

# SCORING YOUR FINANCIAL ADVISOR

## Spotting Weaknesses and Getting More Value From Your Financial Professional

Do you know if your financial advisor is doing a good job for you?

Are you even aware of the criteria you should be using  
to judge this trusted advisor's performance?

We've created a scorecard for those of you who might find  
these questions difficult to answer.



**CG Capital™**  
FINANCIAL LIFE MANAGEMENT



## DEFINING THE METRICS

There are plenty of resources available to provide guidance when you're in the process of choosing a financial advisor. But once you have one, and this person has a track record with you, it's much more challenging to determine if their performance is providing the value you expect and deserve.

We have established some metrics you can use to gauge the nature of your advisory relationship – dividing the scope of planning into two distinct areas, Financial and Lifestyle.

### Planning Areas

#### FINANCIAL

- > Investment
- > Cash Flow & Tax
- > Retirement & Estate
- > Behavioral
- > Risk Management

#### LIFESTYLE

- > Health & Wellness
- > Energy & Excitement
- > Connectivity
- > Contribution
- > Challenge

It may seem overwhelming to quantify the value delivered in each of these areas, but we've simplified the process with an easy-to-use, objective way to continuously monitor the value of your advisor/client relationship.



# YOUR SCORECARD

We recommend creating a simple, one-page scorecard that includes all the planning areas.

	1	2	3	4	5	6	7	8	9	10	11	12
Planning Area	Not included in my present plan			We have discussed briefly			Minor part of my plan			Embedded with other planning areas		
<b>FINANCIAL</b>												
Investment												
Cash Flow & Tax												
Retirement & Estate												
Behavioral												
Risk Management												
<b>LIFESTYLE</b>												
Health & Wellness												
Energy & Excitement												
Connectivity												
Contribution												
Challenge												

Adopting some version of this scorecard will be a positive for you and your advisor. It can provide ongoing transparency regarding the value you are receiving, while also yielding invaluable feedback for your advisor about any areas that require more time to explore together.



## EVALUATING YOUR PLAN COMPONENTS

### Financial

The Financial components of the planning areas require a mutually agreed upon strategy for achieving success within each of them. You are certainly familiar with most of the areas – investment, cash flow and taxes, retirement and estate planning, and risk management. The behavioral component of financial planning is like getting advisor coaching; it represents timely, rational advice provided by your advisor during volatile times that include high investor emotion.

### Lifestyle

To better understand the Lifestyle planning areas, it's worth noting why they are included in a financial plan. To some – including us – the financial services industry is evolving into more holistic planning or financial life management as its primary objective. It seems natural that financial and lifestyle planning might unite, because they have positive correlation in many respects.

# FINANCIAL



## Investment

- 1** Be aware of all the fees you are paying, i.e., advisory, TAMP, mutual fund.
- 2** Understand your risk tolerance – and whether your portfolio aligns with it.
- 3** Know your advisor's investment philosophy, i.e., approach to investing.

# FINANCIAL



## Cash Flow & Tax

- 1** Be aware of the location of all your assets.
- 2** Have tax harvesting and diversification strategies that work for your needs.
- 3** Know how much you can spend annually given your savings.

# FINANCIAL



## Retirement & Estate

- 1** Know if you will outlive your nest egg – and take steps to avoid that from occurring.
- 2** Have an estate plan that's reviewed regularly relative to your objectives.
- 3** Embed your financial plan with your estate plan, taking into consideration things like legacy, inheritance goals and taxes.

# FINANCIAL



## Risk Management

- 1** Know the balance required between your current asset protection and your needs.
- 2** Conduct a thorough insurance review of existing coverages, i.e., life, long-term care, disability.
- 3** Ensure you have completed survivorship planning, so your spouse isn't left in the lurch.

## LIFESTYLE



### Behavioral

- 1 Be sure your emotions don't get the best of you during volatile times.
- 2 Welcome advisor coaching.
- 3 Ask questions if you don't understand something – there's no such thing as a dumb question when it comes to your money.

## LIFESTYLE



### Health & Wellness

- 1** Be aware that your lifestyle habits can affect your ability to enjoy retirement with quality of life.
- 2** Live your life in a way that helps ensure you won't be sidelined when you have more freedom of time.
- 3** Know if you want your plan to include metrics for improving or sustaining your quality of life.

## LIFESTYLE



### Energy & Excitement

- 1 Voice the areas you are most passionate about.
- 2 Create a bucket list, if you haven't already.
- 3 Be sure your plan accounts for consistent time spent in those areas most meaningful to you.

## LIFESTYLE



### Connectivity

- 1 Understand how important relationships are to us as human beings.
- 2 Be aware that making new connections can be harder as you age.
- 3 Include staying in balance with your personal and professional lives as a metric in your plan.

## LIFESTYLE



### Contribution

- 1 Consider the intentions you have for involvement in your community.
- 2 Determine your philanthropic goals.
- 3 Express metrics as your personal time or in financial terms.

## LIFESTYLE



### Challenge

- 1 Always be learning.
- 2 Establish some goals that will promote self-growth through courage and commitment.
- 3 Consider learning a new language, taking up yoga or challenging yourself to do something else that suits your personality.



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