

HOW DO I GET MY FINANCIAL ADVISOR TO UNDERSTAND WHAT I NEED? — COMMUNICATION

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You are doing all the right things. Every year you meet with the financial advisor to review your diversified portfolio and talk about your investments. They have indicated on several charts that you are doing fine. All the information your advisor provides to you regarding your accounts appears accurate yet you leave your annual meetings with an uneasy feeling. What is it?

Perhaps the issue is a lack of communication between you and the advisor; and without it you are both lost. Communication is more than the advisor talking and you listening. It should be both sides understanding the other's issues. A financial advisor needs continual information about changes to your financial goals, cash needs, or tolerance to risk. If

the advisor does not understand these specifics about you, then the current investment strategy could take your money places you do not understand or want to go.

To help solve this issue, be very clear on what you want to achieve financially. State your desired annual income need or specific dollar target. Discuss how much investment risk you are willing to take in your investments. Set a specific time period in which certain funds will be needed. Whatever your personal goals are be realistic, prioritize, and review them often with your advisor as your personal circumstances change over time.

Your financial advisor should be responsible for communicating with you regularly by providing



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information on market conditions, updates on investment strategy, and educating you on changes to the tax law. The advisor should listen to your concerns and not dominate the conversation. They should not continually sell an idea or product and most importantly their explanation on any financial matter should be easy to understand.

Talk regularly with your financial advisor about your needs and concerns. Opening the lines of communication will end that lost feeling and may help direct you on the right financial path.