

A Financial Planner Is Important Now

After a pandemic rattles the economy, professional advice can be crucial for investors.



Investors must navigate a global pandemic that resulted in unemployment, market volatility and crushing economic losses.(GETTY IMAGES)

On a cold day in Chicago in December 1969, 13 people met to discuss a better way to provide financial advice. They recognized that Americans would benefit from the counsel of a [financial planning](#) professional who integrates the knowledge and best practices of an often fragmented financial services industry.

Financial planning has evolved since then and will continue to change, but one constant remains – the need for competent and ethical financial planning advice.

Fifty years after that fateful night, those 13 individuals never could have imagined that the country would face a global pandemic that resulted in unemployment, market volatility and crushing economic losses.

No matter your net worth, seeking the advice of a financial planning professional will help you navigate [COVID-19](#) fallout and today's mercurial markets, taking into account the dynamic financial planning process.

Financial planning services are more accessible than ever before. A financial planner will take a holistic view and help you feel confident in your financial future, even during times of uncertainty and [evolving goals](#), from paying down student loans, to raising children to funding retirement.

Working with a financial planner is very personal. Knowing how to identify the right person who will be the best fit for you and your financial needs can feel overwhelming. But don't let your search for professional advice intimidate you. As you talk to advisors in your area virtually, here are five areas to focus on to guide your pursuit of a prospective financial planner:

- Personal financial goals.
- Financial planner experience and credentials.
- Commitment to a fiduciary standard.
- Establishing a relationship.
- Long-term success.

Personal Financial Goals

Before connecting with prospective financial planners, you need to identify your own personal goals and financial milestones.

For example, will you need to fund a child's education? What impact has COVID-19 had on your household finances? Will you be able to meet your [retirement](#) savings goals on time?

While a focus on holistic financial planning is key, financial planners often have specialties. Identifying your own goals will help you narrow your search and work with someone that can help turn your goals into a reality. It will also strengthen your relationship early on as one of your first conversations will focus on your top short- and long-term goals.

Financial Planner Experience and Credentials

There are many credentials that financial professionals can hold, and it often seems like an alphabet soup of designations.

It's important to confirm that the professional you're considering has the verifiable expertise you need and is operating in your best interest. A certified financial planner professional is an individual who has been rigorously trained, has accrued significant experience and is committed to putting clients' interests first under a fiduciary standard.

You can confirm someone's CFP certification through the CFP Board website's "Verify a CFP Professional" tool. You can also learn more and verify other designations through the Financial Industry Regulatory Authority BrokerCheck website or the Securities and Exchange Commission Investment Advisor search feature on its website.

Commitment to a Fiduciary Standard

A [fiduciary](#) is someone that works in the best interest of their client. When searching for financial planners, working with someone who is a fiduciary is critical, as nonfiduciaries only need to offer advice that is suitable even if it is not the best option for you.

CFP professionals are held to the CFP Board's Code of Ethics and Standards of Conduct, a higher standard of competency and ethics. They are required to act in a client's best interest to benefit and protect the public. They are subject to discipline if they do not uphold the Code and Standards.

Establishing a Relationship

The relationship you have with your financial planner is one of the most important relationships in your life. Because their guidance impacts your money, you need to understand what that might look like in practice.

For example, how often will they communicate with you? Will they communicate mostly through email or phone calls? Or will you work directly with that individual or other members of their team?

Ask for client testimonials or examples of a similar client relationship during your vetting process. Understanding how the financial planner works with other clients will help you better understand what a potential relationship will entail.

Long-Term Success

While it is important to look for a financial planner that will help you navigate COVID-19, also look for financial planners that are focused on holistic financial plans. The creation of a holistic financial plan will take your financial goals and milestones into consideration, creating a [long-term](#) road map that looks beyond the coronavirus.

Measuring success through the achievement of your long-term goals will be a stronger indicator of accomplishment than other investment benchmarks.

Financial planning is a relatively new practice. In fact, the first video game "Tennis for Two" is older than the financial planning profession. In your search for financial advice, focus on the above areas to help you narrow your search for a financial planner that exhibits key traits of a good advisor and is also the right match for you.

[Kevin Keller](#), Contributor