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## Tips for Finding and Retaining a Suitable Advisor

**H**ave you been through a financial event like a divorce, IPO, sale of a business, or inheritance? Chances are these emotionally-charged circumstances have left you feeling like you need a roadmap for your financial future, or the help of a financial advisor or advisory firm.

Investors value communication, trust and performance. With this in mind, finding a suitable advisor can be a time consuming process. By following these tips, you can find an advisor that is competent, trustworthy, and fulfills your unique long-term goals and objectives.

### Research the Advisor and Ask for Recommendations

The simplest way is to perform a Google search, find an advisor's website and news related to the advisor. Additionally, search for an advisor's form ADV through the Securities and Exchange Commission (SEC). In the financial advisory business, existing client referrals are important. Often times, friends, family and colleagues have insight into your personal circumstances and may be able to match you with their financial advisor. Before signing on with an advisor, ask to speak with an existing client regarding their services for an unbiased opinion. Additionally, ask for a sample financial plan, sample investment portfolio, and a breakdown of all fees.

### Credentials Matter

There are many credentials available to financial advisors, yet we believe there are a few that are more important than others. The CFP® designation (Certified Financial Planner) is designed for professionals who complete extensive training, understand complexities of the changing financial climate and make recommendations in a client's best interest. The CPWA® designation (Certified Private Wealth Advisor) is designed specifically for advisors committed to serving high net worth clients and is awarded to individuals who complete coursework and examinations with 40 hours of continuing information every two years. The CIMA® designation (Certified Investment Management Analyst) is the only credential for advanced investment advisors and consultants and is awarded to individuals who complete a five step



certification process and pass two exams. The CFA® designation (Chartered Financial Analyst), best for those in active portfolio management, is designed to bridge current practice, investment theory and ethical standards to provide investment analysis and portfolio management skills.

### Ask Questions About Performance Numbers

In our opinion, many advisors in the industry will show ambiguous performance figures. Often times an existing portfolio will be "back tested" to show performance figures for several years which may be inaccurate unless the advisor actually held the exact portfolio. It's important to ask for a composite of actual client returns which aggregates all clients in a specific strategy rather than just highlighting the best of the bunch.

### Fiduciary vs. Suitability Standards

Registered Investment Advisors (RIAs) are held to a fiduciary standard, which means that they are legally bound to act in the best interest of their clients. Brokers-dealers are held to a suitability standard, which means that they may or may not be acting in the best interest of their clients. A broker's advice must be suitable for a client, but it may not be best for the client.

Working with an advisor or advisory firm is a highly personal decision for you and your family. During uncertain or anxious times, it is imperative to find an advisor that will provide clarity, direction and discipline as you make significant wealth decisions.



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