

Embracing Technology in the World of Finance

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Good apps and online tools can help you better handle your personal finances, but a financial adviser still plays an important role, too.

Technological advancements in the financial field are changing the way people invest, bank, pay bills and manage money.

While the instruments and software out there look like they may put us financial advisers, brokers and insurance professionals out of business, we, for the most part, actually welcome these new pocket overlords.

The fact is you can't walk through a public place anymore without seeing many people with their noses on their mobile phones, listening to music, conversing on wireless frequencies or searching online for whatever.

It really is amazing what we have at our fingertips—including apps that can assist us with investment options and money management. Here are a couple of free apps that do just that:

MINT, BILLS & MONEY

This technology is devised by Intuit, which created Turbo Tax, Quick Books and Quicken. It stays on top of your bills and money. All you have to do is set it up once, and it does the rest. It

monitors your bank accounts and reminds you when bills are due. It even transfers funds to pay those bills. You won't miss a bill or suffer an overdraft, and the app has bank-level security.

PROSPER DAILY

I like this app for budgeting purposes. It allows you to see all your accounts at once. It also tracks credit scores and works wonders in managing and budgeting cash, savings and investments. It organizes all financial activity and balances on credit and debit cards and bank accounts while analyzing spending habits and transactions. It even alerts you to suspicious activity.

These apps are just a peek into what the future will be like when it comes to personal finance. Investing, seemingly the last task you want to trust to a machine, has also seen upgrades in technology and software. With robo-investment advisers, clients plug in certain information, such as how much they want to invest, what their acceptable risk is and how much return they want. Based on that information, the robo consultant, through sophisticated algorithms, picks investments that suit the need.

Over the next five to 10 years, the robos could take a chunk of business away from living, breathing advisers who like to talk to clients in person. As a generation that's comfortable with computers telling them what to do ages into retirement, robo advisers will likely become more common.

But I still don't think they will ever completely replace the human adviser. After all, one thing computers can't do is read emotions. I'm a face-to-face business person and so are most of my clients. They like to see me and talk in person. When a person is sitting across the table from me, I can tell by their body language, tone and overall demeanor if I'm building a financial plan that aligns with their financial goals. Eventually, the time and effort that goes into building a relationship with a client results in loyalty and trust. Computers can't replace the trust built through genuine, human relationships.

But you don't have to choose one over the other. Advisers and technology can work well together to make your financial life easier. For example, my clients can ask a question or share information with me in a text message. Skype allows me to get that much-needed face time with clients even when we can't be in the same room.

Of course, as technology gains a toehold in the business of investments and finance, there are dangers. For example, people tend to head online whenever they have a question about anything, including investing. That search could provide you with great information—or terrible information.

Take everything you read online with a grain of skepticism. But overall, technology provides great tools for both clients and advisers. I'm eager to see where it takes us next.

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Investment advisory services offered through AE Wealth Management, LLC.

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