



## ARE YOU HAPPY?

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**“If we observe genuinely happy people, we shall find that they do not just sit around being contented. They make things happen.”**

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In *The How of Happiness*, research psychologist and professor Sonja Lyubomirsky provides a comprehensive guide to understanding that nebulous and elusive state of being called “happiness.” Her pioneering research has revealed that a genetic set point accounts for 50 percent of our happiness while only 10 percent can be attributed to our life circumstances and situations. That leaves 40 percent of our capacity for happiness within our power to change.

For Lyubomirsky (and for the rest of us!), this is heartening news. Scientific evidence confirms that we can maximize our happiness by managing what we do and how we think. She explains:

“If we observe genuinely happy people, we shall find that they do not just sit around being contented. They make things happen. They pursue new understandings, seek new achievements, and control their thoughts and feelings. In sum, our intentional, effortful activities have a powerful effect on how happy we are, over and above effects of our set points and the circumstances in which we find ourselves. If an unhappy person wants to experience interest, enthusiasm, contentment, peace, and joy, he or she can

make it happen by learning the habits of a happy person.

Luckily, we don’t have to rely on our observations alone. Lyubomirsky’s research has identified the most effective strategies for maximizing happiness such as cultivating optimism, practicing gratitude, and savoring life’s pleasures in the here in now.

To determine your own happiness score and to learn what happiness activities will benefit you the most, [http://chass.ucr.edu/faulty\\_book/lyubomirsky](http://chass.ucr.edu/faulty_book/lyubomirsky) and click on “Discover Happiness.”

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# “REAL” FINANCIAL WELL-BEING

**M**oney Quotient® (M.Q.®) is a measure of your financial well-being and represents a composite of your practical knowledge and emotional awareness in regard to money. This more holistic approach to assessing “true wealth” examines five key factors:

1. Recognition
2. Resilience
3. Resourcefulness
4. Relationships
5. Wisdom

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**Wisdom involves linking your financial goals to your values and priorities in all areas of life.**

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Recognition involves your awareness of both the fact and feeling aspects of your money matters. This fundamental component of your M.Q. requires introspection and honesty regarding the elements that have shaped your current relationship with money. Recognition is a powerful catalyst for personal growth in your financial life.

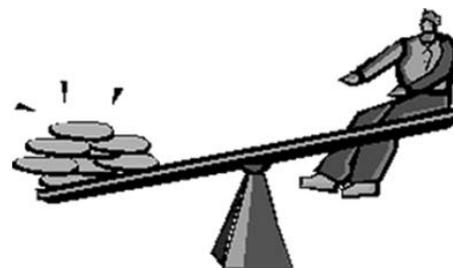
Resilience gives you the ability to successfully navigate life transitions and to bounce back from financial setbacks. From a practical perspective, financial resilience involves laying a foundation of economic protection. From an emotional perspective, financial resilience involves increasing your confidence in your ability to prepare for and deal with financial challenges.

Resourcefulness is the desire and ability to maximize your resources. In other words, it is the process of making the most of what you have. Resourcefulness also involves looking for effective and creative ways to reach your goals. A resourceful individual recognizes that “money” in and of itself is not a goal, but rather a tool to achieving goals and increasing life satisfaction.

Relationships involve connections with others that affect your financial well-being and life satisfaction. This fundamental component of M.Q. includes the kind of communication you have, on both a practical and emotional level, with your family, friends, colleagues, and financial service providers. The complex dynamics of each relationship can have a profound influence on how you feel about your money and the big and little financial decisions you make on a daily basis.

Wisdom involves linking your financial goals to your values and priorities in all areas of life. This key to your financial well-being represents your “money maturity” and a growing understanding of both the fact and feeling aspects of your financial life. When you earn, spend, and invest your money in ways that are “smart” and also compatible with your underlying values and priorities, you will experience a sense of success, satisfaction, and purpose in your financial life.

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# RESILIENCY: KEY TO SUCCESSFUL LIVING

**W**e all encounter both expected and unexpected transitions in our personal and work lives. However, those who are resilient are better able to navigate change, bounce back from disappointments, and welcome new opportunities. They persevere during difficult times and have a positive outlook even when experiencing trials and tribulations.

Resiliency is a trait or personal characteristic that you can nurture. In *Making Sense of Life's Transitions*, William Bridges wrote,

*“There are ways of facilitating transitions, and they begin with recognizing that letting go is at best an ambiguous experience...They involve developing new skills for negotiating the perilous passage across the ‘nowhere’ that separates the old life situation from the new.”*

Here are more characteristics of resilient people:

1. They feel good about themselves, and their self-esteem is rarely affected by the criticism and negative opinions of others.
2. They are emotionally stable and are not easily “rattled” in stressful situations.
3. Even in difficult situations, they don't give up. They stay in control of the direction their lives are taking.

To learn more about resiliency and how this trait can influence your happiness and well-being as you grow older, pick up a copy of *Aging Well: Surprising Guideposts to a Happier Life*. This recently released book is based on the longest study of aging in the world, the “Study of Adult Development” at Harvard University.

George Vaillant, M.D., author and a member of the

research team since 1967, believes this study “offers significant reliable data that tell us what successful aging is and how it can be achieved.” In a nutshell, Vaillant, describes positive agers in terms of resilience:

*“As they surmount the inevitable crises of aging, the study members seem constantly to be reinventing their lives. They surprise us even as they surprise themselves. In moments of sorrow, loss, and defeat many still convince us that they find their lives eminently worthwhile. They do not flinch from acknowledging how hard life is, but they also never lose sight of why one might want to keep on living it.”*

Regardless of age, successful living requires both practical strategies and emotional fortitude. In all situations, resiliency will help you to overcome challenges and grab hold of opportunities that you encounter along life's journey.

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# Balance and Purpose

To **balance** one's life is to bring all areas of life into a state of equilibrium or stability. Focusing on only one or two areas of life can work for awhile (and is sometimes necessary), but eventually life will begin to feel out of kilter and then start spinning out of control.

For example, individuals may have this experience when their careers have taken precedence at the expense of other areas of life such as relationships, leisure, or health. Hopefully this imbalance can be recognized and corrected before important relationships disintegrate, leisure becomes a forgotten art, and health is compromised. If not, these losses can multiply and greatly affect the success and fulfillment each stage of life can provide.

Therefore, it is important to remember that money can act as a tool for achieving our goal. However, financial resources alone cannot produce the essential ingredients of a rich and rewarding life such as happiness, good health, loving relationships, and meaningful activities. When you have identified your values and clarified your priorities, then you can make your decisions **purposefully** in all areas of life.

Undeniably, quality of life means different things to different people. Therefore, your own definition will be unique to you. In addition, it is important to focus on the premise that life is multifaceted and that each facet contributes to the life satisfaction you will experience.

Think of each facet as an integral part of your total "life portfolio." It is your investments of time, energy, and money that will make your portfolio grow. Once you have a clear definition of what "true wealth" means to you, then you can invest in each area of life in a purposeful way. Are you experiencing the "return" from your investment that you should expect? If not, it's time to re-evaluate and re-balance your life portfolio!

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## *In My Opinion . . .*

*Robert J. Cole, Jr., CLU, ChFC, CASL, CFP®*

### **Tests . . .**

Every fall I begin the process of my annual physical. I dread this experience because I always end up with more information about how age is wearing down my body. Although over the years I have maintained a good fitness program, I am well aware that I am aging, and that is taking a (natural) toll on me. Still, I believe in the annual check up (much like your annual renewal) if for any other reason than just to evaluate my perceptions.

As I sat waiting for my ultrasound tests, I observed the busy goings on of today's modern hospital. The efficiency and professionalism of the healthcare personnel of these institutions amazes me. Many of the people around me appeared to have a much more serious reason for being there. It makes one thankful that fate has not yet targeted you for an extended, serious problem. If you ever feel that your life is stressful, just take a morning and visit your local hospital. I am sure you will leave glad for your current circumstance.

It is peculiar that humans long for the "comfort" of stasis. The irony is that the only place where that exists is in one's mind. It is through the process of dealing with change that our spirits evolve and our minds grow. I wanted my tests to show that "everything is the same as last year" - but they won't because all things change and evolve, and we are no exception. There will follow a period of realization and acceptance that I am one year older. Then I will move forward to the next year with minor distractions but generally healthy and thankful.

This past year has been full of "tests" for all of us. The stock market has tested our "true" risk tolerance. The economy has tested our planning efforts. Your gratefulness for the wonder of living in our times has been diminished by too much media emphasis on the negative aspects of daily existence. Will you "pass" these tests? I think it depends on the skill of actively framing the negative things with your ability to choose to be thankful for the positive things; the skill to be able to focus on your progress rather than standing still and waiting for positive things to happen to you.

Our Life Planning process attempts to reinforce all of these things and I am happy to say that most of our clients are "getting it". We still have work to do, and there will be more tests . . . that, you can count on. But in the end it is up to **you** to manage your perspective, so why not choose to live each day for what it is and be thankful for the affirmative moments? How's that for a test?

Until next time, that's my opinion . . .

*Robert J. Cole, Jr., CLU, ChFC*  
**CERTIFIED FINANCIAL PLANNER®**  
*President*