

Handling the Curve

No matter how thorough our planning is, life inevitably tosses curveballs at us. Often these challenging moments are linked to major life transitions that affect our families, our careers, and our money. Balancing these variables can make arriving at the best decision that much more complicated.

Snap decisions are usually the least effective in the long run. Instead, take a breath, and let these decision-making strategies lead you towards the best possible outcome.

1. Discuss the decision openly and honestly with your spouse.

The harder the decision, the more serious it probably is, especially if it involves your family finances. Hiding problems from your spouse almost always makes a difficult situation even harder. If this is truly a fork in the road moment, both of you should be on the same page. Your spouse's perspective might be just the thing you need to make sure you're making the right choice for the right reasons.

2. Consider how this decision aligns with your values.

You might think of this as the "mirror test." If you make this choice, are you going to be able to look yourself in the mirror tomorrow? If not, you might be leaning towards a decision that's at odds with what's really important to you.

Think about the reasons for this disconnect. Are you considering the easier of two possible choices? Living by your values isn't always easy in the moment, but that face in the mirror is going to be looking back at you for the rest of your life.

3. Identify an objective.

Sometimes we don't understand our true reasons for the choices we make until we dig a little deeper. "Why?" can be a simple but very powerful question, especially if you keep asking it.

For example, why do you want to buy a bigger house?

Because we need more space.

Why do you need more space?

Because I don't have room for a home theatre.

Why do you need a home theater?

Because my job is too stressful, and I need to decompress.

Turns out your housing decision isn't really about your house. It's about work. And a bigger TV isn't going to make your job any less stressful.

4. Think about everyone involved.

Step outside of yourself. Think about the other people who are going to be affected by your choice. Your spouse. Your children. Your friends. Your co-workers. Your neighbors. What's best for you right might

not be what's best for the people closest to you. Is this decision going to damage any relationships that are important to you? Is that damage worth it?

5. Are past experiences influencing this decision? For better? For worse?

Our decision-making can sometimes feel like it's automatic. We make choices without ever really thinking about why we made that choice. We might say after the fact that we were "going on instinct" or "listening to our gut."

But the way we respond to major choices is often a result of our past experiences. For example, your attitudes about an investment decision or big-ticket purchase might be heavily influenced by how you saw your parents handle their money when you were a child. You might continue to work a safe but unfulfilling job because that's what your father did to provide for you.

Think about whether your experiences are helping you make a good choice or reinforcing some bad habits.

6. Consider seeking professional advice.

It can be difficult to admit when we need help. But pros are pros for a reason. There are probably plenty of people who have benefitted from your professional expertise over the years. Don't be too proud or embarrassed to contact an attorney, health care provider, counselor, contractor, or tax expert if you need the best possible advice.

And if your decision will occur at a major intersection of your life and your money, we want to be at the top of your call list. Come in and talk to us about how this choice could affect your Life-Centered Financial Plan, and how we can help.

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