

http://www.pressofatlanticcity.com/business/dancing-your-way-to-financial-success/article_746660e-7835-11e4-8de0-9b998973aa59.html

The Press of Atlantic City

Atlantic City , N.J.

Posted: Saturday, Nov. 29 and in print on Sunday, Nov. 30, 2014

Dancing your way to financial success



Karen Perri

karen.perri@morganstanley.com

By KAREN PERRI
For

Recently, I had the opportunity to see a performance by Misty Copeland, the young African-American dancer and soloist with the American Ballet Theatre in New York. Copeland was first introduced to dance at her local Boys and Girls Club and is considered a prodigy who rose to stardom despite not starting ballet until the age of 13.

I was dazzled by her breathtaking pirouettes and graceful arabesque. I was enchanted by her seemingly effortless extension. Her jetés seemed to defy gravity.

Few people can imagine the hours of grueling work, immense muscle stamina, pain and sheer willpower that was required. I know, because I have danced ballet for 20 years.

This training has served me well in my career as a financial planner. It has made me realize that creating a sound financial plan takes much of the same fortitude.

In creating a sound financial plan, just as in learning to dance, we need to lay the groundwork for a successful outcome. Success in finance is very rarely reached by luck. Even though we live in a county where casinos seem to offer a golden ticket to riches, the truth is, those jackpots are few and far between. All the people I know who have prospered have gotten there through hard work and diligent planning.

One of the poor habits I have repeatedly encountered is a pattern of shortsightedness. It is not sufficient, for example, to equate a financial plan with saving for a specific purchase such as a new car or vacation. It is far better to take the appropriate small steps (saving regularly, investing one's savings, creating wise tax shelters, etc.) and, over time, work up to the bigger leaps.

Money worship — believing it makes us happier and thinking it will solve all our problems — can be debilitating and can lead to destructive behaviors such as compulsive buying, overspending, pathological gambling and hoarding, and can lead to massive debt. A level-headed approach to money is much the same as the balance needed sur les pointes — on the tips of the toes.

Enabling our children financially is another misstep. Financial enabling is repeatedly giving money to an adult child who is not learning from his or her mistakes. It often prevents the recipient from becoming responsible or independent. Although parents may enable for the best of reasons — out of love, generosity and altruism — it can lead to a child's financial dependence and their feeling that they are not capable of doing things on their own. A stumble or two is almost always a given on the path to success.

Self-control is perhaps the single best strategy to achieve long-term success. Shop with a list, and stick to it; beware of overusing the plastic, as using credit rather than cash tends to blur the reality of spending; avoid buying in bulk unnecessarily, as it leads to overspending and overconsumption; even listening to music reportedly leads to impulsive purchases, as it sometimes impedes our ability to think clearly. Self-control is critical in dance, of course, as it is in nearly every other aspect of life.

Being overly frugal, though, is an unhealthy approach to financial planning. Avoiding the doctor or dentist, neglecting to pay for basic necessities, saving money at others' expense, and living with the constant fear of financial ruin is unhealthy. It also may lead to an unhealthy avoidance

of investing, even of low-risk investment options such as CDs or money markets. Even the best of prima ballerinas needs to indulge in a lazy day or an ice cream sundae once in a blue moon.

Whether our goal is to glide across a storied stage, leading a corps de ballet, or to provide for our families and our future, planning wisely and relying on good judgment and determination are the keys to success.

Karen Perri, a certified financial planner, is a vice president and wealth advisor in the Northfield office of Morgan Stanley Wealth Management. She can be reached at 609-383-2288 or at karen.perri@morganstanley.com.