

PERSONAL FINANCIAL ADVISER aka FAMILY DOCTOR



In anyone's life, personal happiness would always demand keeping good health and smooth personal finance. Both are equally important not only to enjoy one's own life but also when we want to do something for our own children, near and dears ones and the society at large. Both need to be maintained and nurtured regularly with care and knowledge if one wants to enjoy the rich dividends.

In our childhood, our parents nourished our good health, providing a long lasting foundation. As we grow, we start maintaining our health ourselves – avoiding bad habits and picking up healthy, nutritious food habits and exercising regularly. We also make efforts to gain knowledge about basic medicine, which is nowadays more easily accessible through internet and use it freely for common ailments.

Notwithstanding our own knowledge about symptoms, diseases & cures, when we fall sick, we consult a medical doctor for thorough diagnosis, advice and medication. With full trust in doctor's prescription, we buy medicines or go for further pathological tests. If the doctor observes some serious symptoms, he advises us to approach a specialist doctor or a hospital in case of an emergency. In this whole process, we entirely trust the professional competence of the doctor we have chosen to go to. We do adopt a sub-conscious process of selecting the doctor – looking at his/her

professional qualifications, years of experience, reputation in the community, availability of essential services with him, ease or convenience of availability and lastly the likely cost to us. Once approached, we never doubt or question the doctor's advice, accepting his prescription and even to the extent of silently paying whatever fee he demanded.

Believe it or not, the same care and process need to be adopted when we deal with our financial health. Till the end of our formative years, our parents provided us good financial standing – educating us to the best of their ability, readying us for a good paying and lifelong job or vocation and support through family heritage.

When one starts earning, one also starts financial planning, either at his own or through a personal financial adviser (PFA). Here also, while basic financial knowledge is gained on a day to day basis and everyday finance would be handled based on our own knowledge and skills. In case of any symptoms of financial stress, everyone needs to approach and engage a professionally qualified and experienced PFA. This need when overlooked would entail its own pitfalls. Besides, the deficiency of not seeking professional advice cannot efficiently be bridged through free advice from our own sources (colleagues, friends, neighbours or relatives) or internet portals.

We should consult a financial doctor to get the right advice, who can analyse our cash flow, expenses budget and options for investments, insurance policies, loans, etc., recommending suitable plan and products to achieve our financial goals. The plan ought to be tailor-made to our specific needs. It is similar to the process of medical prescription and treatment depending on our own health and body.

Financial world is growing as complex as any other subject, making it difficult for a common person to understand to avoid pitfalls and to take its full advantage. Most of us buy financial products, like insurance or mutual funds or mutual fund SIP, through an agent or a bank relationship manager. By the time we realise that products bought by us are not suitable for achieving our goals, it may be too late. Besides, financial products are also evolving and keep on changing with new features, etc. Thus, need of dependable and competent source on whom to rely for updated information and advice in financial planning, cannot be overemphasised and overlooked.

Difficulties and pitfalls of choosing an incapable doctor or PFA are same. One needs to select and cultivate a capable PFA. Once chosen, same nature of trust and confidence needs to be placed in the PFA, as we do in our family doctor. One would need to share, without inhibition, all his/her financial status and future goals with the PFA, as we do about our illness, past record, family medical history with our family doctor. When some information is withheld, the doctor's prescription may not be effective and fail to give us the desired relief. Same principle applies to your faith and trust in the PFA.