

Finding Financial Freedom **By Richard Peterson**

My passion is helping people discover financial freedom. What I have learned in working with people over many years on financial challenges, is that most people crave financial freedom. Financial freedom is the freedom to make life choices without being blocked by money worries. Financial freedom allows us to be able to live our purpose and follow our dreams without the fear of not having enough.

How much is enough? This is a key question for most of us: How much money? How much time? How much ego satisfaction? How much stuff? A cover story in Fast Company magazine titled, "How to Design a Life that Works," concludes that sooner or later it comes down to money and the ultimate question, "How Much Is Enough?" The article further concludes that enough is a moving target. The more people have the more they want.

For much of my life I had a lot of fears and worries about money. My father grew up during the depression and came from a place of scarcity. As a family, even though we lived a middle class life, we seemed never to have enough. I grew up believing that a lifetime of hard work was what was required to survive and until age 40, I became very experienced at practicing that belief. Even though I was earning good money, I still felt that I never had enough, so I became a workaholic like my father, chasing enough.

Fortunately, the place where I lived and worked was always an important value of mine, and I was able to find a great work opportunity in the mountains of Colorado managing a ski resort. Soon, I went on my first backpack trip with some friends, and discovered the natural world. What evolved for me was a deep wonder, awe and reverence. A shift in perspective began to emerge. I began to ask questions like: Why am I here? What's really important? What would more time look like? How would I survive if I traded money for time? I felt, intuitively, that if I continued on my path of chasing "enough" I would die an early death. So, I decided to create a new path for myself following my dream of never working full time for money again. In order to get there, I had to confront the question, "How much is enough?" That was 25 years ago. I am still working part-time following my dreams

What I discovered while spending time in the mountains, was that financial freedom was within reach. I could have enough. What it required was an "inside-out" approach. Money has both an inside and outside aspect and it is an inside-out process. We deal with the outside aspect of money all the time: receiving a pay check or automatic deposit, writing checks, using credit cards, buying a home or car and securing a mortgage or loan, preparing a financial statement, or buying a stock. The inside aspect of money includes our beliefs, attitudes and fears around money, our honesty and integrity around money, and our clarity in knowing how much is enough for us. We'll never experience financial freedom if we don't master the inside game of money, no matter how much money we make!

Julie is a woman in her early 50's, wrestled with the inside game of money when she was blindsided by a divorce after 25 years of marriage. She lacked self-confidence about her money skills. She faced a lot of fear because she felt inadequate around money and believed she couldn't manage money. Julie chose to participate in a Financial Freedom Retreat that I co-facilitate, and was able to engage in a process of discovery and clarity about her money life. She discovered that there was little evidence to support her feelings of inadequacy. She recognized that she had taken charge of many of the money details of her life and marriage (shopping wisely, paying the bills, balancing the checkbook, etc.), and had saved wisely and had a sizeable investment portfolio. So she jumped into the challenge of her money life with new confidence and enthusiasm.

Julie then created her financial freedom plan for her life and her money. She has worked hard at nurturing her financial health since the workshop, and now has a lot of pride that she is doing well with her money. Her income has increased substantially. In addition to teaching school, she facilitates workshops in the summer for a fee, and now that she is an empty nester, she rents out rooms in her home. She has found an advisor who she trusts and is very confident in her investment strategy. It has been a very successful inside-out process.

Most of us have fears or worries around money. It's natural. What is important is to learn how we can transform those fears into freedom by following an inside-out process. It begins as one of discovery, and looking with clarity and courage at core money issues. The following are some practices that will help you move toward financial freedom from the inside-out.

Integrity

What is integrity around money? It is being honest about money; with oneself, and to others. Most of us would draw the line around cheating others or stealing money, however, what about seeing our financial situation realistically, and keeping the small promises we make to ourselves? It may be to manage our spending so we pay off our credit card each month, or to make the maximum contribution this year to our 401-K or IRA.

What about speaking our truth about money to those most close to us? This is a big challenge because our society doesn't support being open and talking about money, even with those closest to us. Money is like sex was for previous generations. It seems we cannot think or speak about it honestly or sincerely. We will sometimes hear more about a person's sex life than we want to hear without even asking. But don't dare ask about money. Around money there is a lot of self-concealment and hypocrisy. People seem to be either devoured by it or in denial about it.

Nancy's denial led her into an integrity trap. She had been born into a family with lots of money and grew up very unconscious about her spending. Her pattern was to use money to attempt to buy happiness (clothes, jewelry). She would spend money to buy stuff, like a home and more lavish landscaping than she really needed, all to help her cope with stress, overwhelm, even depression.

Then the crisis arrived. The family money ran out. Nancy ran up large credit card balances and fear took over. She stayed awake at night worrying about the future. She was hiding out about her money situation, afraid to admit to her friends that she could no longer afford to do what she had done in the past. She didn't want them to worry about her and feel sorry for her. She felt ashamed, and her financial situation was driving her crazy. She knew that she just "had to get off this crazy track." Nancy was close to panic, and finally decided to do something about it. She took charge and she signed up for a Finding Financial Freedom Retreat.

The retreat was transformational because she learned that she could handle money responsibly. She was now awake about money. Nancy saw clearly how her beliefs and behaviors around money had been totally unrealistic and unsupportive. She reframed her beliefs and began to see her situation from another point of view. Nancy was able to be realistic and clear about her situation, first to herself, and then to others. She could speak her truth which was that she was not where she used to be and she was feeling great. She was in a temporary situation that she was empowered to change. She also left the retreat with a plan and was ready to take action. Nancy signed up for another workshop in how to become an entrepreneur and decided to start her own jewelry business. She started to network with other women entrepreneurs. She has started a jewelry business that is taking off and doing very well. She is on her way to financial freedom.

The shift for Nancy was from the inside out: first to be honest with herself about her situation, to reframe her beliefs, and then to be honest with others. She was able to speak and live her truth, and then deal with the outside aspects of money: create a plan, educate herself and move ahead.

Clarity

Vicki Robins, co-author of a life changing book published in the 80's about money management and simplification, "Your Money or Your Life," says that one of the qualities of people who know how much is enough is that:

"They can account for their money. They know where it comes from and where it goes. There is a sense of clarity that comes from such precision and truthfulness. If you don't know how much you have, you can never have enough."

A process I use with clients invites them to explore their history around money and their money "style." This process helps people understand their beliefs around money, where they came from, and how they are currently impacting their lives. Mary discovered that she and her husband were very different around money and it was negatively impacting their relationship. He handled all of the money and up until recently, this was fine with her. She was a classic "Avoider" when it came to money.

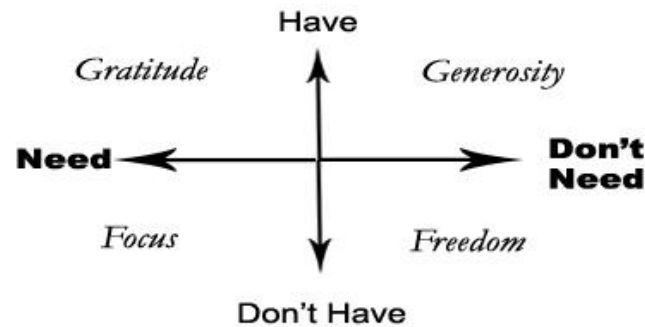
She wrote: "My husband has a good salary and we've paid off our house, so I think, overall, we're in good shape...but I think I should be more 'engaged' in our financial planning. Somehow, whenever my husband starts talking about financial matters, my eyes kind of glaze over and I drift away...and then he gets frustrated with me and we cycle in to a place we don't like to be!"

What Mary uncovered by completing the process, was a childhood experience in a fourth grade math class which had convinced her that she was incompetent around money. This was a belief that has stuck with her for forty years. So, if at all possible, she avoided the unpleasant task of dealing with money, and had been able to successfully accomplish avoidance most of the time. In addition to wanting to improve her relationship with her husband, she was looking at changing careers, moving from a secure corporate position paying a six-figure salary, to starting a coaching practice. She didn't know enough about their financial situation to be able to understand how the change would affect them.

Without Mary assuming more responsibility, her husband was reluctant to support her career change. I invited her to become very clear on where their money came from and where it went, how much they have, and where it is. Even though she didn't enjoy the process, she completed it and learned all about their money life. She was excited about the results. Mary discovered that her husband had in fact done an excellent job of managing a savings and investment strategy over the past 25 years. Her increased clarity and involvement has allowed her to move from the inside-out and for them to co-create and embark upon a plan for her career change.

Gratitude and Generosity

This Financial Freedom Model (adapted from an article by Vicki Robin) points to a couple of additional practices that I find extremely helpful in moving toward financial freedom from the inside-out:



The place to begin is with what we have. Let's survey our lives and inventory what we have that we need. This is the place of gratitude. Unless we are conscious about a practice of gratitude, it is too easy to take what we have that we truly need for granted. The exercise includes looking at our material possessions as well as non-material treasures (family, friends, health, etc). One good way to begin is to go through your possessions and look for everything that you have that you can truly say you need. My wife, Susie and I do this periodically, (attempt for a list of at least 25) and I can truly say it works wonders. Don't limit it to stuff either. Daily, we practice affirming and writing down our "gratitudes." This is a simple, yet effective way to shift our energy toward the positive space of realizing how much we already have that supports us in making a difference with our lives.

As we survey our possessions, we also create a pile of what we have that we don't need. This is an opportunity to practice generosity. Maybe we begin with a garage sale, or just skip that step, and find someone who truly needs what we don't need.

Victor has just completed such an inventory, and it has inspired him to move ahead toward creating a new life. Victor runs a small business that he inherited when his father died 10 years ago. When he took it over it was barely surviving. He has worked very hard to create a successful small company, and he has known for some time that this work does not "make his heart sing." He could not take a vacation without being constantly next to his cell phone, and he felt trapped. He had a legitimate offer to buy his business, and he turned it down because of his fear around having enough. Victor was concerned about being able to "have enough" if he pursued a path more in alignment with his passions and purpose.

As this past year came to a close, Victor took a time out and wrote about all that he was grateful for, which proved to be a very powerful exercise. Here is a sample: "All of my basic needs are being met, and I have good health. I have loving relationships, steady income, friends, and family. I am able to produce income to pay expenses and maintain modest investments. I have a loving wife, and loving brother, mother, and grandmother, and a spoiled rotten dog."

As importantly, he completed a large scale purge of personal stuff as well as office and business stuff. This included dropping clients that "don't work," and expressing thanks to the ones that do. This process supported a shift within Victor. He entered the New Year with an enthusiasm for life, and with a renewed commitment to "trust the process and progression of living, rather than being tied to the outcome."

Focus

Let's examine the bottom two quadrants in the previous model. "What we need that we don't have" is the realm of focus. This is where we can focus our energy in order to move forward toward what really matters

When Paula married Jim, in 1996, they had a dream: To spend all or part of each year sailing in the Caribbean. They had visited the Virgin Islands on their honeymoon and loved the place and the experience of sailing. They dreamed of buying a sailboat and living on it. Paula is a nurse who knows she can live her purpose wherever she is. Jim remodels homes and is very talented. He also feels comfortable living in a purposeful way anywhere.

So what held them back? Money or the lack of it was the major obstacle. Paula loved her work, and earned a living wage, but she had never been able to save money. Jim's situation was similar. They felt that they were going nowhere, just floating along. They could work longer hours, and did, but without saving anything. She had quite a bit of equity in a home from a previous marriage, but still felt very poor.

She discovered the best selling book by Robert Kiyosaki, "Rich Dad, Poor Dad", and that began her process. She then participated in our weekend retreat. These experiences helped gel a strong sense of confidence within herself, and a motivation and willingness to move ahead and "jump out there and do something." Using the equity in their home as collateral they purchased two "fixer-up" homes in a nearby town where prices were still low. Jim went to work remodeling and they now have one completed and rented. He is excited that he is finally working for himself. He can see the results both physically and in the considerable appreciation in the value of what they are creating. Paula has become a financial wizard, and when I last talked to her they were pondering their next move, and beginning to plan their next sailing adventure.

The freedom to focus on what is truly important is powerful. As Lynn Twist of the Hunger Project says, "If we let go of trying to get more of what we don't need, it frees up an incredible amount of energy to make a difference with what we have."

I would add that it also frees up energy to now focus on what we need and don't yet have. This focus is the gateway to the outside realm of money. What financial goals are necessary to achieve our life goals? For example, is my level of debt a barrier to moving forward in my life? If so, what specific steps can I take to change that? What changes am I willing to make in the way I spend my money and in what I own? What are my savings and investment goals? How can I add to my income portfolio? How will I hold myself accountable? These are natural questions that evolve from an inside-out process.

Freedom is the final quadrant of the model. This is being clear about what we don't need and feeling the freedom that comes from that. A favorite quote of mine is, "The secret to happiness is to admire without desiring," by Francis H. Bradley, 1846-1924, British Philosopher. He gets it. We often get caught up in wanting everything we like. Yet, if we can admire and appreciate those things we enjoy for the time we are with them, memories can be there for us to re-visit for the rest of our life.

Achieving financial freedom is difficult because we live in a society of consumerism, where very clever people spend vast sums of money convincing us that we need all sorts of stuff that we don't really need. Those advertising messages comprise a very powerful and convincing force. We only have so much time and energy available to us. Money is nothing more than a form of energy; energy that can become a resource to support us in getting what really matters to us in this lifetime or overwhelm and consume us. It takes courage to follow a process to overcome that energy, and move toward Financial Freedom.

My life shifted 25 years ago when I discovered that I could have enough by following an inside-out process. With the inspiration of nature's beauty and power, I was willing to embark upon an inside journey of self-discovery. I confronted and shifted my beliefs about money and "how much is enough." This involved choosing part time careers that utilized my core talents, pricing my services fairly, spending and saving wisely, and being intelligent and conservative about investing my savings. I paid attention to my "outside" financial life, but within the context of knowing how much was enough for me.

I continue to live on the edge of "enoughness." It is not always easy, and at times I face my old fears of not having enough. During those times, I find that conscious attention to practices such as integrity, clarity and confidence, gratitude and generosity, and a clear focus on what's really important supports my path back to financial freedom. It is the inner game of money, that for me, really makes the difference in living a fulfilling life.