

LIVING A LIFE OF VALUE: YOUR MONEY, YOUR CAREER & YOUR FUTURE

LIVING YOUR VALUES, FINANCIAL PLANNING & OWNING YOUR FINANCIAL FUTURE

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BRIAN BOLTON

UL LAFAYETTE – PROFESSOR OF FINANCE

UL SYSTEM – CONTENT EXPERT ON FINANCIAL LITERACY



Brian Bolton
Professor of Finance
brian.bolton@louisiana.edu

<http://business.louisiana.edu/financeispersonal>



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L A F A Y E T T E[®]

**B.I. Moody III College of
Business Administration**

A Few Opening Morals

Personal Finance is...personal.

It's about you and not about anyone else.

You have to make it about you and your goals.

A Few Opening Morals

There is no judgment in personal finance.

There is no ego in personal finance.

There is no shame in personal finance.

It's about you and not about anyone else.

A Few Opening Morals

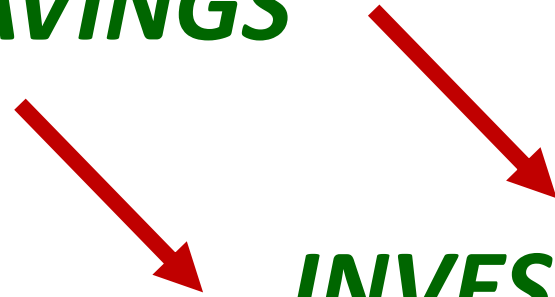
Because personal finance is personal, it is virtually impossible for me to give you any specific advice.

However, there is one word of advice that applies to 99% of people working on their finances:

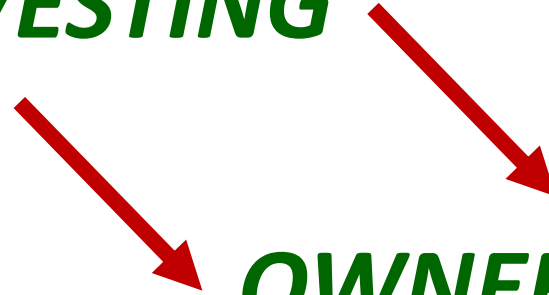
SAVE

A Few Opening Morals

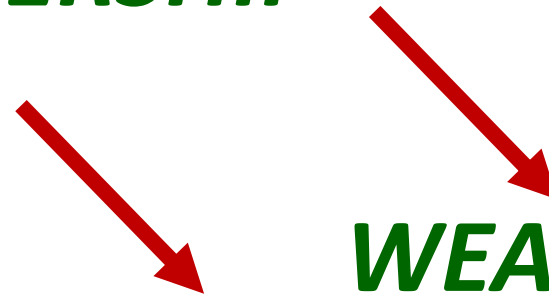
SAVINGS



INVESTING

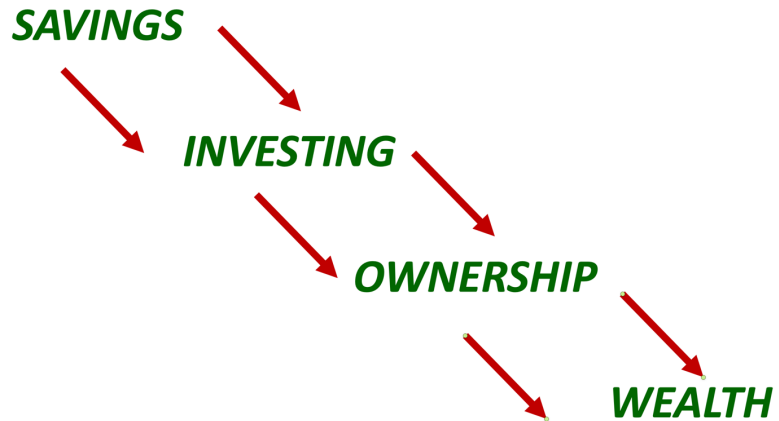


OWNERSHIP



WEALTH

A Few Opening Morals



The average NBA player makes \$8.3 million per year and plays for 4.5 years. Within 5 years of retirement, 60% of NBA players are broke.

When LeBron James joined the Los Angeles Lakers, he talked with Magic Johnson about his future, about his legacy and about business opportunities.

Magic's advice was simple:

To build enormous wealth, you have to be an owner.

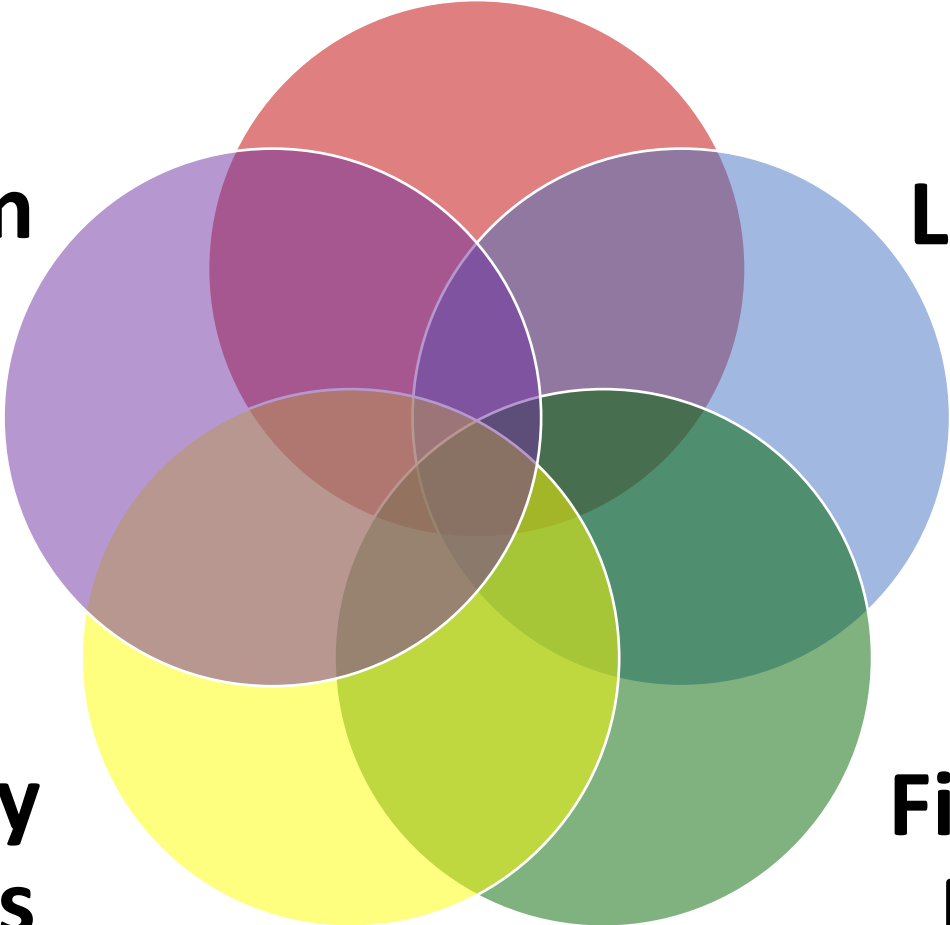
Happiness

**Short-Term
Goals**

**Long-Term
Goals**

**Family
Needs**

**Financial
Needs**



What Are Your Values, Dreams & Goals?

Education

Career

Family

What Is Your Current Situation?

Education

Career

Family

Financial

Create a Personal Financial Plan for You:

Investing

Budgeting

Debt Management

Taxes

Insurance

Retirement

Education

Family

Business Planning

Philanthropy

Estate Planning

Owning Your Financial Future



Owning Your Financial Future



Owning Your Financial Future



Let's Take a Quick Quiz

Please define the following word:

VALUES

THESE ARE
THE SAME
WORDS!

Now define this word:

VALUE

What Are Your Values?

community

a group of people with a common background or characteristic or with shared interests

competence

ability to solve problems, demonstrates mastery

leadership

the ability to create relationships in order to complete a stated goal or mission

health

placing importance on physical and emotional well-being

diversity

appreciates and respects individual differences

education

placing importance on learning and education

independence

ability to be self-directed in one's thoughts and actions

meaningful work

doing and providing work that has a purpose and/or significance

creativity

placing importance on imagination, inspiration and inventiveness

happiness

feelings of contentment, satisfaction and/or fulfillment

ecology / environment

awareness of natural resources

challenges

things or situations that test a person's thoughts or abilities

relationships

connections between and among people

helping others

placing importance on assisting other people

fairness

placing importance in justice, decency and equality

achievement

places importance on the fulfillment of activities, goals, tasks or work

autonomy

places importance on freedom, independence and individual discretion

family

connection to immediate or extended relations

integrity

firm adherence to a moral code and/or set of values, walking the talk

ecology / environment

awareness of natural resources

faith

belief in something, someone, or even a higher power

friendship

strong ties with family, friends, co-workers or members of a certain community

excellence

pursuit of the highest level of optimal performance

adventure

seeks out and/or participates in exciting events that involve uncertainty

money

financial assets, the accumulation of wealth

autonomy

places importance on freedom, independence and individual discretion

family

connection to immediate or extended relations

competition

comparison of self, team or organization against oneself or another

wealth

richness in terms of assets or money

spirituality

appreciating the need to understand one's inner self and its relationship with the world

freedom

without obligation

religion

a specific system of belief or worship

What Are MY Values?

**What
values are
part of my
DNA?**

**What Am
I Looking
For in MY
LIFE?**

**What Am
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For in A
JOB?**

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What Are MY Values?

What Am
I Looking
For in A
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change

a shift from one
state, stage or
phase to
another

independence

ability to be self-
directed in one's
thoughts and
actions

community

a group of
people with a
common
background or
characteristic or
with shared
interests

challenges

things or
situations that
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placing
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inventiveness

What Am I Looking For in A JOB?



These are the values that give my work energy and purpose.

I need to find a job, a career, projects, programs, activities or hobbies that give me the opportunity to embrace with and connect with these values.

Self-actualization

desire to become the most that one can be

Esteem

respect, self-esteem, status, recognition, strength, freedom

Love and belonging

friendship, intimacy, family, sense of connection

Safety needs

personal security, employment, resources, health, property

Physiological needs

air, water, food, shelter, sleep, clothing, reproduction

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Some Homework for You

Make a list of the 5-10 most important criteria you are looking for in a job or career.

Rank these criteria.

Connect these criteria to your long-term and short-term goals. Connect these criteria to your values.

More Homework for You

Once a week:

Make a list of the money you are going to spend this week.

Once a month:

Make a list of how your job serves your values – or how school serves your values over the long-term.

Once a year:

Revisit your values and identify your short- and long-term goals.

Values, Financial Wellness & Resilience

- *Budgeting & Debt Management*
- *Resetting your financial plan*
- *Tax planning*
- *Summer Work, Holiday spending & New Year's Resolutions*
- *Revisiting your family, personal & career goals*

Budgeting & Debt Management

- *Budgeting – The one truth is that you can only spend money that you have or earn...unless you borrow.*
 - *Find a budget approach that works for you.*
 - *Don't outsource all of your budgeting to apps, websites or your bank. Do it yourself. Internalize the numbers.*
 - *Set boundaries and rules – make willpower natural.*
 - *Set goals and challenges – make saving a game.*
- *Align your spending with your values and what you care about most.*

Budgeting & Debt Management

- ***Debt Management – When you borrow, you are saying that your present needs are so great that you are willing to endure some pain or sacrifice in the future to satisfy those needs (and almost all students do this).***
 - ***Whenever you borrow – whether it's student loans or credit card debt – make a plan for how you're going to repay that debt.***
 - ***Interest: the premium you pay to use someone else's money.***
 - ***Find loans with low rates, no fees or penalties & a short repayment term.***
 - ***Once a year, talk to a bank or lender about consolidating your debt.***
- ***Live a life that is not controlled by debt. This starts with your values, your behavior & your budgeting. Always have a plan to get rid of your debt.***

Financial Wellness & Resilience

- *Resetting your financial plan*
 - *Revisit your values and identify your short- and long-term goals*
 - *Analyze your insurance, phone, subscription and other expenses*
 - *Should you look for a new job?*
 - *Start a money journal – note your behaviors, feelings and emotions related to how you spend money*
 - *Share your financial goals with your family*

TODAY

THE NEXT 6 MONTHS

THE NEXT 12 MONTHS

2 YEARS AFTER GRADUATION

3 YEARS AFTER GRADUATION

**ONCE EVERY SEMESTER:
TRACK EVERY PENNY
THAT YOU SPEND &
TRACK EVERY PENNY
THAT YOU EARN**

**IN THE NEXT 3 MONTHS:
IDENTIFY WAYS TO
DECREASE YOUR
DISCRETIONARY
SPENDING BY 25%**

**IN THE NEXT 6 MONTHS:
MAKE A PLAN TO
MANAGE – AND PAY OFF
– YOUR DEBT**

**IN THE NEXT 6-12
MONTHS:
OPEN MULTIPLE
SAVINGS ACCOUNTS, 1
FOR EACH GOAL**

**IN THE NEXT 12 MONTHS,
OPEN AN IRA OR ROTH IRA**

**WITHIN 2 YEARS OF
GRADUATION:
HAVE AN “EMERGENCY
FUND” ACCOUNT, WITH 3-6
MONTHS OF NON-
DISCRETIONARY EXPENSES**

**WITHIN 3 YEARS OF
GRADUATION:
ELIMINATE ALL OF YOUR BAD
DEBT.**

Financial Wellness & Resilience

- *Tax planning*

- *Do you want to make any charitable donations before year-end (or wait until January)?*
- *Should you recognize any investment gains or losses before year-end?*
- *Do you know all of the deductions and credits that you are eligible for?*
- *Did you receive a tax refund this year? Do you really want a tax refund each year?*

Financial Wellness & Resilience

• *Summer Work*

- *If you're earning money this summer, make a plan for how that money is going to help you achieve your future goals.*
 - *Yes, it's okay to enjoy some of that money during this summer...but maybe don't enjoy ALL of it.*
- *If you're not earning money this summer, this is a great time to develop budgeting habits that will serve you in the long-term.*
- *When do you transition from a job that pays well (but doesn't align with your career goals) (like bartending) to an internship or lower-paying job (that does align with your career goals)?*
 - *Only you can decide that...but you probably will have to decide at some point.*

Financial Wellness & Resilience

- *Holiday spending*

- *Set a budget & make lots of lists*
- *Make a list of what you are going to buy*
- *Make a list of what you are NOT going to buy*
- *Have open conversations about money with your family*

- *New Year's Resolutions*

- *Create specific financial goals (For example...Eliminate 3 subscriptions this year)*
- *Create generic financial goals (For example...Improve my credit score)*
- *Think about how financial resolutions relate to other resolutions*
 - *If you want to exercise, travel or read more, what will it cost?*

Financial Wellness & Resilience

- *Revisiting your family, personal & career goals*
 - *What do you want to achieve over the next 1-2 years?*
 - *What do you want to achieve over the next 3-5 years?*
 - *What do you want to achieve over the next 10 years?*
- *As you revisit your goals, be sure to communicate with your family and anyone else affected by your goals.*

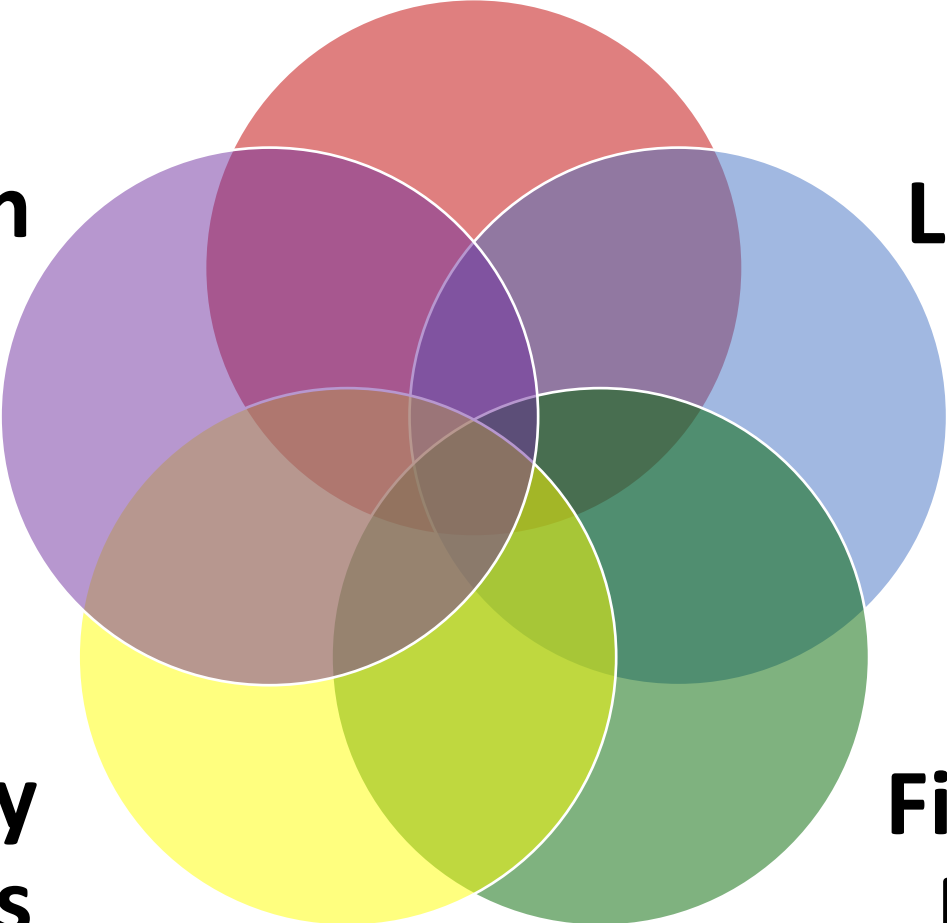
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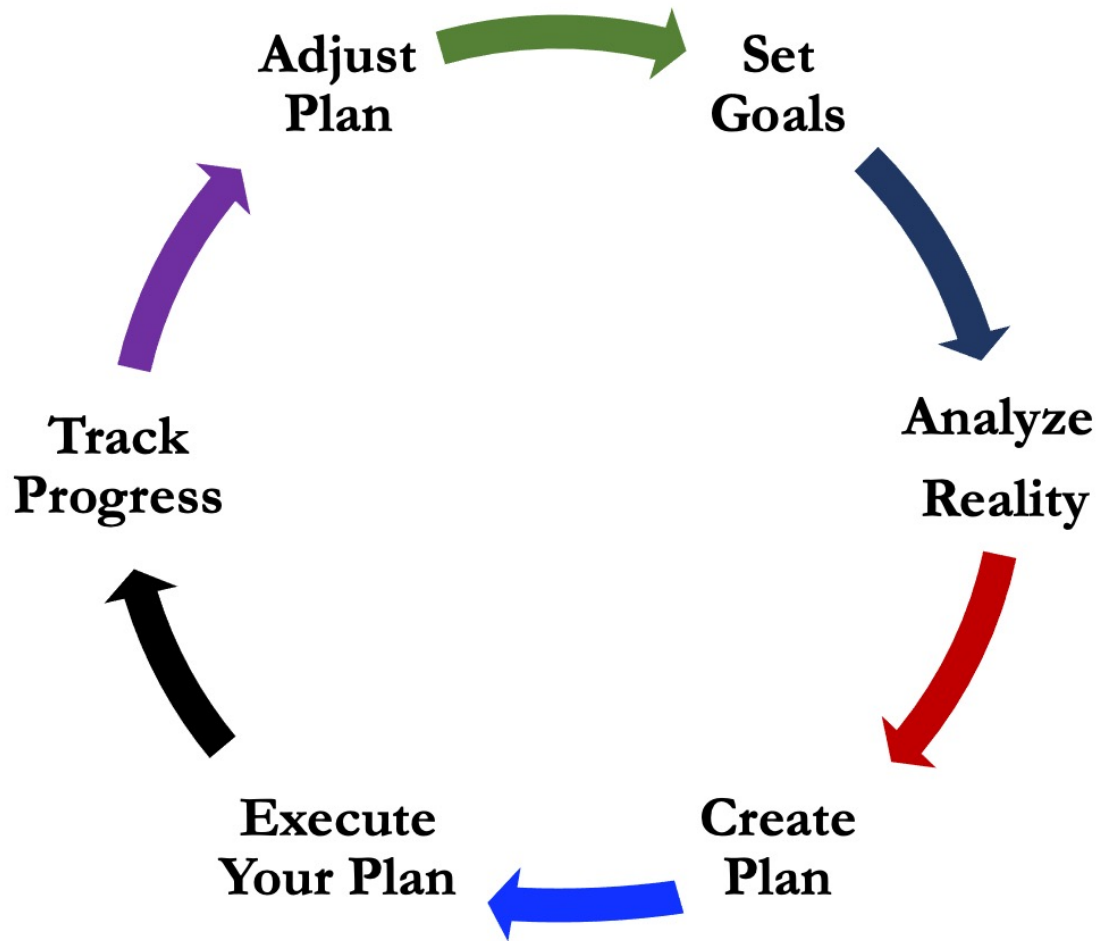
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Goals**

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1. **Set your goals.** What do you want to achieve in life? What financial goals will make this happen?
2. **Analyze your reality.** What is your situation? What is your income? What are your expenses? When can you achieve your goals?
3. **Create your plan.** Focus on the short-term – the next 3-6 months – and the long-term – the next 1, 2, 5 and 10 years.
4. **Execute your plan.** Work to decrease your expenses. and to pay off debt. Work to increase your income and your savings.
5. **Track your progress.** How are you doing? Are you ahead of your goals? Are you behind your goals?
6. **Adjust your plan** to reflect your progress, your new reality and any new goals.
7. **Repeat. Revise. Enjoy.**

Isn't this a lot like what you do with your education planning?

Financial Wellness & Your Values

*A goal without a
plan is just a
dream.*

*Wealth is largely
the result of
habit.*

*The most difficult
thing is the decision
to act; the rest is
mere tenacity.*

*It takes as much
energy to plan as
it does to wish.*

*You cannot escape
the responsibility of
tomorrow by
avoiding it today.*

***A goal without a
plan is just a
dream.***

***Don't wait around for other
people to be happy for you.
Any happiness you get,
You've got to make yourself.***
~ ***Alice Walker, poet & novelist***

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