

Work!

Step 10 - Choose objective and competent investment advisers

Category : Financial Planning -- 10 Personal Steps in the Right Direction

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Choose objective and competent financial advisers and investment counselors Step 10 of "10 Financial Planning Steps in the Right Direction" [CLICK HERE TO READ THE SKILLED INVESTOR'S OTHER ARTICLES ABOUT THESE "10 FINANCIAL PLANNING STEPS IN THE RIGHT DIRECTION](#) Pick financial and investment advisers solely to obtain objective and high quality advice. Specific financial and investment advice is potentially of high quality, if it is carefully customized to your particular needs and is given by an adviser who is independent, knowledgeable, and competent. If you agree with the advice being given, then buy the recommended securities and other financial product through the most inexpensive channel possible. The only reliable way to ensure the objectivity of a financial planning advisor or investment counselor is to pay directly for the adviser's services, after investigating the adviser's background, competence, and work ethic. There are no shortcuts. Free advice is never free. In fact, it is usually much more expensive than the advice you receive from an advisor whom you pay directly. Advice that is contingent on a requirement to purchase products from your planning adviser is subject to a conflict of interest. Financial advisers, who are not paid directly by you, instead derive compensation from commissions and other fees paid by the financial services industry. Through these commissions and other hidden costs and/or through suboptimal investment performance, you are likely to pay a significantly higher price for "free" investment advice. When a financial advisor or investment counselor has a conflict of interest, you can never be certain whether you are getting the best advice possible. Very many industry-paid advisers are ethical and helpful. However, the reputations of ethical advisers are tainted by others who are just salespeople that masquerade as advisers. You should never have to waste your time and emotion second-guessing your advisor's motivations. Often, self-interested advisers are well trained, and their sales presentations are sophisticated and polished. It may be a challenge to tell whether the advice given is in your best interests or whether it serves the financial interests of your adviser and the company he represents. If you become more knowledgeable about how the advisory industry works, you can better assess the quality of advice you receive. These articles will help you, and they will lead you to additional information about advisers: ->[Preparing to interview a financial planner or investment advisor](#) ->[Does it matter how financial planners and investment advisors are paid?](#) ->[Regulation of financial planners and investment advisors - Introduction](#) ->[Avoiding financial planning and investment advisor frauds and scams – Overview](#)