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BLOG

# MONEY MISTAKES A FINANCIAL PLANNER CAN HELP YOU AVOID

## This week is Financial Planning Week, and Craig Volk of Northwestern Mutual shares the ins and outs of having a financial planner

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CRAIG VOLK, WEALTH MANAGEMENT ADIVSOR AT NORTHWESTERN MUTUAL

You know the old bromide — failing to plan is planning to fail. That includes even brilliant business people who may be so busy making money that they don't manage it properly.

One remedy for that is finding the right financial planner to work with. This year, Financial Planning Week is Oct. 5-¬9, the 14th year that the Financial Planning Association set aside a week to raise awareness of the value of its work.

We're marking the occasion with a Q+A with Craig Volk, a Minneapolis¬-based wealth management advisor with Northwestern Mutual. He works with business owners, executives, accounting firms, law firms, privately held businesses and publicly traded companies.

### How often should clients check in with their financial planner?

At a minimum, once a year. We encourage them to also touch base at critical times, like when they get bonuses or are making strategic decisions. Most planners are pro active, thinking about the what if's. That's what you want. Not someone who's reacting, but someone who's anticipating.

### What mistake do executives and business owners often make?

I was just with a new client who's running a mile a minute with his very successful business. I helped him identify and clarify issues he's too busy to think about. He's a high income earner, but he's self employed and has no disability coverage and a quarter of the life insurance he should have. He needs someone with an objective point of view to press him on these issues. He's successful so no one calls him on any of this; they figure he's got it taken care of it. That's not uncommon.

### So success can actually be an obstacle to prudent planning?

Successful people are really good at one thing — running their business. They're in high demand and have a lot on their plates. When they have time left over, they don't want to spend it talking to a financial planner. But they need a coach, a counselor, to help them see the big picture.

### You call yourself an accountability partner. What does that mean?

Clients need an accountability partner to hold them to their goals, someone with an objective point of view who can probe with clarifying questions about where they want to go. Then we remind them of their plan, keep them on task and moving forward.

### How can a plan — and a planner — prevent panic during volatile times?

When the market declines, that's a good time to look at the plan that you've written down with your advisor. It reminds you of your stated goals and objectives. If you have that and you're diversified and you've got the big picture, then it's just going to be a blip.

### What was your approach to this summer's slide?

Some advisors hide when the market is down. We feel like there's an opportunity to step up and provide real service during times of uncertainty. People want to hear from you when they get nervous. Assets are on sale when the market goes down and we've prepped our clients for these moments. We're going to be in touch to make a move. We say these times are not a negative, they represent an opportunity. That message has been well received.

### You like to ask clients, "What did your parents teach you about money?" Why?

When I ask that I learn about a client's personality and deeply held beliefs. My father's death when I was eight years old shaped me and forced me to grow up more quickly than I would have wanted. I bought my first life insurance policy at 20 and made my mom the beneficiary; I wanted to take care of her. I'm married with three children and I say I'm worth more dead than alive. But I feel confident there's nothing that can happen to my wife or me that wouldn't allow our family to live comfortably. It gives me peace of mind, knowing that.