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Your financial planner: Developing a Super Bowl-like game plan for your money



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Super Bowl 50 is upon us. Even if you pay little attention to professional football, you likely know about the Super Bowl due to media coverage and of course, the preponderance of Super Bowl parties.

I enjoy football, although with the Chiefs not in the big game, I have little interest. However, it occurred to me that building a Super Bowl team has some similarities to building your own personal financial plan.

The obvious one is that both require discipline to be successful. A great football team has the discipline to follow the “game plan,” with individuals executing their assignments on every play. It takes physical discipline to get in shape to play the game at the professional level. When it comes to personal financial planning, it also takes discipline to follow a plan and dedication to advance (be in “shape”) your career and increase your net worth.

It goes beyond discipline. In both cases, one could argue there are three ingredients for success:

- 1) Clarifying and setting goals
- 2) Building a plan
- 3) Taking action

Clarifying and Setting Goals

It seems obvious what the goal of an NFL team is: to get to the Super Bowl. A football team doesn't go through all of its activities – the practices, the game plan, the scouting of players, adjusting for the strengths of their players – for the fun of it. They do it to win.

Likewise, you don't put in long hours at your career and accumulate savings for the fun of it. You have goals in mind – things like financial independence (retirement), supporting children, for children, travel, supporting other family members, and experiences or luxuries. The first step in creating and your plan is to clarify and prioritize your goals. what do you want your money to *do* for you and your family?

Next, define your WIN. For the Super Bowl teams, that's easy. For the rest of us, this may be trickier. It's worthwhile to reflect and determine own personal WIN. How will we be “champions?”

Building a Plan

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Football teams build plans on many levels. First is the “big picture” plan which includes hiring a coach and determining a strategy – what type of offense will be run, what type of defense will be employed, the type of players, etc. Then there is the weekly game plan that is adjusted for the specific NFL opponent that week. This is a more tactical plan. Both types of plans are important.

While some are successful handling their own financial affairs, others may benefit by hiring a “coach” – a financial planner. In personal financial planning, the big picture plan is long-term and outlines a path to achieve your goals. What strategies will you need to use? This plan includes income growth, tax planning, savings, investing, and protecting your assets with insurance and estate plans.

Then on a tactical level, your personal financial plan should include a component of cash management and a spending budget. With investments, your plan and investment policy should set guidelines for changes that will be made to rebalance and continue to hit allocation targets. To reach your long-term goals, you will need to have plans for monthly and annual targets, very similar to the game plan developed each week by that Super Bowl coach.

Take Action

This is where the rubber meets the road, and the step that often differentiates the winners from the also-rans. It’s where discipline (see above) really comes into play.

A great plan that is not executed properly is worthless, both for an NFL team and for you. Take action to implement the plan. In football, the players study the game plan and practicing the plays. It’s about developing and sustaining habits that lead to good behavior – the touchdown pass or quarterback sack. Same is true for personal financial planning. Creating good habits – saving a portion of your income, sticking to your spending plan and in staying within your investment plan—sets you up for success.

We also know we need to make “In-game” changes. As situations change, we may need to alter our game plan accordingly. We may need to save more, earn more, or spend less. As the world changes, we may also need to try different investment strategies and assets.

So as you watch the Super Bowl or drive to attend a Super Bowl party, think about your own financial situation. Are you positioned for success? Are you executing a plan to achieve your WIN? If you are looking for a coach, consider a CERTIFIED FINANCIAL

PLANNER™ professional.

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