

Well-being: Creating Value Beyond the Balance Sheet

At the Heart of Advice in the Next Frontier

Our world is experiencing a wave of digital disruption that is shaking the very foundations of established institutions, industries, service-based businesses, and in particular the role of the financial advisor. Further, it affects how we live, experience and relate to one another. Needless to say, it is not all good news.

Contemporary American culture can be characterized by constant motion. People are focused almost exclusively on doing, not being. The frenzied pace, coupled with endless access to digitally delivered information, can leave us feeling depleted, distracted and at odds with our highest life priorities. It's a bit like having a mid-life crisis every news cycle. Most importantly, this digital preoccupation can have a negative impact on our overall well-being. And wealth offers no relief from this whirlwind.

Financial advisors can, however, have a role in cultivating the overall well-being of clients. When you connect with clients in ways that extend beyond the traditional role of managing a client's money, you begin to redefine the relationship and expand your unique value beyond that of financial performance and investment algorithms.

In this series of articles, we address these themes by exploring the shifting role of advice and the value of experts and intermediaries in today's technology-driven, highly networked ecosystem. We will strive to answer the question: what is the role of the next generation advisor in helping clients cope with the speed of change, in order to find balance, purpose and overall well-being?

In this article, we continue the conversation around well-being and how discovering your own personal well-being can lead to deeper client relationships.

What Are Our Choices Costing Us?

Living an abundant life and pursuing financial well-being are worthy goals throughout our lives. Financial comfort and security are individually defined; indeed, there is no "app" for that. And, we often find we have raised the bar or redefined how much we need to sustain a contented and meaningful existence.

We assume burdens of other kinds as we pursue financial security. What weighs on us may be the effort required to maintain current status, the fear of losing it all, the burden of others' expectations, our own disappointments or the ruminations about missed opportunities. It is easy to forget that we have greater discretion than we think over the choices in our lives.

What decisions could we revisit to struggle less and enjoy life more? What would help us to balance the tradeoff between financial health and emotional well-being?

Beyond the Balance Sheet refers to the nonfinancial conversation you have with your clients that helps them to access and value their subjective assets; that is, all that they value that money cannot buy. We gain a greater sense of awareness and reclaim control over our choices when we become intentional

about the assets of our relationships, life experiences and time. While each person's experience is different, the burdens of success may include:

- Looking backward to dwell on or regret how things ought to have played out
- Being overly self-critical or internalizing self-doubt
- Being terrified of making mistakes
- Putting unrealistic burdens and expectations on yourself
- Feeling over-committed with little discretionary time to enjoy

Even in the healthiest of psyches, these thoughts could play out in nagging regret, leading to anxiety, disappointment and stress. Financial rewards have a way of upping the ante and masking the realization of the life we would hope to live. What is it costing us to stay the course? If these questions resonate with you, it is time to change the conversation. Start by examining your own fulfillment and then help your clients focus on their life actualization.

Valuing Our Subjective Assets

Chances are your clients feel the stresses attendant with their choices as well. In *Beyond the Balance Sheet*, we explore how you can be a catalyst to help your clients move past negativity, hesitancy and regret. You can help them face their present and their future with a greater sense of perspective, purpose and intention for their lives and point them toward the resources to live their best lives.

While the pursuit of well-being is a lifelong walk, it begins with an overview of the topic.

Many times we lack balance in how we develop as people. We may be dedicated to financial security and miss the riches in other areas of our lives. Or, we become dedicated to, as an example, physical health and exercise at the expense of our spiritual and emotional well-being. Only when we pause and reflect on what's working and what's lacking in our lives can we come to understand what is truly precious to us and what determines our own happiness and well-being. We call these gifts our *subjective assets*: relationships, life experiences and time -- the assets which hold more value than money.

How Much is Enough?

In our society and often in our own experience, we have been trained to use money as a scorecard or measure of our success and progress. When is it time to accept the notion of having enough? What would it take to change our focus to gain ground in other areas of our lives? We can be reluctant to let up on the gas or allow ourselves to change course. What if you could regard your money as a means to an end, as a path to your deeper sources of happiness? When you align your finances with your life purpose rather than with the exterior metrics of success, you are in an ideal position to live life happily and fulsomely.

Our time is the currency we have to spend to get the experiences, fulfillment and enjoyment we want from life. "How we spend our days, of course, is how we spend our lives," said Annie Dillard, author and Pulitzer Prize-winner. We may spend hours or days casually as though there were little consequence. In fact, time is a limited resource. And, we often squander our time by our lack of intention. We may trade off leisure activities for work or spend time at home vs. traveling the world. The choices we make create certain life experiences at the expense of others.

Don't postpone enjoyment, adventure or celebration in a misguided expectation of future opportunity. How long do we have? We cannot know the length of our years, but we accept that our lives are limited in years. What are we doing about that? It is our time, not our money, which is our most precious commodity.

Personal Well-Being: Save Yourself First

Take stock of your own situation as a financial advisor. As the airline safety instructions teach, "Put your own oxygen mask on first before helping others." How well are you tending to your own well-being? And, as a financial advisor, how can you develop the skills to help clients with theirs?

Ken*, a financial advisor we know, felt out of balance with work and stress. He was going through the motions at a punishing pace, had no time to work out or take care of his health and the stress was taking its toll. As you can imagine, his stress impacted his family relationships too. Knowing he had not kept his eye on the ball, he had to admit after losing two clients that the physical signs of his unaddressed stress were observable. He was shocked into action, realizing he had to change and find a better balance in his life. Ken partnered with a holistic physician; lost the weight, changed his life. Now his clients approach him to ask how he did it.

Ken discovered how his personal well-being began with him. He looks back now and recognizes how certain areas of his life were out of balance. Once he realized he was standing in the way of his own fulfillment, he had the motivation and the road map to change direction in favor of balance, health and well-being.

Living in the moment and allowing for moments of quiet reflection can bring clarity and peace to your life. The practice of mindfulness is the quieting of the mind, settling of self-doubt, accepting ourselves and others without judgment. Keeping our emotions in check, we use them to move our lives forward positively. Consider learning about meditation, mindfulness and reflection to hone these skills.

The times we pursue our purpose, scale a challenge or knock out a nagging project we never thought possible, we show ourselves and others who we are. While we are never free from struggle, your clients may look to you – whether they voice it or not – to be a role model in many areas of their lives beyond finances.

Disruption and Change Wreak Havoc

How familiar are you with the stressors in your clients' lives and their overall level of well-being? What are the hurts and preoccupations that are stealing their joy and distracting them from living their best lives? What if you could put yourself in their shoes and help them navigate obstacles by opening the conversation?

In any five-year cycle, your clients face major disruptions and life events. Whether the change is sought or thrust upon them, the resulting transitions must be absorbed. The status quo feels familiar and safe, while change can feel lonely, isolating and confusing.

Think about your top clients. They may have sought changes in their lives, such as a household move, retirement, a career shift or a change in household formation. Or, they may have experienced "negative catalysts" such as health issues, situations with kids, demands of caregiving, estate squabbles, indecision about their work environment, stumbles in family relationships, a spiritual crisis and the loss of friends

or loved ones. These profound events may serve as wake-up calls, whether they were planned or thrust upon your clients.

Who would want to wear their struggle and isolation on the outside? We lack the organizations and patterns of human behavior that affirm and encourage people, provide a safe environment for growth and change. Indeed, the backdrop in our current environment can be punishing and severe. Negativity and harsh discourse surround us; the Twitter attacks and media shaming add to an environment of defensiveness. Watch for distress, eruptions, changes in clients' bearing and expression.

Consider the questions, "what would you do differently if you knew then what you now know?" or "how could you move forward on that idea?" Then wait for the answer. The thoughtful phrasing of certain questions can arouse a realization or open a door in your client's mind simply and powerfully.

Learn to check in with clients who indicate an openness to resources and solutions around these topics. In doing so, you have the opportunity to ask questions, understand their conflicts, affirm their choices and help them to seek fulfillment.

As a financial advisor, it is not up to you to resolve their burdens or point to their failings. Through skillful discovery, you can help bring their desires to light. Beyond the traditional conversations about investments and financial goals, you may inquire about unspoken desires and unmet adventures or experiences. Once they can identify what they want and need, you can open the door to a deeper conversation and connect the client with resources they may not know about. The realization can shift their thinking or enhance the possibilities.

The Richness of Time

The myth we daydream about is that, if only we could lay on a beach somewhere or sleep late each day, we could attain the Holy Grail of happiness. No struggle, no challenge, no conflict. The reality of what truly fulfills us is quite different from the myth. Actually, we are running out of time to fulfill our lives and have no time at all to waste.

Your time is the currency you have to spend to experience the fulfillment, richness and enjoyment you want from life. If we have enough time to live a life that is meaningful, contented and happy, we are wealthy. What would it take to align our time and money with our deeper sources of happiness? We make decisions every day, intentionally and unintentionally, that impact our time and define our lives. Do we stop to chat with a neighbor, accept a board or volunteer appointment or even binge-watch a series on Netflix? With each of these decisions, we define our experience today.

Life Purpose

Many people live their entire lives without discovering their life purpose. In those moments where we are pursuing our meaning and purpose, scaling a challenge we never thought possible and struggling through it — these are the times that make us who we are.

"He who has a *why* to live for can bear almost any how," wrote Friedrich Nietzsche. Indeed, finding the source of our fulfillment is undoubtedly tied to living a purposeful life. Financial advisors can learn how to respond and how to help clients navigate transitions.

You can spark the process by asking the right questions and helping them explore where to find the answers. Your genuine curiosity in them, your interest and advocacy on their behalf and ability to access resources by knowing what's available – these are powerful contributions. There are podcasts, Massive Open Online Courses (MOOCs), community college courses, webinars and seminars. Find out when a client is exploring new territory and may be open to educational resources and solutions.

Enter the World of Possibilities

How do we get our clients to enter the world of possibilities, to try something that scares them or attempt to correct a wrong action, forgive a breach of trust or mend a broken relationship before they go?

It is human to ask life's larger questions, such as why are we here, what happens after this life, what is life about...? Seeking answers to these questions is inherently human, regardless of one's beliefs or spiritual viewpoint. Through trusting and guided conversation, you can be a catalyst for helping clients approach these conversations. It may help them to identify their unmet goals, "someday" aspirations or tackle those nagging disappointments with encouragement and confidence.

Cultivate Well-being

Our relationships with other people, whom we seek out for community and companionship, are central to our well-being. In fact, they can be a great source of joy. Emotional well-being is inner peace; the quieting of the mind, settling of self-doubt, acceptance of ourselves and others without complaint. There is no absence of emotions but rather we keep our emotions in check and use them to move our lives forward positively. This is as important for you as it is for your clients.

In the book, *The Book of Joy: Lasting Happiness in a Changing World*, written by His Holiness the Dalai Lama, Archbishop Desmond Tutu and Douglas Abrams, they posit the eight pillars of joy. The eight include perspective, humility, humor, acceptance, forgiveness, gratitude, compassion and generosity. By cultivating joy, we learn to transcend the day-to-day stresses and live fully in our intention to have a joy-filled experience each day.

Our own decision to be happy has a powerful effect on contentment. Studies have shown that, attitude, self-control and one's view of the world determine almost half of their level of happiness.

We can choose happiness regardless of what's happening in our lives. We know that when we focus our thoughts on these virtues, our feelings often change. For example, many people practice a daily gratitude exercise. Gratitude is a source of happiness that moves us beyond minor irritations to notice the richness in our lives.

Conclusion

Your client relationships are the subjective assets that you will carry into the future. How will you replace the conversation when artificial intelligence, model portfolios and self-directed investing redefine the value of full-service advising? It may be time to step outside of your comfort zone and deepen your conversations with clients around well-being. How you approach the topic is up to you.

Learning to let go of disappointments, worries and the weight of commitments is how we clear the space for new adventures, experiences and higher levels of contentment.

As an advisor, you can learn to bring a real sense of reflection and care to all areas of your clients' lives and in doing so, help them discover an intentional pursuit of well-being in all areas of their lives and a higher sense of purpose beyond the balance sheet.

*Ken is an actual financial advisor whose name has been changed for privacy.

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