

Buckle Down Or Mess Around? You Decide

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By Jonathan DeYoe

Founder, DeYoe Wealth Management & Happiness Dividend

President Obama's executive order granting legal status to 5 million undocumented immigrants could be the headline of the year. You may or may not agree with our President's actions, but there's no denying why so many folks decide to risk life and limb and make their way to America the Beautiful. If you are lucky enough to be a U.S. Citizen, you are blessed with opportunities for social mobility and self-determination that much of the world's population envies.

In our great country, you get to decide at a relatively young age whether you're going to buckle down in high school and become incredible at math or science, spend your time excelling on the basketball court, practice your saxophone three hours a day, or blow-off your homework to hang out with your friends.

After high school, you get to decide if you'll commit yourself headlong to creating a new product or service, furthering your education, being massively productive, or focusing on something easier or more fun. You get to decide whether you'll pursue a college degree, become a ski bum, marry the girlfriend mom never liked, join the Army, join the Peace Corps, or take that first job.

You get to decide if you should buy an electric car or spend \$100,000 on an MBA, and as you're deciding, you'll be surrounded by teachers, family members and friends offering you wise and not-so-wise counsel on what you must/must not do to have a happy, successful future. You'll definitely make some decisions that are right for you. But you'll also make wrong ones. You'll ignore your sister's good advice or follow the recommendations of someone who lacks a true understanding of how today's decision may affect your outcomes tomorrow.

This is especially true when it comes to money.

While you are still young and have a myriad of compelling experiences and material things competing for your dollars, you get to decide how much of your limited income you'll commit to long-term savings. You won't have done any real financial planning when you make this decision, but once you decide how much you're going to save, you probably won't change your approach much in the near future.

For example, if you listen to mom's suggestion and decide to take full advantage of the 401(k) match at your first job, odds are you'll continue to make that same choice throughout your working life. If you decide to set aside 2 percent of what you're earning in your current job because you know you need to save something, you may never save 5 percent, but you'll probably always save something. If you think you don't make enough now to open a savings account and decide you'll start saving later, there's a pretty good chance later may never come.

The decision-making process doesn't get any easier as you grow older. Every time you sign up for a new 401(k) or follow up on your savings decision with an investment decision, you get to decide what's best for you and your loved ones without any formal financial education or real understanding of how to design and implement an investment portfolio. Your decisions may be informed by rules of thumb, ideas about what constitutes a safe investment and notions of what makes an investment too risky. You get to decide which products you should buy or pundits you trust with how many of your probably too few savings dollars, even if you are completely clueless about the stock market or how much money you'll need for a comfortable retirement.

I expect there will be times in your life when you'll get to decide whether to seek professional financial planning advice or continue going it alone. You will weigh the unknown benefits of planning vs. the known costs of paying for a plan. You will question if a financial plan is really necessary for you at 30. Maybe you should start planning at 40? Or 50? Certainly by 60, you'll begin to wonder if you have enough money saved for retirement and wish you had an expert to advise you.

So why are you hesitating to pick up the phone and make an appointment with a financial planner? Because investment advice costs money? Every time you walk through the mall, you decide whether or not you'll buy those Gucci sunglasses or skinny jeans. Hiring a car mechanic, plumber, math tutor, or tax accountant isn't exactly free, either. There are goods and services many of us decide to pay for, because we value the help of someone who knows what they're doing -- especially when we don't.

Financial services are no different. You get to decide if paying a professional for planning advice is the right choice for you. (Why not call your mom and ask her what she thinks?) Then you get to decide if you'll follow your planner's advice! The planner will make informed suggestions, but you get to decide if you'll increase your monthly savings, reduce your projected annual return estimates and lower your expected withdrawal rates so that you can have a sustainable retirement income. What is your financial future worth to you? You get to decide...

Decide wisely!

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Jonathan K. DeYoe, AIF and CPWA, is the founder and President of [DeYoe Wealth Management](#) in Berkeley, CA and blogs at [The Happiness Dividend Blog](#). Follow DeYoe Wealth on [Facebook](#) at www.facebook.com/DeYoeWealth or [Twitter](#) at [@DeYoeWealth](#).

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