

VALUABLES

Ideas, Systems and Strategies for Managing Family Wealth to Fulfill Your Greatest Values.

About VALUABLES

Many financial advisors focus on communicating with clients to provide complex analysis of the investment markets and economies. However, we have learned that most clients are not particularly interested in this complex analysis. Most clients hire an advisor for their knowledge of the markets, not for their ability to explain that knowledge. Most want to know what time it is, not how to build a watch.

Experience has taught us that wealthy families care most about using their wealth as a means to a desirable end, which is to achieve a more satisfying, fulfilled and impactful life, and to fulfill their most important Life Values.

VALUABLES is a periodic article series focused on the concepts, systems, and habits which we have observed among families who have been successful in this quest to use their wealth as a tool to live a life of significance. The most successful families share a set of habits, systems, and insights which enable them to use their wealth as a tool to fulfill their Values and what is most important to them.

We are naming this article series **VALUABLES**, because it will provide an exploration of those habits, systems, and insights. We hope it will help you to consider your assets and possessions which are most valuable to you, and how you can use your financial wealth to enhance and cultivate your true "Valuables".

The Freedom Matrix

By Erik Strid

"What is it that really motivates people...? It isn't what most people think. It's not money, and it's not status. It's Freedom. This Freedom comes in four different varieties, and when you become conscious of them, it has a tremendously clarifying effect on your thinking."

~ Dan Sullivan, The Strategic Coach

Freedom is the Ultimate Goal

In our role as financial and wealth planners, most of our conversations with clients are centered on planning for the future, and helping clients to achieve their most important financial goals. These discussions usually revolve around reaching some level of financial security to meet family responsibilities, to retire and plan for old age, and to pass along money and assets to future generations. In most cases, our clients are looking for help in formulating their "Number" – that level of wealth or net worth that will ensure that they will be secure in achieving the financial goals they hold most dear.

For many people, the achievement of their "Number" means that they can finally be "done" – they can stop working and retire, secure in the knowledge that they have achieved *Freedom From*. They are free from the hassles and stresses of work and life's daily responsibilities. However, we have noticed that the most sophisticated and self-actualized people have a different vision, one that centers on financial success as a means to achieve *Freedom To*. They are free to spend their time and money to live an even more exciting and meaningful life, and not just a life in which they are "done" with the world. This vision of *Freedom To* is harder to define, but we think of it as a matrix which actually consists of several layers of freedom, which collectively can empower us to live our very best and most fulfilling lives.

Financial Freedom is the Gateway

Most people work very hard so that they can achieve the first layer of freedom, which is Freedom of Money. There is nothing wrong with this pursuit, and in fact our firm is dedicated to helping our clients take the steps necessary to secure their financial freedom. In our matrix, financial freedom is less about a "Number", and more about a state of mind – it defines a state of being and feeling in which you are free from money worries. When financial considerations are no longer an obstacle for you when making decisions. In short, it means that money is no object for you, and you are free to make decisions without consideration of the financial cost. Achieving financial freedom can be the key first step to living a truly great life, but it is only really the first layer, a gateway to other more important and gratifying layers of freedom. *Freedom from* money concerns is important, because it can afford you *freedom to* pursue the other important freedoms of life:

Freedom of Time

- It has been said that time is actually the world’s only truly scarce resource. No matter what family you were born into, how smart or successful you are, or how much money you have, we all only get 168 hours every week, and ultimately, we are all faced with the reality that we can’t make it out alive –there will come a day when our time on earth will run out.
- Your happiness and fulfillment in life will largely be a function of how you spend those 168 hours each week, and the extent to which you get to choose the activities and interests that will fill your time. Freedom of money is important, primarily because it allows you a greater degree of choice and control over how you spend your time.

Freedom of Relationships

- For most people, human connections and relationships are of primary importance, and a significant part of our sense of fulfillment and meaning. Most people would count their loving relationships with friends and family as among their most cherished possessions and a source of great happiness and meaning.
- Unfortunately, many of us may also have relationships in our lives which do not support and nurture our happiness and sense of meaning, but which we must maintain due to career, financial or other requirements and responsibilities.
- Freedom of Relationships means that you have reached a point in which your freedom of time and money allow you to focus your time and energies only on those enjoyable relationships which support and nurture you, leaving behind those relationships which drain you or drag you down. It means you are free to constantly surround yourself with the people you choose, and leave behind those you don’t.

Freedom of Purpose

- We have found that the achievement of one’s Core Values and sense of Purpose in life is the most powerful driver of human happiness and fulfillment. Those with a clear sense of purpose are directed, energetic, and at peace with their lives and the world

Freedom comes in four different varieties: Freedom of Money, Time, Relationships, and Purpose.

around them. Without a clear sense of purpose, people tend to lose direction, clarity, and energy, and often quality of life and self - image will suffer.

- Unfortunately, many people make money and career success the only purpose in their lives, only to find that they end up with all the money they could ever need, but they no longer have a purpose. Financial freedom can be a double edged sword: on the one hand, financial freedom allows us to choose our purpose, and to spend all the time, energy, and money we wish in the pursuit of that purpose. On the other hand, just because you have money doesn’t mean you will have purpose – you must exercise your freedom to choose what is important to you, and put in the effort to make it your purpose. It is important to choose a purpose that is bigger than money.
- The ultimate layer of freedom is the freedom to use your money, time, energy and relationships in pursuit of a purpose that is most important to you, and which nourishes and fulfills you.

The Freedom Matrix

The Freedom Matrix is a thinking exercise that can help you to explore what freedom means to you, and how you intend to define and achieve it in your life. It is based on a series of questions which allow you to do a self – reflection about each area of your life: Your vision of Freedom of Money, Time, Relationships, and Purpose. We invite you to consider these questions:

- What does freedom mean to you in each of these areas? What is your specific vision of what it would mean to achieve freedom in each of these 4 key areas in your life?
- What is your assessment of your current level of freedom in each area? Are you happy with your level of freedom in each of these layers in the matrix?
- What needs to happen in the next three years for you to feel as though you have made progress towards the achievement of freedom as you have defined it?
- What are the obstacles to achieving that vision of freedom?
- What are the opportunities that are currently being presented to you which may help you to achieve your vision?
- What strengths do you have which will allow you to realize your vision?
- What specific actions can you take in the next 90 days to enhance your freedom in each area?

In our view, Freedom really is the thing that ultimately motivates all people. We all strive to achieve a life in which we can spend our money, time and energy on the activities, relationships and purpose that are most important to us. Money is simply a gateway, or a link to the most important Freedoms that support and nurture us. We sincerely hope that The Freedom Matrix will be a thought provoking exercise to help you to consider what freedom means to you, and to take steps to enhance your own personal sense of freedom.

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