

Special

“Whole Person” Financial Planning

By William J. Goldsmith

Posted Jul 9, 2018 at 10:47 AM

What does financial planning mean to you? Is your definition focused on retirement or your investments or money in general? While money is important to most of us and we clearly need a certain amount to maintain our lifestyle and provide for our families, I believe that it is only part of what enables us to have a quality life and not nearly the most important part. Yet most financial planning is focused almost entirely on our financial assets.

That is why I developed the concept of “Whole Person” financial planning. Our lives are so much richer than just our investments. There are so many aspects to each of our lives including: health, family, career, community, finances, personal development and spirituality to name just a few. The quality of our lives is measured by the moments and experiences, both private and shared with others, that bring value, balance, joy and a sense of purpose to our lives. For this reason, I believe planning should focus on the whole person, not just our finances.

This “Whole Person” concept came to me as part of my involvement with the Pan-Mass Challenge (PMC), a charitable bike ride that raises money for the Dana Farber Cancer Institute (DFCI) in Boston. While I wish there were no need for hospitals like the DFCI, I am very thankful that it exists. What makes the DFCI special, aside from the expertise of its staff, is the way the staff treats their patients, from the receptionists to the top physicians. They treat the whole person, not just their disease. There are social workers and counselors to help the patient and their families deal with the emotional and physical ramifications of their diagnosis and treatment. I have experienced this approach personally when my mom was first diagnosed with cancer, throughout her treatment and when she was receiving palliative care at the Brigham & Women’s Hospital. Patients of the DFCI stay at the Brigham & Women’s Hospital for in-patient care. Patients and their families are treated with dignity, kindness and respect. This level of care, full-service and considering all aspects of a patient’s life and needs, is what makes the DFCI special and unique.

I think that the financial planning process can benefit greatly from a similar approach. Not only is it holistic and comprehensive, but it can improve the quality of our lives. I know many people who are considered successful financially. But, a lot of them have significant health issues. They have spent so much time building their net worth and very little time maintaining their health. As a result, there is a very good chance that they will spend a significant amount of their assets on healthcare and medical expenses in retirement, if not sooner. While most of us will spend more money on these expenses as we age, our lifestyle choices play a role in how soon and how much we will spend. While longevity is increasing, so too is morbidity. The ideal is to have a long, healthy life without physical or mental limitations. We all want this to be the case. But are we consciously making the decisions and focusing our efforts on the actions that will help us to do so?

So many of us spend most of our time at work. We do this to advance our careers, grow our businesses and provide for our families. Here, too, we can become out of balance even with the best of intentions. We spend 10 hours working and four hours commuting daily. But we miss out on seeing our children when they wake up and before they go to bed. We convince ourselves that this is the only option. What if there were other options? By looking at the whole person, we can determine if this approach truly works best for us and our families or if another approach would be better. Perhaps we could reduce certain expenses that would enable us to take a lower-paying job closer to home. This way, we could still provide for our family while spending more time with them. I am not stating that this is the right thing to do. It is simply one option. But without looking at everything that is important to us, we may not even consider it. We need as much information as possible to inform the solutions we develop as we work together.

The same holds true for education. We live in an economy that is changing at an ever-increasing rate, especially from a technological standpoint. To succeed, we will need highly-trained workers able to handle the jobs of the future, and who can adapt as the economy changes. But for this level of worker what type of education is required? Is it necessary to spend \$60,000 a year at a private liberal arts college or would a community college degree suffice? What about attending a community college for two years to complete prerequisite courses and then transferring to a public or private four-year university to complete a bachelor's degree? This would decrease the cost of a college education dramatically. As a result, it would reduce the amount that parents need to save for higher education and the debt students would need to incur for a degree.

Our kids are coming out of college with debt the equivalent of a mortgage. It is a tremendous burden that impacts their ability to do so many things, like live on their own. Many times, they cannot afford their own place and so need to live at home after graduation. With less debt, maybe they could afford to be independent, while we could think about downsizing and moving to a warmer climate — seems like a win-win!

Our lives are complicated, and our time is limited. Sometimes, I feel like Bill Murray in Groundhog Day. Without thinking, our days can blur from one to the next and turn into years before we know it. For many of us, taking the time to consciously think about what we want and how we want to spend our time would be helpful.

The key is to decide what planning means to you – the whole you.

William J. Goldsmith, CFP®, CLU® is the President and Owner of LifeTime Financial Strategies, LLC, an independent financial services firm. Bill was born and raised on the South Coast and lives in Middleborough with his wife Lisa and their children. Bill can be reached by email at bill@lifetimefinancialstrategiesllc.com.

Securities and advisory services offered through SagePoint Financial, Inc., member FINRA/SIPC. Insurance services offered through LifeTime Financial Strategies, LLC, which is not affiliated with SagePoint Financial.