Only one-quarter of UShouseholds have a financial plan. (UBS)

Figuring out a financial plan: How Gen Z can avoid breaking the (piggy) bank

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Be it in a piggy bank, a locked drawer, or under the mattress, almost all of us kept our money somewhere as kids. So why is it that as children we often begin a form of saving from a young age, but as adults, almost half of the US population believes that money concerns have had a negative impact on their mental health?

Is there a way to avoid the psychological strain that money management appears to have on us? As a Global Wealth Management summer analyst at UBS, I believe (or at least hope) the answer to this question is yes.

According to various studies, only one-quarter to one-third of all US households have a financial plan, which leads me to believe that young adults falling in this category score even lower. The reasons for this may vary, but one hypothesis is that Americans in their twenties do not know where, why, or how to access financial planning resources. Many young adults also do not understand or appreciate the need for financial planning. Despite several firms offering readily accessible resources, young adults are largely unaware of these offerings.

As a member of Gen Z, I hope some of the information I have learned during my internship will make it easier for you to get your financial plan started. Because once it's up and running, large parts of the plan don't require much work, and you should be able to avoid the need to break into that piggy bank.

Step One: What is a financial advisor?
A financial advisor is a licensed professional offering financial advice to their client base. These client bases can differ in many ways, including by net worth, demographics, and investment goals. Advisors' daily work can vary, often by time;

client goals can be differentiated by long- and short-term objectives. The umbrella of help or guidance an advisor can offer is wide in diameter, but for each unique goal, they are equipped with the skills to provide plans, implementation strategies, and most important, optimization.

Step Two: How can you find a financial advisor?
A common misconception surrounding financial advisors, especially at UBS, is that they are focused exclusively on clients with an elevated net worth. While UBS works primarily with high- and ultra-high-net-worth clients, there is an entire advisor base focused on next gen clients, or emerging affluent. UBS makes finding a financial advisor suitable for your goals easy with the various databases that the firm provides. One of the best places to start, however, is with the Wealth Advice Center. The center offers personalized service more than 50 hours per week to help individuals create their financial road maps, focusing on six major elements: plan, access, save, borrow, grow, and protect.

Step Three: Why do you need a financial advisor?
The main reason for a financial advisor is guidance. UBS simply argues that while clients often do have their own vision, in many cases the road map to said visions is not necessarily clearly defined or well thought out. Most important, however, financial advisors can help you maximize your wealth through tools such as investing. Investing can help you (1) beat inflation, (2) put your money to work, and (3) take advantage of compounding. Advisors can also help you with one of the most prominent investment goals—retirement. Just because you *can* do it yourself, does not mean you *have to*.

Young adults are frequently unaware of the financial planning offerings available to them. With more than 5,000 UBS advisors in the U.S., alongside platforms like the Code, our goal is to make these resources known, accessible, and applicable to all.

Reach out to your financial advisor to get started, or for help finding an FA, **click here**.

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