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Everything looks like a nail if your only tool is a hammer – that's what financial planning expert Brad Berger finds himself telling clients all the time. What does he mean?

“A lot of the people in the financial services industry have only a hammer; they have specific products to sell, so they present them as the perfect solution for you,” says Brad Berger, author of the book “Stop Trying to Keep Up With the Joneses – They're Broke Anyway” ([www.LiveYourIdealLife.com](http://www.LiveYourIdealLife.com)).

“Some financial professionals tend to serve as salespeople, and clients can grow defensive and numb to the products an advisor might be pushing on them. But there are many tools available for financial planning that may be ignored at the expense of a product. Clients should better understand that there are other tools, including stocks, bonds, mutual funds, REITs (Real Estate Investment Trust), annuities, insurance, real estate, commodities, futures, ETFs (Exchange Traded Funds), precious metals—the list goes on and on.”

Despite all of these tools that some financial advisors may ignore in this *solution* phase, there are also three other phases when creating a sound financial plan. Berger reviews the phases.

- **Discovery.** It's important to focus on the “why” of financial planning before considering the “what.” A computer can calculate the what, but it cannot tell you the why. It cannot define your personal values and your goals—and unless those

are established first, how can you know that a potential solution is appropriate for

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job. "In my opinion, there are no bad financial products, but there are many financial products applied badly," Berger says. Financial regulations keep these products out of the marketplace unless they have been vetted—at least somewhat. But such oversight tends to break down when it comes to whether the products are being used for the purpose for which they were designed. You could hammer in a screw as if it were a nail, but in doing so you would be misusing both the hammer and screw.

- **Solutions.** Again, here is where some advisors try to push products. "In this phase, we collect all the pertinent numbers and review them, and we talk about approaches and products," Berger says. The goal is to uncover whether the client would object to a particular strategy.

"Because I'm an independent advisor, I'm not beholden to specific products," he says. "There really are many tools for folks to use when mapping their financial future."

- **Monitoring.** "We've uncovered more than 150 checkpoints for our clients during the course of a year," Berger says. "Many may not apply to a client at a particular point in time, if ever. Nonetheless, our financial team considers how each one might apply and how we would deal with it."

The monitoring phase is critically important, and it has become more complex. Life's pace is faster. People are subject to more rules and regulations, Berger says, which can provide many opportunities but also present a lot of potential pitfalls.

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Brad Berger, a managing partner and owner of Cornerstone Financial Strategies LLC ([www.LiveYourIdealLife.com](http://www.LiveYourIdealLife.com)) in Tacoma, Wash., is a CERTIFIED FINANCIAL PLANNER™ Professional with more than two decades of experience. He also is the author of the book "Stop Trying to Keep Up With the Joneses – They're Broke

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