

Why Do You Work With an Advisor? - Transcript

Tom Mullooly: We surveyed our clients and we're going to share the results. Find out in episode 246.

Welcome to the Mullooly Asset Show. I'm your host, Tom Mullooly. And this is episode number 246. Thanks for tuning in. You remember the old TV show < Family Feud? Richard Dawson would always point at the board and say, "Survey says." Well, we surveyed our clients and the number one response they gave us for the reason why they work with an investment advisor, number one response, they just want to be sure, they want to be sure that they're on track.

So that's why we wrote the words, be sure on the front of our website. They want to know, they want to be sure that they're on the right track and they want to stay on track. So we've built a process for that. And if you're a basketball fan, you know the story of the Philadelphia 76ers, and that whole story about trust the process came out a few years ago. We built a process. We trust the process.

So the process begins with what we call data gathering. We build a balance sheet based on your numbers. We build an income statement and we project that out into the future, working together with you. So we put together a balance sheet and an income statement. We can learn a lot about a client just by looking at those bits of information.

So yes, it helps the clients. In fact, a few clients have mentioned that we were the first advisors to even do something like this for them. And it's not some back of the envelope approach either. And so, folks have told us that their accountant doesn't do this for them. Their insurance guy certainly doesn't do it for them. So we're positive that building cashflow and balance sheet numbers helps our clients, but it significantly helps us a lot. Here's why. We can't really prescribe something for you unless we know your situation.

Isn't it weird that you would go visit some other person and their solution was always a tax deferred, single premium deferred annuity? It's kind of strange. So can you imagine a doctor prescribing some kind of remedy for you without running tests or knowing your situation? I mean, if a doctor did that, it would be a serious breach of fiduciary duty. It makes no sense.

We employ the same level of fiduciary care that your lawyer or your doctor would also employ. So see, it's only then once we get to know your situation, that we can discuss different options. Like when should you take social security? What do we do with your pension if you have one? How do we tackle Medicare? What do we do about your life insurance options? How do we plan your estate? I mean, that's a big deal.

At that point, then we can start to construct a personal investment portfolio built just for your situation. We want to be sensitive to your situation with capital gains and income taxes. And we also want to keep an eye on keeping your costs, your investment costs, as low as practical, as low as possible.

Having a process and trusting that process helps everyone keep their cool when markets start to get rocky. And that's really important because when the markets start to go haywire, that's usually when folks want to rip up the script, which means they didn't really have a plan or a process at all.

So it's a bad move to start ripping up the script when markets are going hay wire. You got to have a process and you have to trust that process. Doing that allows folks to be sure that they're on the right track. And that is the message, not only for episode 246, but it's for everything that we do here at Mullooly Asset Management. Thanks for tuning in.