

The bucket list is an important tool in financial planning

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Throughout the years, I've noticed that most people don't want to hear about mutual funds, a rebalanced portfolio or standard deviations. In fact, I've learned that the only creature on the planet willing to listen to my explanation of standard deviation is my dog—and only then if I'm scratching her belly.

People have one question: Will they have enough money to accomplish their goals?

To help people realize their dreams, I ask them about their bucket list – the list of to do's that they want to achieve before they “kick the bucket.” Most people want to be heard—but I might have to do some prodding to get them to talk. And sometimes I have to listen to what is not said, as much as to what is said.

Considering that many people don't give a great deal of thought to their financial goals beyond “increase portfolio returns,” they may need help uncovering what is really important. They need to be asked the right questions and then they need to articulate their goals.

These questions include life planning issues: Three years from now what do you want to have achieved? If you had three years left to live, what would you change? Are you living your model calendar? How do you want to spend your time?

Rather than listing their goals in terms of “Retire at age 62,” people should verbalize their dreams and their concerns. When a client told me that one of his goals was to skydive, I offered to go with him. And last month, I jumped out of a plane with him and my daughter...an exhilarating experience that we will never

forget. If he hadn't talked about his dreams, he may never have taken the leap of achieving a long-standing goal. On my personal bucket list is a goal to run a marathon in every state and so far I've completed about a dozen.

People may have a lot on their bucket list, so the next important step is to prioritize goals. This can help keep the goals on track—or help realign goals when they've veered off course.

If people don't have the resources to achieve all of their dreams, then they need to make decisions about which are the most important.

The bucket list conversation is an important tool in the financial planning process. By answering critical and time-tested questions, people can understand what's important in their lives and what dreams they want to accomplish.

Oftentimes, I find that these dreams have never been articulated.

What's on your bucket list?

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