

Selecting a Financial Planner

During medical school, it's likely that your financial questions will revolve around student loans and money management. However, upon graduation, additional expertise may be needed to help manage the other areas of your financial life (investments, retirement, insurance, taxes, estate planning, and more).

Know What They Do

The terms financial 'planner', 'consultant', and 'advisor' can be used interchangeably, but the skill set of someone working in this field likely involves overseeing one or more areas of a client's financial life. Typical services may include cash flow and net worth analysis, insurance coverage, tax management, debt reduction, investing, risk management, building retirement and saving accounts, and estate planning. Before beginning your search, first identify the service(s) you want your financial advisor to provide.

Know What You Want

You will want to select your financial planner based upon how you want them to work for you. Do you want a comprehensive financial plan or do you just want to address certain topics? Does the advisor sell insurance and investment products recommended in the plan? If not, do they refer you to a specific brokerage firm or insurance provider? Ask if they have a financial relationship with the providers suggested; this is important. You want them to guide you based upon what's best for your financial portfolio, not what will make more income for them.

Getting Started

Be prepared to share all things related to your financial life (including income, spending habits, insurance coverage, savings plans, debt levels, etc.). It's especially important that

you explain what you want to accomplish and the time frame that you expect to accomplish your goals.

Ask About Their Credentials

There are no required standards or licenses for financial planning professionals, so ask what qualifies them to do the job.

Also know that a person who sells financial products, mutual funds, and insurance must have the proper licenses, and if they give investment advice, they must be registered with state or federal authorities.

Look for a planner that is a CFP® (Certified Financial Planner). This is a well-respected financial industry designation.

Check Their Background

To check the background of a financial professional, you can search through their regulatory authority. Here are some links to help you.

Financial Industry Regulatory Authority (FINRA): <http://brokercheck.finra.org/> (stock brokers and brokerage firms)

Securities Exchange Commission (SEC): <https://www.adviserinfo.sec.gov/> (registered investment advisors)

State Securities Regulators: <http://www.finra.org/investors/state-securities-regulators>

How to Locate Them

Many people find their advisor by asking friends, family, or colleagues for recommendations. You can also search for financial advisors in your area on the Fee-Only [National Association of Personal Financial Advisors \(NAPFA\)](#) website or the [Financial Planning Association's](#) website.

Interview Them

Ask the planner to briefly describe their work experience and how long they have been in business. Ask about the companies and/or organizations in which they are associated. Ask about the type of clients and financial situations they like to work with. If you will be investing, make sure the person's viewpoint on investing is not too cautious or overly aggressive for you.

How They Get Paid

Some advisors make their money on the commissions from the financial products they sell, some are fee-based, and some are a combination of both. They may charge hourly fees, require an annual retainer, charge a flat fee, or base the charge by assets under management, which many times is 1 to 2% of your portfolio value. Ask what their minimum fees are and what they cover. Obtain this information before hiring your planner.