



And Away We Go!

Can you believe it – a new year has started. At the beginning of the New Year, one of the things I do is to reflect back on my business activity from the prior year and compare it to the goals I had set at the beginning of the year. I have to report that I did not set my goals high enough; I exceeded the plans I made.

I've continued to integrate "Life Style Planning" into my practice. I wish I had started sooner. Often clients come in with a goal of wanting to "retire". I ask them, "what does retirement mean to you?"

How do you measure a wish? A French writer, Antoine de Saint-Exupery, is credited with stating "A goal without a plan is just a wish." Without benchmarks to measure against, how do you know when you achieve a goal?

Creating a vision of retirement is not easy. Occasionally, people come in for help but quit the process when they discover what their financial resources can provide. It is hard for me to understand why they quit the process when they have no vision of what that retirement is to look like. Yes, plans made today may change tomorrow.

One of the benefits of creating that vision is the ability to evaluate our goals and change our mind. Most of us spend more time planning our vacation than we do planning our future. So, with no vision of what the goal is, how can we decide whether our financial resources either are or are not enough.

What other resources are available to us to help achieve goals besides money? Therein lies the benefits of "Life Style Planning". An old proverb states "A vision without a plan is just a dream. A plan without a vision is just drudgery. But a vision with a plan can change the world."

So a goal of wanting to retire at age 65 becomes a vision something like "When I'm 65, I want to retire in a warm climate where my home has been paid off, play golf three times a week, travel to places I've wanted to see and maintain excellent health."

Ok, you are right, this vision is not very clearly defined. You may be asking warm climate where – in the United States, South America, if I have a house there, do I sell my current home or keep it, where are the places I want to travel? You are starting to get the idea.

Statistics show that the more specific the vision is, the better chance we have of success. If we are specific in defining our vision, it is easier to make modifications. For example, a change in our health means a disruption to our plans. Rather than terminating the plan, we can ask questions about what changes can be made to allow you to achieve the plan. Maybe change the priority or time line for travel to occur.

In the show South Pacific, a character named Bloody Mary sings "You gotta have a dream. If you don't have a dream, how you gonna have a dream come true?" Often, we are busy living life; the time and energy required from work, maintaining a household and raising a family doesn't leave time for developing our plans. A

business consultant and coach, Michael Gerber, identifies this problem in businesses. He talks about the importance of working on a business as opposed to working in the business. For small business the challenge is making time to work on the business.

Motivational speaker, Stephen Covey, calls this “sharpening the saw.” As we use a saw it gets dull and takes more and more time to do a job. Being trapped working in the business we spend more and more time using the dull saw to get a job done. We don't realize that if we stop and sharpen the saw, it becomes more efficient and takes less time to accomplish the same task.

So now we've come to the beginning of a new year and start thinking about New Years' resolutions. To quote a great philosopher, Jiminy Cricket, “When you wish upon a star, makes no difference who you are. Anything your heart desires will come to you. . . . Like a bolt out of the blue, fate steps in and sees you through. When you wish upon a star your dreams come true.”

I believe in putting goals under management. For many financial advisors the discussion is just about your assets and planning is about the return on investment; portfolio performance. To me that is but one piece of the pie. A more holistic approach is measuring the return on life.

What is the quality of the life you want live? It is easy to focus on quantitative data for planning. That's why most efforts in planning fail. The effort yields a plan but is it your plan? Does it reflect your vision or dreams? More importantly does it reflect your values and beliefs?

An example here might relate to college funding for a child or grandchild. Let's say you may desire to pay for their college education. What does that really mean? Are you willing to pay for an Ivy League education at say \$75,000 to \$100,000 per

year? How about paying the tuition at a state school for 4 years as long as the child maintains a GPA of at least 3.5. If the child decides to go to a school other than a state school, will you pay for what it would have cost for the child to go to a state school as long as the GPA is at least a 3.5. Since gift taxes may become an issue, you can write the check to the institution and not the child.

That approach satisfies your desire to help a child with education costs, sets an upper boundary on your costs, ensures the money you are giving is used as intended and measures the return on your investment in that child.

My New Year's challenge to you. Are your New Years' resolutions a wish or have you created specific plan to achieve your goals?

My challenge to you is to make 3 wishes a goal in the coming year. A Chinese philosopher, Lao-tzu, stated “A journey of a thousand miles begins with a single step.” In a Commencement Address at Harvard in 2008, J. K. Rowlings told the graduates that “Achievable goals are the first step to self-improvement.”

What will be your first step? Develop detailed plans on how you will make that journey and achieve your goals. When you have achieved a goal, what will you do to celebrate the success?

Two of my goals for this next year:

1. Replicate the growth I had in 2013
2. Improve my service to my clients.

You can help. Tell me what changes will improve my services to you? Do you have family, friends or acquaintances that could benefit from the services I provide? Since we are entering tax season, referrals for tax planning or preparation work would be great. How else can I help you? Can I assist you in making your wishes a goal? Let me know.

Brent