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## DEEP ROOTED THOUGHTS

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**B**e thankful for the important things.

As we approach Thanksgiving, I wanted to share with you some research I have read over the course of the year that centers on the relation between money and happiness. The results suggest that we may be overlooking the things for which we should be truly thankful. Hopefully you will consider how these findings apply to your life.

#### **Money Can Buy Happiness**

Madison Avenue tells us regularly that if we purchase the right items, we will be happier, smarter, prettier, wealthier, and thinner. Recent research done collaboratively by Michael Norton at Harvard Business School and Elizabeth Dunn and Lara Aknin at the University of British Columbia confirm that money can buy happiness, but there is a catch. You have to give it away.

The study done by Norton, Dunn, and Aknin started by asking people how much happier they would be if they earned different levels of income. In general, people significantly overestimated how much happier they would be at a higher income level. In fact, above the U.S. median income level of around \$60,000, the researchers found very little additional happiness at higher levels of income. This does not indicate that money does not matter, only that once you have a reasonable amount of it, having more will not make you much happier.

I believe the more interesting results from their research can be found in how people value the utility of their money. By utility, I am referring to the benefits they can derive from spending it. In this part of their study, they gave participants between \$5 and \$20 and told them to spend it. Half were asked to spend it on themselves, and half were told to spend it on others. Those who spent their money on others, regardless of whether it was a gift for a friend or family member or a charitable donation, reported a much higher level of happiness than those who spent the money on themselves. Interestingly, there was no difference in happiness between those who spent \$5 and those who spent \$20. The conclusion is that it is not how much you spend, but how you spend it that will lead to greater happiness. Also, we tend to overestimate the joy we will feel from buying something for ourselves and underestimate the satisfaction that comes from doing something for someone else.

#### **Use The Proper Scorecard**

It is normal to assume that the person with the bigger house, nicer car, and better vacation is happier than you are. It is relatively easy to add up the value of their possessions to determine if they have more stuff than you do. However, in a recent Merrill Lynch survey, more than half

of the retirees who responded said that if they had to live their lives over again, they would have focused more on life goals and less on financial goals.

One way to determine if you are spending your time and money in ways that truly reflect your values is to answer a few questions and compare the answers to how you are living.

***Question #1: Imagine you won a \$100 million lottery. What would you do with the money? What would you buy? Where would you go?***

***Question #2: Imagine you were just diagnosed with a rare disease that will take your life in exactly ten years. How will you spend the money you have? Where will you go? Who will you spend time with?***

***Question #3: Imagine you are told that you will have only 24 hours to live. What did you not accomplish in your life? What would you do differently if had the chance?***

While we all have different backgrounds, there are similarities in how most people answer these questions. Most of us will list a handful of big-ticket items we would buy if we had the unlimited resources in Question #1. A couple of big ticket items, usually including some world travel, are common among the responses to Question #2. In answering Question #3, most people wish that they had been more creative and altruistic with their time and money. Perhaps when faced with your own mortality you will wish that you had done more for your community, the planet, or some organization that has meaning to you. Maybe you will wish you had developed stronger personal relationships or fixed broken ones. Interestingly, most responses to Question #3 do not require much money.

### **Be Thankful For The Meaningful Relationships In Your Life**

In a recent issue of Fast Company magazine, Alex Bogusky, the creative genius behind the rapid ascension of the Crispin Porter + Bogusky advertising agency in the late 1990s and early 2000s, explained his sudden departure from the top of the advertising world to pursue something more meaningful to him. Despite being named the Creative Director of the Decade by Adweek magazine in 2010, Bogusky stated, “I guess I just don’t aspire to corporate legacy. I am convinced that the greatness that matters more is the greatness people achieve through helping each other, through collaborating, more than the greatness that’s achieved by grabbing all you can or getting all you can or building all you can. The ‘you’ needs to go away for there to be the real greatness to things.” Cynically you could argue that after making millions, maybe he just got tired or did not need any more money. I would like to think he recognized that there was something more he wanted to accomplish that could not be measured on a financial statement.

Bogusky’s career change and the research pieces help me to focus on what I value most and appreciate about my career. I treasure the trust you have placed in me and the opportunities you present for us to solve problems together. I am truly thankful for you and the relationships I have with all of my clients.

I hope that during this season of Thanksgiving that you can find the time to tell all the important relationships in your life how much you appreciate them. While we all strive for financial independence, it is our social interdependence that makes us who we are.

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