



# Key Considerations when Choosing a Financial Planner

Most folks have heard of financial planning and many feel they are in need of a personal financial plan, but what exactly does that mean?

An appropriate definition of financial planning is: *A collaborative process that helps maximize a client's potential for meeting life goals through financial advice that integrates relevant elements of the client's personal and financial circumstances. (CFP Code of Ethics – Section B)*

In practice, financial planning incorporates a detailed review of a client's current financial and personal situation followed by the creation of comprehensive analyses and projections in many areas including cash flow planning, investment planning, retirement planning, gift and estate tax planning, charitable planning and insurance planning.

As a profession, financial planning was first established more than 50 years ago. Over that time, we have seen a dramatic evolution in the practice due to advances in technology, easier access to information as well as demographic changes. One thing has remained constant however and that is the financial planner's primary objective **should** always be to help clients meet their life objectives in the most efficient and effective manner possible—placing the client's interest above their own.

## How do you select a financial planner?

When looking for a partner to help build a long-term financial plan, it is important to know you are working with someone who understands the entirety of your personal and financial situation, and as with most things in life, the key to a successful relationship is trust and a strong personal connection. When beginning the process of finding a financial planner, here are some points to consider:

**Certifications:** Financial planning is a generic term which does not require certification for use. However, financial planners who have earned the CFP® designation have completed a rigorous educational program and are held to the highest standard in the industry for education and training, competence, experience, and ethics which govern how they serve their clients. Certified financial planners have a *fiduciary duty* to always act in the best interest of their client.

**Experience:** While much of the financial planning conversation focuses on the analytical component of the plan, it is important to select a planner who brings experience, and with that experience, wisdom, to the relationship. The projections and analyses prepared by the financial planner are only the first step in addressing the client's needs. A seasoned planner, through a deep knowledge base and experience, will help the client assess options and select strategies and techniques in the best interest of that client.

**Services and Fees:** Of course, the services you receive, and how you pay for those services, is always an important factor when it comes to choosing the right partner. The CFP Standards of Conduct require a CFP® to disclose truthfully and accurately how they are compensated for their services. It is important to know if the financial planner receives sales related compensation which could influence their analyses and/or recommendations.

**Organizational Structure:** A financial planner can operate within many different organizational structures. A financial planner may be affiliated with a Registered Investment Advisory (RIA) firm, an independent advisory firm, a brokerage firm, or a bank. The type of organization the financial planner operates in may impact a number of factors, including compensation, regulatory oversight, available tools and resources, and standards of service. CFP®s within a bank, for example, have dual fiduciary obligations first by the ethical standards of their certification, as well as those of the bank.

When choosing a financial planner, it's important to consider all of these factors. While you will want to be sure that the financial planner you work with has an approach and philosophy that align with your own, looking for a partner with the CFP® designation is an important first step in finding the right person or team to guide you through your most important financial decisions.

Click [here](#) to learn more about the professional standards of a CFP®.

## When is the right time to meet with a financial planner?

It is never too soon to begin the financial planning process. We live in a rapidly changing world from tax laws to capital markets to longevity and more. All of these considerations may change your long-term plans so it's important to have the trusted advisor in place to guide you through life's transitions.

**We have found that many of our clients have some, or all, of the following concerns in common:**

- Do I have enough to retire? Will I outlive my money?
- How do I transition my business to the next generation—sale, gift, combination?
- How do I maximize corporate benefits—when do I exercise stock options, what election should I make on deferred comp payout, etc.?
- Will my spouse be taken care of after I pass away? Do I have enough insurance?
- How much can I gift to my children without compromising my retirement or negatively impacting their lives?
- What is the best way to gift to charity?
- Should I consider a Roth conversion?
- How much will it cost to send my children to college and what is the best vehicle for saving?
- What is the best way to pay for my grandchildren's education expenses?
- I haven't updated my will in many years. Do I need to do anything about that? Will the upcoming estate tax law changes impact me?

Many of these questions are interrelated and require the expertise of several advisors, including attorneys, accountants, and more. A highly-qualified financial planner will coordinate the efforts of all parties to ensure that the client's objectives are met.

**Conclusion**

At Webster Private Bank we view financial planning as the foundation of a long and lasting relationship between our team and clients, a relationship based on trust, integrity, and commitment to excellence.

We welcome the opportunity to tell you more about financial planning. Please feel free to reach out to Eileen Cahill, CFP®, Senior Managing Director of Client Planning and Consulting [ecahill@websterbank.com](mailto:ecahill@websterbank.com) or your dedicated Private Banker to discuss your personal situation and how financial planning may help you achieve your long term goals and objectives.

This was produced by Webster Bank, National Association (“Webster Bank”). The information is of general market, economic, and political conditions or statistical summaries of financial data and is not an analysis of the price or market for any product or transaction.

Under no circumstances should the information be considered trading advice or a recommendation or solicitation to buy or sell any products or services or a commitment to enter into any transaction. You should consult with your own independent advisors before taking any action based on the information.

The information and opinions presented are current only as of the date of writing, without regard to the date on which you may access or read this information. All opinions and estimates are subject to change at any time without notice. This material may not be reproduced or redistributed without Webster Bank’s express written permission.

Investment, trust, credit and banking services are offered by Webster Private Bank, a division of Webster Bank, N.A. Investment products offered by Webster Private Bank are not FDIC or government insured; are not guaranteed by Webster Bank; may involve investment risks, including loss of principal amount invested; and are not deposits or other obligations of Webster Bank. Webster Private Bank is not in the business of providing tax or legal advice. Consult with your independent attorney, tax consultant or other professional advisor for final recommendations and before changing or implementing any financial, tax or estate planning advice.

All credit products are subject to the normal credit approval process.



[www.websterbank.com/privatebank](http://www.websterbank.com/privatebank)



Webster Bank, N.A., Member FDIC. Webster, Webster Bank, the Webster Bank logo and the W symbol are trademarks of Webster Financial Corporation and registered in the U.S. Patent and Trademark Office.  
© 2024 Webster Financial Corporation. All Rights Reserved.