

Your Return on Life Part 2: Is Your Money Improving Your Life?

The world has changed in huge ways over the last couple of decades, hasn't it? Think smart phones, social media, driverless cars, tourists heading to space. And it's changed hugely over the last couple of years – think Zoom calls, face masks, social distancing, restricted travel. The rate of change can leave us feeling dizzy, longing for the comfort of the past and a little fearful of what's to come.

But with hyperbolic media coverage, it's easy to lose sight of all the *improvements* that change is bringing. Think social justice movements, medical advancements, connecting with loved but geographically distant families. Think of all the little things. We take our dishwashers for granted now; our grandparents would still think they were absolutely marvellous time-savers. There's really no question that they're definite life improvers, right?

And so it should be with our money. There's a lot of fear around money and how best to manage it. Will it be enough when I really need it? If I invest, will I lose it all? Will this insurance policy be an asset or a waste of money? Do your worries for the future stop you from using your money to enjoy what life has to offer you *right now*? Is your money improving your life, or is it a source of fear and regret?

Traditional Financial Advice May Miss

the Mark

With all the fear and anxiety money – and the idea of not having enough of it – brings, we can lose sight of the power it has to vastly enrich our lives. Traditional financial advice has focused on accumulating wealth for that all-important retirement pot. Don't get me wrong – it is important, of course it is. If you retire with anything less than half a million dollars, you're likely in for a rough ride and that's not something anyone can look forward to.

However, a lot of financial advice misses out on the importance of how you use your money in the present as well as down the line. As with so much in life, you can truly reap the rewards if you live in the moment. Ask yourself the question – is your money improving your life now, as well as providing security for the future?

A truly [fruitful financial plan](#) asks as many questions about your current circumstances and your current needs as it does about your future. Yes, asset management, estate planning, long term investments – all that and more must form a part of your financial plan, but they are not where it ends.

You need to examine your life in much more personal detail, to create a personalized, and therefore fulfilling financial plan. Important areas to examine are your current cash flow and your current financial obligations. Are there any changes that could be made that will both benefit your life now, and for the future?

For example, are you able to spend enough on leisure activities that [improve your physical health and mental wellbeing](#)? Could you reduce expenditure in some areas to free up money to resource areas of your life that are currently lacking or

feeling somewhat inadequate.

Can you spend money investing in yourself, by training in a new skill and making yourself more valuable in the workplace? That may have a double impact by improving your sense of achievement as well as increasing your paycheck.

Invest In Yourself

The idea of your [return on life](#) is to become aware of areas of your life that you would like to develop. Then you can invest in yourself and make the very most of what your money, and your life, can offer you. You can factor all these areas of priority into your financial plan and make it a plan that always has *your* passions and your goals at its heart. It's not about financial advice that can just be applied to anyone – the return on life approach keeps you at its very center.

This approach also keeps your own personal values and principles in focus too, unlike a traditional financial plan which is often too concerned with numbers and balance sheets. The truly wealthy feel like they have enough money for their needs. That can be very little, or it can be a lot. So considering what your idea of 'enough' is can also refocus your idea of wealth and what you truly need.

Everyone's idea of enough is extremely personal and individual, and challenging yourself on it can have tremendous positive implications for your financial plan. You may realize that you can retire a whole lot sooner than you think, if what you need in order to do so is less than you thought. You may realize that right now your money isn't improving your life, but that it has the power to do so if you make some minor adjustments.

Is Your Money Improving Your Life, Here and Now?

I don't want you to leave this page with the impression that planning for the future isn't important. It is – hugely. But you deserve to be feeling the benefits of your financial strategy right now, to enjoy time with your loved ones and to live life on your terms. A financial plan should build your financial freedom, allowing you to enjoy the best that life has to offer.

When you sit with [a financial advisor who has a deep understanding](#) of not only this approach but of how to situate your life, your loves and your goals within that strategy, you'll see how you can significantly raise the quality of your life AND the quantity of your money.

Here at Grace Lane we look at key challenges to your finances that may arise, as well as opportunities that you may have to make more of your income, to improve your current cash flow and your investment strategy. We'll look at big transitions that are ahead of you and how to comfortably accommodate them.

Want to know more about your return on life? Take 5-10 minutes to [complete our Return on Life Index](#) – it's free and easy to do. And if you would like to reach out and talk about how your money can improve your life, and how a financial plan can bring you the stability you need but the enjoyment you deserve, [please do reach out](#). We'd love to have a chat and explore all your opportunities.

Your Return on Life Part 1: How to Make the Most of Your Money

A well-funded retirement. Seeing the kids through college. Adequate insurance to handle any future health problems. Some wealth left to pass down to loved ones. When we meet new and prospective clients, that's often what they talk about in terms of their financial goals. And we can't blame them; after all, an insufficient retirement pot is certainly not something any of us would choose by design. They are really important elements of a financial plan, but there is much more to it than that.

Are you that person who worries about where each penny goes? That person who frenetically clips coupons, chases savings, nervously watches for balances to go up and can't bear any kind of big outlay? While we certainly have an amount of respect for people who live their lives in that way, we have to admit that we worry for them. They are living their life for the future – a future that may not come, a future that you cannot possibly predict. What about the here and now? Is that not the only bit of life you *really* ever live?

So when we get to know new clients, we tell them that our journey together will involve them asking some questions of themselves. And if you want to know how to really make the most of your money, you should do the same. Here's how.

The Return on Life Investment

Strategy

A good financial plan is one of the most fundamental elements of living a fulfilled, purposeful life. It definitely helps you to reach goals and ultimately get where you want later down the line. It means that you are prepared for the unexpected, and that gives you a sense of stability and safety. But the best kind of financial plan also helps you to make the most of your money right now, too.

People often ask us about the best [investment strategy](#) for the best return on their investments. And, like the sensible financial goals they have in mind, that's a good question and certainly important to factor in. But have you ever thought about your return on life?

You're working hard, you're saving hard, you're investing hard. Measuring, or at least monitoring your return on life means that you're always in touch with what you're getting back for your efforts. It means that you are aware of aspects of your life that are most important to you, and where you might need to divert more resources in order to live a more contented and purposeful life.

That's why we begin every new client relationship by asking them to complete our [Return on Life Index](#). This is a simple questionnaire that evaluates 10 chief components of a quality life tied directly to financial decision-making. These 10 aspects of life are tied to financial discretion and prudence, and are organized within 3 categories of what most people would agree is a "quality life."

Put simply, these categories are: (1) a sense of well-being; (2) the sense that you're making progress; and (3) the sense that you have freedom to live life the way you want. Your answers

will help you determine if your money is really helping you live the best life possible, today. Why not try the Return on Life Index for yourself? It's quick, easy, and free, so [get started right away!](#)

Divert Resources Where It Will Mean the Most

Let's have a closer look at the three areas of wellbeing, freedom and progress. You'll find there are several new questions you can ask yourself to challenge your current mentality around your money and how you use it.

By really drilling down into these areas and asking yourself some key questions, you can identify precisely where your financial plan may need to be adjusted for you to feel the maximum benefit of it, and to truly make the most of your money in the present day as well as for a stable future.

Wellbeing

The Return on Life Index will help you to consider your wellbeing in terms of:

Your Return on Leisure

Are you able to spend enough money on your leisure time for it to be rewarding? Can you fund your hobbies? Can you take the trips you want to take? Can you do fun and fulfilling things with the people you love and want to spend time with?

Your Return on Your Health

Does it cause you financial stress to keep yourself in good

health? Do you check your health regularly? Do you eat well and exercise? Do you have adequate health insurance?

Your Return on Relationships

Are any of the important relationships in your life affected by financial stress? Have you been able to teach your children about finances? Are you and your spouse on the same page about money management? Are you able to spend money or time on gifts for and time spent with loved ones?

Freedom

This section of the Return on Life Index relates to freedom, focusing on giving, autonomy, and security.

Your Return on Giving

Are you free to give your time and talents generously? Are you comfortable with your charitable contributions? Are there causes to which you'd like to devote more of your time, energy, or money?

Your Return on Autonomy

Are you using your money to free up your time and allow you to do things you want to do? Do you have time to attend to the things that mean the most to you?

Your Return on Security

Do you feel secure financially? Are you confident about your financial future? Are you comfortable with how your financial resources are invested?

Progress

Looking at progress is divided into your return on work, residence, achievement, and learning.

Your Return on Work

Do you feel good about the contributions you make? Are you well-compensated for the work you do? Does your work give you satisfaction? Do you feel energized by your work? Appreciated? If you do volunteer work, does it bring you a sense of satisfaction?

Your Return on Residence

Do you feel like your home is the right place for you? Are the costs of your residence easily managed?

Your Return on Achievement

Are you able to fund your needs and pursue your aspirations? Are you happy with your accomplishments? Are there things you would try to do if you had the financial resources?

Your Return on Learning

Are you effectively using your finances for you or your children/grandchildren's education? Are you involved in lifelong learning through reading and training with others? Do you enjoy learning new things?

Challenge Yourself to Live Your Best

Life

By asking yourself some challenging questions, you'll quickly establish which areas of your life are lacking, and which you are feeling successful in. It will become clear to see where you need to spend some energy, and most likely some money, improving things for yourself. The Return on Life Index gives you an overall score, as well as breaking it down into the three main component parts.

You may feel as though your bank balance and portfolio value is going up, which is fantastic for the future version of yourself. But on reflection, are you really getting what you need out of life right now? Would freeing up some cash actually be the best decision for maximizing your return on life? Or would more aggressive investing help you to achieve your long term goals, if your short term circumstances are well provided for?

In just the same way that you would monitor and review a [financial plan](#), you can periodically review the questions and see if your answers have changed. Does that change take you closer to achieving your financial goals AND living a fulfilled life? Or are there now different gaps that need addressing? The perfect complement to your financial plan, the Return on Life Index serves as a guide around which your financial plan can be built – and tweaked as necessary.

Receive Your Return on Life Index Score

[A comprehensive financial plan](#) has lots of moving parts. It is about far more than the value of your [investment portfolio](#). It's about your wellbeing, your stability, your security and about the enjoyment of your life as you are able to live it. It's

about knowing that the here and now is just as important as the future, and you need to be able to reap the rewards of your hard work. Otherwise, what is life besides a treadmill, with no meaningful destination?

We invite you to take 5-10 minutes to [complete the Return on Life Index and receive your personalized report](#). You'll quickly see which areas of your life you are less satisfied with, and which may benefit from some attention. You'll see what you need to focus on and how, in order to make the most of your money and make it really work for you.

If you have any questions about the return on life concept, or would like some help to improve your index score in any area, please do [get in touch](#). We love to help our clients make the most of their money so they can live their life as they are supposed to – feeling good about their money management and getting everything they want out of life.

No Regrets: The Importance of a Forward-Thinking Financial Plan

Both in my professional life and my personal life, I've learned that financial lessons can come in many disguises. They come from unexpected places, jolting us to reconsider our perspectives and our approaches to money.

It's all too easy to get tangled up with worry, regret and fear

around our financial decisions of the past, the present and the future, so that you can't benefit from and use those lessons. There's one tool, however, that can smoothen those worries out and help you move forward, using all those financial lessons positively: a financial plan.

A good financial plan helps you focus on [what's important now, and how to build on that for the future](#). It teaches you to move forward. We've all lived through difficult times, and we've done what we needed to do to get through them. There is no time for regrets.

Financial confidence is about acknowledging where you are and what you need in any given moment, and not dwelling on the past, or what could have been.

A Phenomenal Financial Lesson

One unexpected financial lesson came to me from a podcast series by Texas Monthly Magazine called '[One by Willie](#)'. Each episode the guest discusses their favorite Willie Nelson song, usually with anecdotes about Willie woven into the discussion. Recently, [the guest was Roseanne Cash](#), who spoke about Willie's song, '[Night Life](#).' The story was one of the best financial lessons I have ever heard.

Willie wrote the song in the late 1950s as he was commuting for gigs from his home in Pasadena, TX to Houston. He'd not yet achieved any real success, financial or otherwise. He had a young family to support and needed money. So when he was offered \$150 for 'Night Life' by [Paul Buskirk](#), Willie gladly took the money and handed over the rights to the song.

Night Life went on to become legendary and was recorded by scores of different artists from Ray Price to Frank Sinatra,

B.B. King, Aretha Franklin, and of course Willie himself. It made a small fortune for Buskirk. It's estimated that it sold over 30 million copies – quite the retirement fund for him!

Whereas some may have begrudged losing out on such success, Willie and Paul remained friends. When, many years later, Willie was asked if he had any hard feelings towards Paul he replied, "No. I needed the \$150 then more than I need millions now."

What a great perspective on money Willie had – to be aware that what he needed then was vastly different to what he needs now, and there is no need to regret previous financial moves.

It reminds us all that money is just a tool, and its purpose is to serve us. Too often we end up serving it, and we need a shift in our perspective.

Luck is the Residue of Design

For more than 20 years my wife and I have lived in a small community just west of Austin, TX and, as well as being the imparter of amazing financial wisdom, Willie Nelson also happens to be a neighbor of ours. Over the years we've often seen Willie standing beside his old black pick-up at the side of the road. He'd wave as we went by.

In big iron letters across Willie's front gate reads the word 'Luck' – the name of his ranch. As Willie puts it, "You're either in Luck or you're outta Luck." As a financial advisor, I often muse on luck myself – is financial success about luck and good fortune? Not for the vast majority of us. As the poet John Milton more aptly put it, "Luck is the residue of design." You have to start with a plan in place that's going to get you to where luck can find you.



The gates to Willie Nelson's Luck Ranch

I think in many cases, people who experience great success will often brush off their achievements as being down to a lucky break, or a fortuitous meeting or decision. That may be so, but more often than not, they started out with a game plan – or at the very least, a dream or goal.

It's the same with a financial plan. The more you plan ahead, or the more you design, the more you open yourself up to the relevant, good opportunities that you can capitalize on. Rather than being about luck; it's about intent, and conscious decision making. With a financial plan that can develop and progress as you do, the foundations are made. If luck helps build on those foundations, you may just get where you are headed a little more quickly.

A Flexible Financial Plan for a Life with No Regrets

People often assume that a financial plan is something that's just for the future. But a good, financial plan should be designed for the here and now, too. It can help guide decisions, and free up funds that you may unexpectedly need. It can facilitate any financial move you need to make, mitigating the impact on your future plans.

For example, say tomorrow something happens to put you out of work for a while. A good financial plan takes such eventualities into account and protects your savings and assets. It is flexible enough to accommodate a difficult year at work, as many people have just suffered through 2020. A good financial plan helps keep you steering straight when the wind has knocked you off course, and you have to make unplanned maneuvers to stay afloat.

Willie Nelson knew what he was doing the day he sold that song for \$150. He knew what he needed right then. He knew that he had to make the right financial decision for himself and his family at that moment.

And that moment led on, directly or otherwise, to his huge and prolonged success. Maybe selling his song that day was the first step of Willie's plan, whether he knew it or not, to get to where luck could find him – or where he could find Luck.

There is no use, as Willie could so clearly articulate, in looking back on previous decisions with regret. They have got you to where you are today, and tomorrow is in your hands. After all, life has no roadmap. We don't know what is in store for us. So we must always bear in mind that a plan is just the outline

and its job is to help us in the present as much as it does in the future. It needs to accommodate those snap decisions just as much as those snap decisions, like Willie's, need to facilitate the plan.

Forget What Has Gone Before – It's What's Coming that Counts

In order to live your best life, it is essential to accept what has been, understand where you are, and chart a course to where you want to be. That charted course is your financial plan. And yes, it might need to change from time to time, but if you keep your goals in focus, you'll have all you need to make the right decisions for you, at the right time.

Your plan supports your retirement, helps you to grow your savings through careful investment choices, and protects your assets with adequate insurance policies. And it provides that safety net when you need to face unexpected challenges. It means that you don't have to look back with any regret, and no shame.

Instead, you can move forward positively, meaningfully, and with intent. It also means that instead of dwelling in the past or living for the future, you can relax and enjoy the here and now. If you need any help with creating your financial plan and focusing on the right goals for you, right in the present moment, please don't hesitate to [get in touch](#).

Don't just leave it to luck; remember that a little bit of design goes a long way.