

Are You Getting What You Need from Your Financial Advisor?

Whether you already have an advisor or may be evaluating options, this guide will help you evaluate your current situation, consider what might be missing, and share insight on what you should expect from your financial team.



PLANCORP[®]

Your Financial Life Advocate.



Are you getting what you need from your financial advisor?

How to assess whether your advisor offers the level of commitment, service, and sophistication your family deserves

You've worked hard to build the life you have today. With success comes a sense of accomplishment, along with benefits like higher compensation, more financial freedom, and the chance for long-term security. But success also brings its own challenges. Your finances have become more complicated alongside your growing responsibilities, and you face new risks that could slow your progress toward even bigger goals.

As your life and finances evolve, you need a financial advisor who can be a true partner—someone who works for you. The right advisor will be someone who's backed by an experienced team, with the tools and knowledge to handle complex situations.

It can feel easier to stick with a relationship you know. But when it comes to getting real value from a financial advisor, what's familiar might not be good enough for your current and future wealth management needs. You need someone in your corner who understands your family's complete picture and can weigh in on everything from investment decisions to your taxes, wealth transfer strategy, and philanthropic goals.

When you work with an advisor who offers this level of attention and collaboration, you get more than just a financial plan. You get the freedom to live your life, confident that your wealth is working as hard for you as you worked to earn it.

Finding this kind of relationship starts by understanding what you truly need from a financial advisor. This guide will help you evaluate your current relationship and consider what might be missing.

CHAPTER 01

Key Questions to Ask Your Advisor

A productive working relationship with an advisor begins with trust and transparency. Even before you dive into the details of the advisor's services, you want to understand key issues that reflect how advisors define and uphold their commitment to clients.

Here are six important questions to ask any advisor. You can use them when you're meeting someone for the first time, or to help get clarity on topics you might not have explored with your current advisor. How they answer will help you decide if the advisor can offer the kind of relationship that delivers true value for your money.



1. Will you put your fiduciary commitment in writing?

Attorneys, accountants, and doctors put the needs of their patients above their own interests. Surprisingly, though, not all advisors put their clients' needs first.

In the financial services world, some advisers have a duty to act in your best interest at all times (a fiduciary duty) as well as a duty of care and loyalty. Other advisers are bound by regulations that require them to offer advice that is in your best interest at the time the advice is given, but does not always carry through your entire relationship with them.

Fortunately, you don't have to settle for an advisor who only offers advice in your best interest at one point in time. You can choose an advisor who adheres to the fiduciary standard, which legally requires advisors to put your interests first at all times. That means the recommendations they offer will benefit you alone - not themselves, their firm, or any other financial institution they might do business with.

If your advisor isn't willing to put their fiduciary commitment in writing, then they can't be held accountable for working in your best interest at all time. You also want to be sure their fiduciary commitment covers the entirety of your relationship. It's not out of the realm of possibility for some advisors to act as a fiduciary when developing a plan, but not necessarily when implementing those recommendations.

A fiduciary is legally required to act solely in their clients' best interests.



2. How do you get paid?

No matter how much you like your advisor, how they make their money can affect the objectivity of their advice. Ultimately you want to minimize financial conflicts influencing the advice you receive. Unlike a fee-based or commission-based firm, a fee-only firm's interests are more closely aligned with your own because they don't receive direct compensation for the products they sell or transactions they make.

Even for advisors working at a fee-only firm, how the individuals you work with are compensated can reveal their incentives. For example, a salaried employee's interest will be more closely aligned to your own than an advisor paid a percentage of the revenue their clients generate for the firm. Other forms of compensation such as sales contests, incentive programs, or referral awards can introduce additional potential conflicts to an individual advisor's advice.

Different Ways to Pay for Financial Advice



Fee-Only Advisors

Paid only by their clients; can't collect compensation for the financial products they sell.



Fee-Based Advisors

Paid by clients, but also receive commissions on the financial products or insurance they sell.



Commission -Based Advisors

Paid solely for products they sell or trades they make on behalf of clients.



3. How do you make investment decisions?

Your advisor undoubtedly will have a practiced response to this question, but there are a few things you should be looking for. First, you want to know that their investment philosophy is rooted in evidence. Most investment success comes down to minimizing mistakes, so it's important to understand how an advisor's strategy could go wrong and what that would mean for you.

What to look for in a firm's investment decision-making process:

1. An investment philosophy rooted in evidence
2. A dedicated internal team supporting advisors with investment research
3. An open investment platform to maximize fund choices

You also want to see an open investment platform, meaning that the advisor and advisory firm can use any fund company they choose. An advisor shouldn't be restricted from any particular fund family—especially if those funds offer lower costs or are a better fit for your needs.

Finally, you want to ensure that your advisor isn't the person responsible for scouring the tens of thousands of available investment funds to determine what's best for you. No single advisor or advisor team has the capacity to manage clients, perform proper ongoing due diligence on investment options, and perform underlying investment research. What you want instead is a firm with a dedicated team of experienced researchers who perform ongoing due diligence as part of their primary job function. You also want to know this team has access to research from all the world's largest asset managers and doesn't rely solely on recommendations from an internal home office team.



4. Will you run a tax projection?

Many people hand their financial documents over to an accountant every spring and trust that their taxes are squared away. But a good financial advisor wouldn't let you go into tax season blind.

Financial advisors who run tax projections can give you clarity about your tax situation ahead of filing, so there are no surprises. They can also use tax projections to help you make more strategic financial decisions, such as when and how much to contribute to charity, the implications of doing partial Roth conversion, and whether to accelerate or delay income and expenses for business owners.

IMPORTANT: Tax projections are a rare offering for a standard financial advisor, but those who do can add tremendous immediate and long-term value by finding proactive planning opportunities that reduce tax liabilities today and far into the future.



5. Will you review my estate planning documents?

It's common for people to get basic estate planning documents and then to leave them untouched for years. But estate laws, your finances, and your wishes change over time. Working with an advisor who regularly reviews your estate planning documents can help identify gaps and opportunities based on current estate tax law. The advisor will also be in a better position to make recommendations for your overall financial plan that support your estate planning goals.

A wealth management plan for your family should include documentation that makes your estate plan perfectly clear, so it's easy to see how your assets pass to your heirs and other beneficiaries. Not only does this give you peace of mind, but it also makes life easier on your heirs after your passing.



6. If something happens to you, who will take over my account?

Even in the best relationships, circumstances can change. Your advisor might move on because of a promotion, leave the firm for another opportunity, or retire. It's important for an advisor to have a succession plan in case they need someone to take over your account.

In a collaborative firm, your advisor's colleagues will be familiar with your family's needs and plans. And you can have confidence that the advisor who takes over has the credentials and experience necessary to pick up where your former advisor left off.

CHAPTER 02

Essential Elements for a Complete Financial Plan

Many clients initially seek financial advice because they want help making smart investment decisions. But investments are just a vehicle to help you pursue your most important goals. An advisor can't effectively manage a portfolio that's aligned with those goals unless they have a holistic view of your overall financial life.

A complete financial plan includes:

- Detailed discovery
- Clearly identified goals
- Optimized investment mix
- Insurance
- Estate planning
- Tax planning
- Ongoing review and adjustments

For true peace of mind and a path to financial freedom, you need a comprehensive financial plan. Creating that plan requires an advisor who will take a deep dive into your current finances, your personal and professional goals, and your top concerns.

Here's what goes into a complete financial plan:



1. A thorough discovery process

Financial planning is not simply about numbers, it's about real life: Your family's successes and challenges today, your hopes for tomorrow, and your lasting legacy. A complete plan starts with an in-depth discussion of what matters most to you.

Through the discovery process, your advisor should ask you about:

- Your family make-up
- Your values
- Your fears
- Your interests and hobbies
- Your professional and personal goals

They should also review all your financial information, such as:

- Your income
- Your cash savings
- Your assets (including investments, real estate, business ownership)
- Your debts
- Your insurance coverage
- Your estate plan
- Other details needed to create a personalized wealth management strategy



2. A timeline for your goals

Financial planning is about pursuing your goals—which means identifying not just what you want to achieve, but when you hope to get there. Timing is a key puzzle piece that your financial plan must address. Goals should be clearly articulated and prioritized.

For example, a younger person might map out:

- Near-term objectives, such as building an emergency fund or saving for a home remodel
- Mid-term objectives, such as saving for their children’s college tuition or purchasing a second home
- Long-term objectives, such as retirement

People later in their careers might have different goals and timelines;

- Near-term objectives might include making catch-up contributions to maximize retirement account balances
- Long-term objectives might include enacting charitable giving strategies and making gifts to family



3. An investment strategy to get you there

Much like a doctor cannot prescribe treatment without diagnosing the patient, advisors cannot make investment recommendations without a complete understanding of your current financial situation, objectives, and constraints.

The most important investment decision is determining the mix of assets needed to meet your goals and objectives—a process that incorporates both your ability and willingness to tolerate risk.

The ability to tolerate risk is objective and determined through the financial planning process and Monte Carlo simulations (more on that on page 16). But your willingness is more subjective, so your advisor must ask the right questions to measure your emotional comfort with various forms of risk.

Using everything they know about your financial situation, your advisor should create an appropriately diversified investment portfolio to achieve those objectives. There is no such thing as a one-size-fits-all portfolio.

Depending on your specific situation and your personal tastes and preferences, an advisor should be able to offer a variety of strategies that take an active, passive, or mixed approach to meet your goals. Some investors are best served with the simplest, lowest-cost portfolio available. Others have the capacity and circumstances to tilt their portfolio towards riskier assets in hope of earning higher returns over time.

Others may want a strategy that emphasizes companies that do well on Environmental, Social, and Governance (ESG) issues, so their portfolio aligns with their values.



4. Monte Carlo Simulations

Nobody can predict the future, but future economic conditions will have an impact on your ability to meet your goals. Rather than targeting one possible outcome for the goals in your plan, your advisor should stress test each possibility by running it through a range of different market scenarios.

The process is called a Monte Carlo simulation, which runs a thousand scenarios to generate a probability that your plan will be successful. You can consider a goal to be “On Track” when 85% (850 or more) of the scenarios provide or exceed the value required to meet all your life goals.

Monte Carlo simulations start with the information from the first two steps (discovery process and timeline for your goals) of the planning process, along with an advisor’s expert estimates on the potential returns and volatility of your investments, rebalancing parameters, taxes, and inflation. Then, powerful planning software takes all of this data, runs the randomized simulations, and provides the results in terms of probability of success.

As you change the inputs of your financial plan, you can see how they change your likelihood of success. That's the power of Monte Carlo Simulations: They give you a framework to translate chances into choices.



5. A review of insurance coverage

Insurance is a critical part of your plan because it can help keep your family's finances on track should something happen to you or your spouse. Your advisor should analyze your current coverage for life, disability, long-term care, and other types of insurance to ensure you're adequately protected.

Nearly everyone in their working years will need life and disability insurance, but it's easy to end up with bad policies that are costly and leave your loved ones inadequately protected.

Unlike fiduciary advisors, people who sell insurance don't have to uphold the fiduciary standard. That means they're under no obligation to work in your best interest. When an advisor reviews your existing insurance or makes recommendations to add coverage, they're on your side of the table. That means they lean on your detailed financial plan to determine the appropriate amounts and types of coverage, and then help you shop around for the lowest prices.



6. Estate planning support

If you've already begun the estate planning process, a financial advisor can review your estate planning documents and assess whether anything is missing or out of date. If you haven't started planning yet, your advisor can help you articulate your intentions and share recommendations with an estate planning attorney who can create those documents.

A good financial plan should include a complete diagram showing how assets would flow to different beneficiaries in different scenarios, so you know your wishes will be carried out the way you intend. Then, your advisor should routinely revisit your wills, trusts, health care directives, and power of attorney documents to make sure the information is current and the documents reflect your wishes.

Get a referral!

Our team will gladly introduce you to one of our trusted estate planning contacts.



7. Tax planning

Taxes are inevitable, but you shouldn't pay any more than necessary. That's why your financial plan should incorporate tax planning to help you keep more of your money.

A financial advisor can help create detailed tax projections to help you avoid major tax bills you weren't expecting—alerting you when you need to adjust your estimated tax payments, for example. And they can help you take advantage of opportunities like bunching charitable donations to offset excess income, harvesting tax losses, and strategically using Roth IRA conversions. If you already work with a CPA, your advisor can share the details of your tax plan to keep them in the loop.





6. Ongoing monitoring and adjustment

Plans are living documents that need to be updated as your life changes and your goals shift. But many people find it difficult to create and stick to a schedule to review their plans. Your plan should have regular reminders built in, so you know exactly when your advisor is reviewing your important documents and assessing your progress toward important goals.

By carefully monitoring all the details in your financial plan, your advisor can help you assess which goals you're on track to meet, which goals need attention, and what tasks you can take now to improve your financial circumstances.

CHAPTER 03

When You Might Need Deeper Expertise

Every family is unique, and everyone has their own questions, priorities, and vision for the future. However, there are certain life events or financial situations that are especially complex and call for deeper expertise from a financial advisor.

Here are common scenarios when a family's financial plans require an advisor with more sophistication and a broader set of services.



Executives with Significant Non-Salary Compensation

Executives often get a substantial portion of their income from stock options, restricted stock awards, and deferred compensation. These benefits can be a great way to build wealth, but they can also be tricky.

To make the best use of these benefits, you must examine a number of aspects, such as:

- The best time to take deferred income or exercise options
- Ways to minimize the tax impact
- Where equity compensation fits the context of your overall portfolio diversification strategy.

That's why executives need a financial advisor and firm with experience managing non-salary compensation. The right advisor can help you create a strategy to make the most of these benefits—for example, choosing the stock option exercise method with the lowest tax implications, or deciding when to hold or sell company shares.



Early-Career High Earners

Younger people who work in highly compensated professions need sophisticated financial advice right out of the gate. These highly compensated professionals often don't realize the complexities of their situation and can benefit from personalized guidance on tax strategy, goal setting, and balancing

current expenses with long-term needs and opportunities.

A financial advisor who's experienced with high-income earners can help you create a comprehensive strategy for long-term success. When you have a high income in your 30s and 40s, the problem is less about saving and more about knowing the right place to direct dollars and maximize tax saving opportunities.

A financial advisor with the right experience can uncover additional accounts to boost retirement savings and offer strategies that minimize taxes today and in retirement.

They can also help balance paying off student debt with pursuing other short- and long-term goals.

Industries may include:

- Technology
- Healthcare
- Consulting
- Engineering
- Legal Services
- Manufacturing
- Entrepreneurship



Business Owners

Running a business means juggling your own family's finances along with the needs of your company and employees. Business owners often have unique circumstances, like having much of their wealth tied up in the company and receiving income from distributions rather than salary.

Then, there are important considerations about offering employee benefits and planning for their own retirement.

A good advisor can recommend options for an employee retirement plan, help you manage your taxes, and even help create a succession plan that delivers personal rewards with long-term stability for your business.



Families Preserving Multi-Generational Wealth

Significant wealth brings security and flexibility, but it can also be difficult to manage over multiple generations. Many families want to ensure that their wealth has a lasting legacy and helps future generations pursue their dreams.

The right financial team can help families manage that wealth, but also provide important coaching and education for children and grandchildren. A family-wealth advisor can help you articulate and share your family's values and philanthropic goals, while planning for a smooth transfer of wealth that minimizes the impact of taxation.



Sudden Wealth

Coming into a large sum of money or valuable assets is a great opportunity, but it's often overwhelming. It's a challenge to manage wealth for the first time, and many people are also feeling an emotional impact because their windfall has come through the loss of a loved one or a divorce.

Professional guidance from an advisor who's helped people in similar situations is essential.

A financial advisor can provide unbiased advice on how to spend and save that money in a way that provides the greatest long-term benefit. They can help you decide whether to keep or sell property and how to invest for new goals.

Above all, an advisor can help navigate complicated decisions during an emotional time, and even create systems such as a gifting and charitable giving plan that acts as a buffer against family, friends, and organizations that are suddenly asking for financial help.

Common examples of when sudden wealth occurs:

- IPO
- Divorce
- Loss of a loved one
- Legal win
- Selling a business



In conclusion

Put the right team behind you to move forward with confidence

Knowing that you have a high-quality financial advisor working for you can be a great asset. It allows you to focus on the most important things in your life, secure in the knowledge that your advisor is helping protect what you've achieved today while keeping you on track for your most important goals.

Use the suggestions offered in this guide to take an honest look at your current advisor relationship. If you're not getting what you need, it's time to compare your options and see if there's a better solution for your family.

Is Plancorp right for you?

Use this checklist to see if we're aligned with your needs:

Your financial life is complex.

You have \$1M+ in investable assets and face challenges like equity compensation, business ownership, multi-generational planning, or tax-sensitive withdrawals.

You want more than investment advice

You're looking for integrated guidance across investments, tax, estate, equity comp, and philanthropy

You value long-term partnership

You prefer an ongoing relationship over one-off plans or quick fixes.

You want a team, not just one advisor

You expect collaboration among specialists in tax, investments, estate planning, and insurance.

You expect transparency and accountability

You want a fee-only fiduciary who puts everything in writing—commitment, process, and fees.

You're building a legacy

You care about impact—whether through charitable giving, legacy planning, or multi-generational wealth strategies.

A group of people in a meeting room shaking hands. The image is overlaid with a blue gradient.

Get started with your Private Strategy Session

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