

## 5 Questions: Hugh Massie

*Hugh Massie, the president and founder of Financial DNA in Atlanta, wrote a book by the same name about discovering your financial personality.*

By Marshall Eckblad

May 1, 2006- **Q: Can you quickly describe your profiling system, called Financial DNA?**

Our profiling system uncovers a person's total financial personality. We uncover both a person's naturally motivated behavior, set by age three, and then their learned behavior and preferences.

**Q: How can your findings be helpful to financial planners on a daily basis?**

By understanding clients better, you can better understand their goals and decisions. A client may say, "This is who I am," but in reality, he or she is someone different. There can often be a misalignment between who a person actually is and who that person thinks he or she is.

**Q: Can I assume, therefore, that your theories fly in the face of the various risk tolerance/risk capacity theories?**

Most profiling systems measure for learned risk profile, which continually changes. The results may be accurate on the day completed, but then they change later. So we separate the natural or "hard-wired" risk profile from the learned risk profile. In our view, advisers need to know a client's hard-wired risk profile because it doesn't change over time and better demonstrates who the person really is. Most of what I do flies in the face of risk profiling.

**Q: How do you handle the classic spender/saver marriage that so many planners regularly confront?**

We have a specific method for dealing with the spender/saver marriage. We first explore who each person is and where he or she comes from, because when people are under pressure, they revert to their natural, or hard-wired, behavior. Just talking about budgets is never going to get to the heart of the problem. Instead, we talk to them about their lifestyle--the conversation is about how to have the lifestyle that each person desires.

**Q: Practice management is currently a very hot topic for planners. Can Financial DNA play a role in this aspect of the practice as well?**

Absolutely. For an adviser, it's all about getting your team properly aligned first, so that your work is focused on what you do best. Once you've got your practice right, it's much easier to roll out Financial DNA with a client and appear authentic. If you can say, "Everyone in our practice has done it, and even my wife has done it," who's going to refuse?

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