BY CHRISTOPHER PRICE

INVESTING FOR MAINSTREAM AMERICA:

Many wealth management firms often restrict their clientele to the elites, providing financial planning for people with significant net worth – those in the "Top 5%". That's all well good for the Wall Street and Silicon Valley crowds, but what about everyone else?

"Where's the need? It's really with the other 95 percent of the population — people that earn a living and really don't have too much in the way of investable assets," said Ray Giese, CFP®, a Financial and Career Coach with Fiscal Fitness Clubs of America, LLC.

Fiscal Fitness Clubs of America provides financial coaching and planning services to individuals and groups — such as employees in the same workplace, union membership, or an informal group — who want to take charge of their financial future. The firm reaches out to the underserved middle-income investor, those likely struggling with financial issues such as student loans. Fiscal Fitness Clubs of America puts financial education and goal-setting first, making sure that clients are taught how to approach their finances so that they can build effective habits.

"It's not only knowing what to do, but changing one's financial behaviors in a more positive way," Giese said, adding that he works to "demystify the industry" for clients and break financial planning down step-by-step, beginning with cashflow. Once the basics are established, clients move on to short and medium-term goal-setting and involve all aspects of personal finance including investing, retirement, risk management, estate planning, taxes, and special situations like education planning and career assessment.

"It's a very, very incremental, granular approach," he said.

Part of the financial planning process is to advise clients of the pros and cons of "alpha investing," in which they try to beat the market and achieve high returns. Only a few, very lucky people find success this way, and the average investor risks watching his savings get wiped out if he thinks he's one of them.

"Look, everybody's got a deep-seated desire to get ahead and in some ways, beat the market, the chances of really doing that over long periods of time, though, are slim to, really, none," Giese said. He added that Warren Buffet is leaving a considerable amount of his wealth in a passive S&P 500 investment fund so that his wife can use it after he dies. If the king of alpha-firm Berkshire Hathaway looks toward passive funds, so should the average investor. Focus instead on achieving your goals and only taking on the risk you are willing and able to assume.

At most, the average investor should devote no more than 10 percent of their money into chasing alpha — if they really want to try their hand at beating the market — and allocate the other 90 percent for a broadly diversified, low cost approach using index exchange traded funds or mutual funds.

Another key to having a good fiscal future is to relax and trust in the wealth management strategy developed with an advisor. Just like physical fitness, fiscal fitness takes time and results don't come overnight.

"You should be living, you should enjoy life," Giese said. "Let the money do its thing, let the strategy work for you over time and you don't have to worry about looking at it every day."

For more information see www.fiscalfitnessclubs.com

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