

“If I Could Turn Back Time”

By Phillip Win (Director and Senior Financial Planner, Profile Financial Services)

In arguably one of the greatest comebacks of our time, in 1989 Cher’s number one hit “If I Could Turn Back Time” caused quite a stir, both for the success of the song and the controversy of the skimpy outfits in the film clip. I’m no great fan of her music (or dress sense), but you have to give credit to Cher as a great example of perseverance and longevity in an industry which is fickle at best.

What does this have to do with financial planning? Not much, except the title “If I Could Turn Back Time”. This phrase is often heard in meetings we have with clients, either wishing they had done something sooner, or said no to something that turned out to be a disaster.

Pondering “what would I do if I could turn back time” could easily be written off as useless daydreaming, but I beg to differ. Ok, unless you are Michael J Fox with your own Time Machine, you can’t go back in time, and you can’t change the past. But what can be learned from looking back?

Firstly, it is worth pinpointing those key “turning point” moments in your past, the sort of moments that called for action or decisiveness, and the outcome would be vastly better today if the choices you made had been different. Be honest with yourself, and try to get to the bottom of why you didn’t act. No doubt there was something at the time that may have been a good reason, but with the benefit of wisdom and hindsight, you now realise you should have just found a way, or looked harder for a solution.

An important part of learning is constructive critical reflection. Having insight from hindsight can put you in the right frame of mind for future decisions, the kind where you can look back on in five, ten or twenty years and say “that was a fantastic idea, and I’m so happy we did it”.

One of the best things about working as a financial planner is that we get to listen to the incredible life stories of dozens of very successful people. Collectively, our clients have much to teach us, and importantly, no matter what your stage of life or situation, chances are we have clients who have been down that road before, and come out on top. Through the reflection of these wonderful people, we can learn so much. It is this collective wisdom that empowers us to give our “up-and-coming” clients a head start by learning from the mistakes of others, without having to make too many themselves.

Unfortunately a sad reality of inter-generational relationships is that there is often a reluctance of younger people to listen to their elders. On the other hand, because many of our older generations did it very tough in past decades, much wisdom is also lost because many older people don't always know how to tell the difference between giving a younger person good advice as opposed to giving them a lecture on how much tougher things were "in our day".

A wise mentor knows the difference. I think it is very grounding to hear about the adversities faced by people, and even more inspiring is hearing how they triumphed.

Seeing as you can't turn back time, the next best thing is to find out what other people would do if they could, and ensure you don't have the same regrets. Don't wait too long to get your insurance organised. Too many people end up paying far more than they would have if they were underwritten while still young, fit and healthy. Don't put off your debt reduction or savings strategy, where time is simultaneously your worst enemy and your best friend. And don't be someone who tries to save a few dollars by cutting corners on good advice. Be it with your choice of accountant, lawyers, or financial planners, what may appear to be a large cost may in fact result in far greater payoff in terms of savings or gains made through the application of sound knowledge and experience. As they say, you get what you pay for.

So don't be afraid to scrutinise your past, but make sure you are applying constructive criticism. How empowering would it be in ten years time to say "I'm glad I did that ten years ago" rather than "I wish I had..."?

About Profile Financial Services

Profile is an independently-owned boutique financial planning firm with offices in the Sydney CBD and North Parramatta. We have operated for over 20 years, and specialise in serving the wealth creation and protection needs of professionals and small business owners. Many of our clients are dentists, and we run regular education seminars on financial planning specifically for dentists. To find out about upcoming seminars, or to book an obligation-free meeting with a Profile planner, call Aine Love on 02 9683 6422 or email aine@profileservices.com.au

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