



Getting Ahead I: Forget Goals, Try Something Better

Saturdays With Jim

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Dear Friends,

Studying for my Certified Financial Planner credential, I learned that planning begins with goal setting and ends with a crisp, neat plan replete with measurable objectives that lead clients to financial Valhalla. But when I applied my hard-learned financial planning methodology, it fell flat on most people. I soon learned that financial planning for most people seldom proceeds successfully when planning steps and outcomes are dependent on goal setting at the outset. Today, let's discuss an alternative framework which is more process than goal oriented, in which goals flow in a natural, unforced way.

Overview

It would be ridiculous to think that our minds – rational and non-rational parts – don't set in process a mode of thinking that can sink or swim our plans for betterment. Many people these days are familiar with affirmations, the positive psychology movement, prosperity thinking and other tools to fill our minds with the thoughts which support advancement and betterment, not to mention happiness and well-being.

People are generally not familiar with manipulating numbers nor are they in the habit of using a goals-based approach to attaining something they want. No wonder that goals-based financial planning falls on its face.

And budgeting? Can you imagine anyone who ruthlessly accounts for every cent earned and spent? Just the thought of such comprehensive financial management is enough to cause people to run away from a financial planning exercise.

Visualize, then, a betterment scenario in which we adopt some general principles, set some shorter-term things we want to do, take an inventory of our strengths, weaknesses, aptitudes and desires – all things which we can incorporate into a meaningful effort to improve ourselves and our lives. No, getting ahead is not about exposing ourselves solely to chance events such as winning the lottery while we fail to build our human capital through education and training or waste our money on solely frivolous pursuits which don't bring lasting happiness.

Getting ahead is more about setting our motivation and determination to move us toward something that will indeed give us lasting benefit. So why don't more people set themselves on a path to betterment? Why do many people, even if they do begin such a well-being improvement program, fail to keep it up? You may as well ask why most dieters don't lose much weight. It's hard to retain discipline toward a future state when there are few signs of progress. The mind is an awesome tool and friend, if we use it in our service.

Process Outline

Getting ahead, financially or otherwise, is about plain living and high thinking. Think about it. The plain living part is about not spending everything (or more) that we earn, being moderate in taste and temperament while soaring in self-esteem and gratitude for what we have while we hold lofty achievable ambitions. Some people call the entire state of mind which supports betterment a prosperity consciousness. Yet this high thinking as we call it cannot simply be oriented to a future state without either a plan for achievement or a realistic assessment of what the future state holds for us. Next week we will continue our series on financial well-being gained through holistic betterment. We hope you benefit from these pages. Feel free to reply to the contact numbers listed above and below if you have questions or if you want to learn more.

Thanks for being with us today and for granting us the privilege of helping you manage your wealth.

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