Sticking to your resolutions

If you keep just one of your New Year’s resolutions this year, says Peter Dunn, make sure it is the one to be more financially efficient.

If you keep one New Year’s resolution this year, make it the vow to be more financially efficient. There’s no denying 2009 was tough. Many dental professionals have experienced a difficult market where patients have come off dental plans, lengthened the time between examinations, veered off course with their treatment plans or deferred big-ticket treatments.

In times like these it is tempting to bury our heads in the sand and leave everything as it is, but it is quite the opposite that is required – and that’s action. Don’t put off your spending decisions: now is the time to become really proactive with your personal and practice’s finances.

Questioning your finances

When was the last time you questioned your finances or took a good, hard look at where your money is being spent? Are all your expenses necessary? Are you getting the best value from them? Many people start out with good intentions. They re-examine the best life assurance, income protection cover or pensions when they originally take them out, then sit back and hope the decisions and investments they made three, five, 10 – or even 20 years ago will do them proud. But the truth is, as your circumstances change, so should your portfolio.

Take income protection cover as an example. Chances are you took out income protection when you first started in dentistry. You were probably sold it by someone whose circumstances change, so potentially when you first started in dentistry. You were probably sold it by someone whose circumstances change, so you keep one New Year’s resolutions for 2010 really matter. Make sure your financial decisions are informed and focused on an end goal that realises the life goals you most desire. Everything is possible when you combine action with purpose.

Half-hearted plans to do more exercise, drink less alcohol or eat more healthily – they are all well and good, but none of them will help you achieve your long-term aims – goals and aspirations that really matter. Make sure your New Year’s resolution for 2010 really counts – make an appointment with a financial adviser, ask around and see who comes highly recommended. Enjoy the peace of mind that comes with knowing your future is planned, your affairs are in order and your financial success is secure.

Times have changed

Like many other industries, including dentistry, financial advice has changed considerably over the decades. From a commission-based sales job in the 1970s and 1980s, to a specialist consultant with supporting educational credentials; when you seek financial advice from a reputable firm, the experience will not reflect anything like the one you may have had 10 or 20 years ago. In the same way that you would recommend I visit your practice if I had not been to a dentist for more than 12 months, if you have not had a comprehensive review of your financial position for many years, you are risking your financial health and the repercussions can be catastrophic.

You perform a 15-point dental health assessment on your patients to check for signs of dental disease and we undertake our 10-point financial health assessment to ascertain the crucial decisions that will drive your financial security. We will help you to identify your vision of the future, without the limitations of any financial constraints, and work back from that desires position to plan a solution that seeks to achieve it.

Driving your investments

It is your vision of the future combined with expert financial management that drives the investment process. Using a target risk profiling methodology, an asset allocation model will be designed that reflects your attitude to risk. Then by modelling different scenarios and quantifying their impact, you can be steered towards a decision making process that finds a suitable balance between your appetite for risk and the achievement of your aspirational life.

In the same way that you refer to specialists when the need arises, many reputable financial advisers will work in partnership with globally recognised and respected wealth managers. They are best placed to provide sophisticated portfolio management and related financial services but the overall responsibility and management of your finances will firmly remain the main responsibility of your financial adviser.

Take control in 2010

When you consider the complexity of your financial portfolio, you may find it all a bit too much and put off doing something about it. But that would be the wrong approach. For all the resolutions that you make and potentially break each year, make 2010 the year you actually take your finances by the scruff of the neck and do something positive about them.

About the author

Peter Dunn is director and senior consultant for Heritage Financial Advisers, a team of independent, fee-based financial planning specialists dedicated to the dental sector. Peter has over 20 years experience of working within the dental industry in financial services companies allied to Dental Business Solutions and Practice Plan. In 2001, he relocated to Newport with what is now Heritage Financial Advisers and assumed joint control of the company in 2006. To contact him, call 01635 48727 or email info@hfadvisers.co.uk.