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"When your values are clear, your decisions are easy." – Roy Disney

If you want to keep more of what you make, you have to find a way to spend less than you make. No matter what happens on the income side of that equation, keeping expenses in check is the key. This would seem to be pretty obvious, right.

So why is it that so few people actually manage to get control of their expenses?

The answer lies in the complex chemistry of the brain. Hundreds of fascinating studies continue to be done which identify exactly which parts of the brain are firing under various conditions. Often chemicals like dopamine or estrogen are released as well. Read Daniel Goleman's book, "Social Intelligence" or "Your Money and Your Brain" by Jason Zweig.

In short, we are emotional creatures. Most people spend money emotionally without restraint. Rational logic does not have the chemical firepower to subdue the dopamine fix that you get from a good round of "retail therapy." Add to this mix thousands of advertising impressions each day showing us all the cool new gadgets that we just can't live without and ... well, we feel as though we just can't live without them.

DON'T TRY THIS ALONE

Example: You already have a 32-inch color TV that works fine. You don't need another TV. You can still get all the news, sports and movies with the equipment you have (and it's paid for). That's great logic. It also gets thrown out the window the next time you are at Best Buy and faced with a massive wall of flat screen TV's.

"I don't need it, but that 47-inch LCD HDTV would sure look good on my living room wall. Sure, it costs \$2000 and I only have \$500 in savings, but if I get that TV, I could get rid of that ugly shelving unit. So what, I'd have to find (and pay for) new shelves to hold all my DVD's and books and other stuff that's stashed in there. I WANT THAT TV."

You can feel the dopamine rush.

There are very few ways (short of locking up your credit cards and checkbook) to overcome the impulses that have been a part of our species for 20,000 years, but there is one aspect of your character that can help you – YOUR VALUES.

VALUES – A DIFFERENT KIND OF CHEMISTRY

Your Values are the things in life that are truly important to you. Values range from superficial stuff and possessions to more esoteric (your life mission) and spiritual concepts (divine purpose). Commonly cited higher values are Integrity, Honesty, Relationships, Supporting family or friends, Charity, Pursuing a Purpose, Freedom or Unconditional Love.

We all have values at all levels. Your values were instilled in you at a very early age. Most people have yet to explore their higher values. When I start coaching clients, most say they have never talked about their values with anyone (including their spouses), but they have thought about them from time to time.

Expressing your values can generate a tremendous emotional response. When we do Values Clarification Exercises with coaching clients, they will often cry, laugh or smile uncontrollably (I should own stock in Kleenex). So your values build a powerful emotional framework that gives you a different way to look at a purchase decision – one with an emotional pull that is almost equal to the dopamine fix of the impulsive buy.

Example Revisited: We can't get rid of the emotional pull of all those flat-screen TV's screaming at you to take one home and put it up on your wall. But now your \$500 in savings has more value to you, because you can see how it can help you get something that is REALLY important to you – college education for your daughter, night school for you, a special gift to the homeless or a way to help someone you love.

THE WEALTHY ALMOST ALWAYS KNOW THEIR VALUES

I've lost count of the wealthy people I have met who still drive around in 10-year-old pickups. To a person, they all know what is important in life to them and they make their decisions based on those values. As a result, they have less stress and fewer worries. They are more "centered" and less judgemental. In general, they are the most generous, kind and giving people I know.

The best part is – they enjoy their lives to the fullest.

TIP #1 – HOW TO GAIN CLARITY OF YOUR VALUES

Nothing beats doing a Values Clarification Exercise with a professional coach, but this will get you started. You should see results almost instantly. You should uncover sensations that you can use to resist the pull of the dopamine-impulse to spend.

Exercise #1: My favorite exercise to distill values on an individual level is to answer three successive questions. Use a separate piece of paper for each question and don't peak at previous answers and don't look ahead at future questions until you are ready to answer them.

- **Question #1** – "Suppose that this room was a magic time machine and that we were launched 5 years into the future. In that time, ALL of your dreams have come true about money. You have \$100 million dollars in liquid assets and are perfectly healthy. What would you be doing? Where would you be? Who would you be with?"

Allow five minutes to put down as many responses as come to mind. If you are working with a partner, don't peak at their answers or share until you are completely finished with the complete exercise (all three questions).

- **Question #2** – Don't pre-read this question until you have finished answering question #1 and are prepared to go on. "We are back to the present with your current financial situation. You have just seen the doctor for a regular checkup and he calls you back into his office. You have a very rare disease. You will remain healthy for exactly six months at which point you will die painlessly in your sleep. What will you do over the next six months? Where will you be? Who will you be with?"

Allow another three minutes to put down as many responses as come to mind. Again, if you are working with a partner, don't peek at their answers or share until you are completely finished with all three questions in the exercise.

- **Question #3** – Don't pre-read this question until you have finished answering question #2 and are prepared to go on. "You just received another call from the doctor. He apologized and said that he was wrong. You are not going to die in six months. You are going to die in 24 hours. What will you do? Where will you be? Who will you be with?"

You will probably only need a couple more minutes to get down your responses to this last question. You may now review all of your answers and discuss any of this exercise with your partner.

Many thanks to George Kinder - the pioneer of "Life Planning" - for these questions.

If you didn't cheat and look at the questions in advance, you likely went through an emotional rollercoaster as your logical brain was forced to make snap decisions on your priorities.

WHAT YOUR ANSWERS TELL YOU

Your highest priority values are listed on the last page with your answers to Question #3 with some other upper-level values included in your answers to Question #2. As you went through the exercise, you began to shed superficial "stuff" and replaced it with higher level values – things that are ultimately more important to you. Commonly we see relationships, travel to other parts of the world and creative activities in answers to Question #3 replacing houses, cars, golf and vacations to Hawaii in answers to Question #2.

To make this exercise even more powerful, review all of your answers and identify what you believe to be your highest values, not matter which page they are written on – the things in life that are most important to you. List these values on a separate piece of paper ... and then pick your top three.

With each of your top three values, you should be able to compare them to anything else on the list and say to yourself, "(value) is more important than anything else in my life."

Once you know that a value is more important than anything else in your life, it becomes much easier to resist the temptation to buy something that isn't all that



Secret #1 - Clarity

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important to you. This kind of exercise is also useful to married couples who are having financial troubles with one member spending while the other one hords. Usually, these spouses have never learned what is most important to their partner.