

Office for Financial Success – Financial Tip of the Week
A service of the Personal Financial Planning Department
College of Human Environmental Sciences
University of Missouri-Columbia
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Failing to Succeed

This may come as some surprise to you but some days I am not really sure what I want to write for this week's Financial Tip. I admit that there is plenty I could write and it is a fact that I'm not always excited about writing, don't want to think about the Tip, or issues at work are constraining my creativity. Often, I am bailed out of my creative funk by a single incident in class, in conversation, or in observation. Today, that occurred in my 8:00 class when I was introduced to a 1940 speech by Albert E. N. Gray called, "[The Common Denominator of Success](#)". It was originally delivered to a group of life insurance salespersons. I believe it applies to many aspects of life where success exists alongside of failure and, often, our failures are much less challenging than our successes.

You can read the speech by Mr. Gray, in the above link. However, let me try to apply it to some aspects of financial success and failure. I'll be simple and put some thoughts in a table. All I ask you is to think about where you fit, talk about it with your friends and/or family, or use it as basis for class discussion on choosing to fail or choosing to succeed. I could be wrong in a few cases but here are my thoughts....

Financial Planning Principle:

Those that Succeed:

Those that Fail:

Goal Setting

Set goals with a monetary value and a time by which they plan to achieve the goal

Drift through life, following others, without thinking what grants them satisfaction

Budgeting

Control their spending with a focus on their needs and those wants that they truly desire Involve their family in the process.

Spend their money, without regard to goals and their future Dictate to others what the family is to do. (This rarely works.)

Insurance

Recognize the risks they face and implement a plan of self-insurance and/or risk-transference to alleviate the financial risk from perils.

Buy what they are sold, without regard to their needs.

Have large risks that are uninsured or unfunded.

Buy things, as opposed to having a plan to prevent financial disaster.

Education

Plan for educational expenses.

Make the most of the time they are investing in education and seek experiences that improve their chance of success.

Fail to get an education.

Fail to adequately invest time in the educational experience.

Retirement Income

Begin saving at least 10% of their income, as soon as possible.

Understand the benefits of discipline, diversification, and time to their success.

Take personal responsibility.

Fail to plan, along with her twin, Planning to fail.

Pretend that retirement is a long time away.

Think it is the government's responsibility.

Time management

Plan their days.

Set priorities in their activities.

Set internal deadlines and meet them.

Plan to get things done early.

Drift through the day, driven by impulse and by others.

Always feel like their time is controlled by others. (They are correct, if they don't control it themselves.) Go to bed late and get up later.

Better grades

Practice good time management.

Come to class.

Do their homework

Ask questions and seek assistance.

Spend time in their studies.

Encourage others to do the same.

Time management?

Class?

Homework?

Answer/ask questions in class?

Study?

"Who needs these?"

Greater income

See what needs to be done and then do it.

Making positive suggestions to supervisor.

Loyalty that is guided by integrity.

Look for a way to make a contribution.

Call in sick to work.
Show up late to work.
Don't go to work.
Complain about boss to co-workers.
Do as little as possible and only what is asked.

Better health

Regular exercise plan.
Reduce/eliminate bad habits.
Healthy diet.

Exercise?
Bad habits?
Plan to start tomorrow... which never comes.
Act like food high in sugar and fat are sources of nutrition.

Better government

Vote, while being informed.

Don't vote and, if they do, are not informed.

After reading the above, I fear I've used up a lot of good advice that could make future Financial Tips or that may have been in past Financial Tips. There is no doubt that I've missed others. I admit that I know a lot of apparently successful people that do not do everything on the "Success" list and may do some of those on the "Failure" list. I venture to guess that there is a risk to you, if you choose incorrectly but, as [Bill Allin](#) once said, "[Our greatest fear is not that we are inadequate, but that we are powerful beyond measure. It is our light, not our darkness, that frightens us.](#)"

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