



Your Financial Future

How To Get The Most Out Of Financial Planning

(NAPSA)—When working with a financial planner, you are the focus of the financial planning process.

As such, the results you get from working with a financial planner may be as much your responsibility as they are those of the planner.

Here are some tips from the experts at Certified Financial Planner Board of Standards (CFP Board) to help you prepare for your financial planning engagement:

- **Set measurable financial goals.**

Set specific targets of what you want to achieve and when you want to achieve results. For example, instead of saying you want to be “comfortable” when you retire or that you want your children to attend “good” schools, you need to quantify what “comfortable” and “good” mean so you’ll know when you’ve reached your goals.

- **Understand the effect of each financial decision.**

Each financial decision you make can affect several other areas of your life. For example, an investment decision may have tax consequences that are harmful to

your estate plans. Or, a decision about your child’s education may affect when and how you meet your retirement goals. Remember that all of your financial decisions are interrelated.

- **Re-evaluate your financial situation periodically.**

Financial planning is a dynamic process. Your financial goals may change over the years due to changes in your lifestyle or circumstances, such as inheri-

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tance, marriage, birth, house purchase or change of job status. Revisit and revise your financial plan as time goes by to reflect those changes so that you stay on track with your long-term goals.

- **Start planning as soon as you can.**

Don’t delay your financial planning. People who save or invest small amounts of money early, and often, tend to do better than those who wait until later in life. Similarly, by developing good

financial planning habits such as saving, budgeting, investing and regularly reviewing your finances early in life, you will be better prepared to meet life changes and handle emergencies. There are many financial resources available online at sites such as www.CFP.net. Study your options.

- **Be realistic in your expectations.**

Financial planning is a common sense approach to managing your finances to reach your life goals. It cannot change your situation overnight; it is a lifelong process. Remember that events beyond your control such as inflation or changes in the stock market or interest rates will affect your financial planning results.

- **Realize that you are in charge.**

If you’re working with a financial planner, be sure you understand the financial planning process and what the planner should be doing. Provide the planner with all the relevant information on your financial situation. Ask questions about the recommendations offered to you and play an active role in decision making.