

The Financial AHHHHHH.... Factor

So it's 4:00pm Friday and, while your family is home busily loading the car for a long holiday weekend, your boss corners you in the office for the second time this month: "Listen, sales are still down, corporate is on my butt. You better get your team going over this weekend or



the office will miss it's objective!"

What's your reaction?

When you really get down to it, the answer you give the boss might result because you do not, or have not yet experienced the "Financial Ahhh...Factor." The result? Like so many American families, you call your spouse with the bad news: vacation off, you have to work.

The definition of "Financial Ahhhhh...Factor," a gift from Grandpa and Grandma:

After close to a thousand interviews with elder clients and prospective elder clients, I began to learn a common theme or trend that most of my

client's experience. Since then, I coined the phrase The "Financial Ahhh...Factor." You can literally see it in their eyes, or hear it in their voice. I have found that, resulting from their diligent work ethic, lifestyle management and hopefully, an idea or two from me, they have positioned themselves in the Zone... "The Financial Ahhhh...Factor"... Zone.

The Zone?

To give a younger person an idea of what "The Zone" is, it's best to ask you, the youngster, questions that require a decision. I might venture that your parents, and or grandparents have delivered this to you in some form before, as well.

- As mentioned earlier in the article, have you ever repeatedly (more than twice) Chosen work or career over family obligations?
- When you and your spouse sit to discuss bills, does the event become heated, usually ending with no real resolution?
- For positive financial commitments, like education funding, retirement savings, or other savings objectives, do you



see yourself continually changing, decreasing or stopping these funding arrangements?

- Have you engaged in either hyping, or attempting to increase your net-worth to lenders on paper, to secure a mortgage or other long-term debt?

Well, don't feel alone, most Americans have been there, and I have been there too. But after listening to my elder clients many times over, the story is the same. They express being in The Zone by what they **do not** talk about, what they **do not** worry about, or what they **do not** stress about.

Actually, for many of my elder clients, the only stress they experience, is when they talk about their kids and or grandkids! In their frustration, they vent that, because of their siblings misguided money mindset, their kids/grand-kids are missing some the best experiences of their lifetime. Being with their family.

Oh, by the way, the story at the beginning of

this article? Yes, that was me, around 1992. And my reaction to the boss? Well it was a lot different reaction then most people with a young family would have given. And thinking back, even though I had not achieved The "Financial Ahhhh Factor", I was setting the stage for it. As a result, when I reacted to the boss, I had a level of empowerment, or calm that guided my answer.

"Doug, (not his real name), "I planned this trip for over two months now, and you knew it was on the calendar as well. I initiated all the ideas you offered to boost sales and added at least two of my own. You gotta believe me, little to no benefit is going to be gleaned from dragging me or my team in here this weekend, so we simply can't come in."

I got to tell you, the family and I had one heck of a long luxurious weekend – I got fired on Tuesday.

Well actually, not fired, but asked to step down, and you know what? It was the best thing to happen,

because the manager who asked me to step down unfortunately over sold unrealistic sales goals to Headquarters. A year later, he too was asked to step down, or



retire, never achieving his goal.

Over the years, I go back and forth over how I might have reacted if I was forced to comply with the manager's banter. What if, my monetary mindset was so tight, so dependent on that management pay, that I needed to buckle under; disappointing my family, the team I led, and myself. How would this event have guided me 5, 10 or 20 years from now? Would I be writing this article now?

So, being the teacher that I like to call myself, I wanted to give the reader some tools so they too can create their own personal "Financial Ahhhh... Factor."

**Remember:
CISAM!
(Pronounced
like Shizam)**

Continual monitoring of markets: It's time to realize that the 1990's are officially over. The current market environments now dictate that the investor actively review market trends, and develop strategies and use investment products or vehicles that were not even thought of, in the 1990's. Stay informed regarding your near term, or retirement investments. If you can't, hire it out.

Inflation adjustments:

Ever try to explain to an eleven year old what you bought your school lunch for in the 60's or 70's? See that puzzled "what?" look in their eyes? It happens to be the same puzzled look, you the client give me, when I attempt to show what you need at retirement! It is imperative that you include "Real-Deal" income that you will require at retirement. Also, a little fact: You will spend as much at retirement as you are now while working! And you know why? Because most Americans are spending more than they earn, right now.



Set Realistic time

frames: If you make \$100,000 per year now, at age 35 and have a 401k with \$300,000.00, don't plan on retiring at 65... Period!** Additionally, investment marketers, in their continual attempt to get your savings and retirement assets, are selling complacency by creating sales illustrations suggesting that, **with them**, you can maintain your same faulty money mindset

savings and spending plans... and be all set. Please, do not buy into this Status Quo trap.

Adjust your lifestyle:

This goes hand in hand with setting realistic time frames. Additionally, it is becoming clearer that over-reaching lifestyles lies at the core of Americas under savings, mentality. You need to get off the "keep up with the Jones' highway! Spend too much; spend less. Mortgage too much? Live in a smaller home. Can't live in a home? Rent an apartment. Can't afford an apartment? Buy or rent a mobile home. Unaffordable still? Share a residence or an apartment. Don't get hooked on lifestyle, it can ruin careers, families and lives.

Minimize taxation:

Did you know lower income earners can get the Federal Government to help them save for retirement? **Legally** minimizing the taxation on income, investment earnings and using government incentives, can be a major boost to your own personal bottom line. Always attempt to defer, eliminate or deduct what



legally you can, from your investments, and income. Never pay taxes on money you are not using, today.

Developing a strategy for creating The "Financial AHHH Factor," takes communication with your spouse, time and patience. And sometimes a little non-bias coaching can help, as well.

If you need some help, we have a completely interactive website for you to browse 24/7. Visit:
www.MarkStevensFinancial.com today..

Best of luck.

Mark Stevens

Principal -
Mark Stevens
Financial LLC.

** The above example uses a \$300,000 401k with 4% additional investment yearly, at 6% interest. The \$100,000.00 per year income was adjusted at 3.5 % per year for inflation. Taxation was added to income at age 65 to make assessment of retirement income needs. This example was for illustrative purposes only, and should not be used for any investment or retirement strategies. Discuss all investment and retirement decisions with a qualified professional.



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