional—even one who someone you know has recommended—check his or her background. The internet has made this kind of information relatively easy to find.

If the financial planner you are considering is a “registered broker,” you can run a quick background check online through the FINRA BrokerCheck at finra.org/brokercheck. This tool can tell you if the professional has done a lot of job-hopping, and whether she or he has been the subject of customer disputes or regulatory action.

You can also refer to the U.S. Security and Exchange Commission's Investment Advisor Public Disclosure database at adviserinfo.sec.gov/IAPD

For help finding a fee-only financial planner, visit the National Association of Personal Financial Advisors at napfa.org.

Another resource for researching financial planners is the Certified Financial Planner Board of Standards, Inc., at letsmakeaplan.org.

Finally, WISER has additional tools and resources to assist you with finding a financial professional. Check out WISER's fact sheet, [Financial Planner Alert](#), for information about finding and evaluating a financial planner.

The **Women's Institute for a Secure Retirement (WISER)** is dedicated to education and advocacy to improve the long-term financial quality of life for women.

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