



What is Financial Planning?

By definition, financial planning is a systematic approach of managing your finances in order to fulfill your financial responsibilities and achieve your life goals. It involves taking a long-term commitment and going through different stages, including consideration of any possible financial uncertainties that may arise in every aspect of your life.

Contrary to popular belief, financial planning is not complicated. The only difficulties are:

- For you to remain commitment and
- To stick to your plan/budget in a consistent manner.

Importance of Financial Planning

Financial planning is important for a variety of reasons, including:

- Savings for your emergency needs;
- Savings for your future financial goals;
- Protect your income in times of unforeseen circumstances;
- Maintain your family lifestyle in the event of unexpected situations;
- Your peace of mind.

The Right Timing

'If you fail to plan, you plan to fail'. The right time for Financial Planning is NOW. All too often people tend to delay planning for the future. No matter what your income level is or what your hopes for the future are, you need a solid plan to achieve your financial goals; starting from building your emergency savings and budgeting. The longer you wait, the higher is your opportunity cost and less would be available for your future. The sooner you start, the more your savings.

How to do Financial Planning

In our lifetime, we might have numerous financial goals that we want to achieve. And it is not always that straight forward to achieve all of them in the shortest time possible. Therefore, with the proper financial information, advice from financial planning experts and financial products, Financial Planning is much easier to achieve.

4-Part Process

We propose that you divide your financial planning as a four-part process, each process must be implemented in its proper sequence:-

Cash Management	Debt Management
<ul style="list-style-type: none">• Emergency Funds• Good Budgeting	<ul style="list-style-type: none">• Good debt, bad debt• Good credit management
Risk Management	Wealth Management
<ul style="list-style-type: none">• Getting suitable Takaful coverage	<ul style="list-style-type: none">• Beware of get rich quick schemes• Golden rules for investment