

Engineering financial joy is possible with robust, dependable plan



GUEST COLUMN

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Can you engineer a process that results in joy? That might seem an odd question. We tend to think of joy as spontaneous (and don't get me wrong, I love spontaneous joy.), but in working with clients who are engineers, I have come to think about the intricacies of process, and those processes can result in smiles and pleasure that can only be called joy. Let me explain.

The team at Piton Wealth finds a special joy in helping clients and community members pursue fulfilling lives. One source of such joy is distributions, a part of financial planning that is rarely associated with joy (and I will explain why that is, too). Where do distributions fit into a financial plan? The security of a plan can mean that assets reside in multiple accounts, with differing tax consequences.

A full financial plan includes how and when to distribute funds to the clients, so "distribution" refers to withdrawals that go to the client. The basics of client wellness can mean distributions go for a wide range of purposes, all integrated into the plan.

As with engineering any process, we work to make the financial plan robust and dependable. Security and wellness are huge for clients just by themselves, but once a client feels safe and secure with their plan and that the life that they are working for is sustainable, and there is room to do more, then the results can become joyful.

Distributions at this stage can become gifts to individuals, donations to charitable causes, steps toward a legacy. The math alone is incredible, because at that point the quality of a client's life multiplies the quality of the lives of those around them.

That joy becomes our joy as well because those distributions represent plans in action at a point when clients are fulfilling their life goals. The saving and planning that preceded those distributions often entailed sacrifices in the interest of those goals, which makes their fulfillment, when they come, all the sweeter.

Celebrating joy in distributions can be a rarity in the financial world. Most often, a firm like ours is measured by AUM, or assets under management, which totals all the assets that the firm officially manages (such as managing the investments in those retirement accounts).

Additionally, firms sometimes publicize AUA, or assets under advisement, to convey the total assets that planning coordinates (clients may have assets that a firm does not manage, but which would be affected by a financial plan).

It is rare for a firm to measure, least of all celebrate, distributions because distributions actually reduce measurements like AUM and AUA because those funds are no longer managed or part of the advisement plan.

In that sense, firms can view distributions as shrinking the size of the firm or reducing the firm's revenue. We see joy instead: distributions are a natural result of years of discipline and lead many of our clients toward fulfilling their life goals. Yes, those are funds subtracted from our AUM and AUA, but exactly for the whole reason we do our work and planning, so we celebrate those lives in action.

"Of all the attitudes we can acquire, surely the attitude of gratitude is the most important and by far most life changing," said author Zig Ziglar, and with that thought, thank you for joining me in this and I offer again my sincerest gratitude to you whose lives in the community inspire and sustain our own attitude of gratitude.

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