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Is your financial plan on track? Is your life?

By KARA MCGUIRE

Q: Assume you've got all the money you need. What would you do with it? How would you live?

Q: You learn you'll die in five years, but have your health until then. How will you live those five years?

Q: You have 24 hours to live. What did you miss? Who did you not get to be? What did you not get to do?

These are the questions that should be at the heart of your financial plan - not budgets or financial statements. At least that's the idea behind what **George Kinder** calls life planning - the marriage of money and meaning.

The former financial adviser, author, and co-founder of the **Kinder Institute of Life Planning** believes "financial planning is incomplete" without life planning. Kinder visited the Twin Cities last week - the most tumultuous on Wall Street since Sept. 11 - to teach Minnesota financial advisers that there's more to their job than spreadsheets and stock prices.

Those three questions helped Kinder realize his own dream life. When he's not teaching advisers around the world his methods, he spends hours a day on meditation and creative pursuits, and splits his time between Hana, Hawaii, and Massachusetts, where he lives with his wife and twin daughters.

The author of "The Seven Stages of Money Maturity: Understanding the Spirit and Value of Money in Your Life" sat down with me to share his views on life planning, the financial planning industry, and the continuing turmoil on Wall Street.

Q: You were a literature major at Harvard and you spend hours each day meditating, writing poetry and taking photographs. Have your life plan and interests influenced your ideas regarding life planning?

A: Yes. In my poetry and photography book "A Song for Hana," I credit Johann Sebastian Bach, William Blake, the Zen Buddhist monk Ryokan and Bob Dylan. But Shakespeare was an enormous influence, Dante was an enormous influence. They had a real influence because they typically challenge us to go into difficult and dark places and find our way through into the light.

All of us feel fraught in some way around money. So there's a darkness that money has for us. One of the things that inspired me was to think about how we help clients move through the darkness. That, to me, seemed like the appropriate role for a financial adviser.

Q: You mentioned the darkness of money. Any opinion on what's been happening on Wall Street?

A: Absolutely. The banking crisis of 2008 is essentially the crash of the sales culture. These huge institutions that people in the past used to revere are crashing because they basically sold product. The game was to create the most exotic product that looked the most sparkling to their consumers, whether their consumers were foreign banks or consumers like you and me.

It is a horrific thing in my opinion, and nobody is really speaking to this. They're all talking about how we shouldn't have mortgage products like this anymore, we should regulate products. Well, that certainly might help somewhat, but what really needs to happen is the delivery of financial advice to consumers should not be confused with sales of financial products to consumers. It would be wonderful if Washington would get the message, it would be terrific if New York got the message. It's kind of a shame people aren't going to jail.

Q: You've traveled to six continents to talk about life planning, and you say it's resonating with people around the world. Why?

A: Both the consumer and the financial adviser are tired of sales. It doesn't matter how much you do as a financial adviser to throw a veil over the fact you are selling. If what you are really doing is sales, a consumer knows it. The advisers are tired of it too, it's inauthentic. Every human being has a side of themselves that is filled with authenticity and they long to live in that place and have their relationships come from that place as well.

Q: What do you say to the skeptics out there who say, "I need a financial plan, not daydreaming?"

A: Most people, when they respond to the three questions, they realize there's something there that they're not doing. They go, "Wow, I want some help to make that happen." Usually they come to that third question and say, "Gosh, parenting is the most important thing to me, but I'm caught up doing this, that or the other thing" or "Gosh, I'd really like to write a book." Usually by asking the three questions, you tap into what's missing, and a financial life planner will actually deliver that for you.

Q: These are tough economic times for some people facing foreclosure and a lot of debt, not to mention the stock market's decline. Doesn't life planning require big bucks?

A: Money is often needed. It's really important to understand who you are and who you want to become in life as part-and-parcel of how you want to answer the financial questions. It sometimes is a question of making a commitment to what you really care about. And if that means there's a bit of money sacrifice, then that's part of the process of life planning. What happens when you do a process like the three questions is that the dreams turn out to be very simple. They're related to our families, they're related to our creativity, they're related to our values. So when you create a life that's structured on those, it becomes much clearer what the financial choices are.

Learn more about George Kinder's philosophy at www.kinderinstitute.com.

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