



The Soul of Wealth

What History Teaches Us About Money and Meaning



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**“Water, water
everywhere, nor any
drop to drink...”**

- Samuel Taylor Coleridge

Wealth, Wealth, Everywhere...

The Means to Live

- Global poverty – 85% to 9%
- Housing size has tripled post WWII
- Violence down 3500% in Europe
- 2,000 kcal per human/per day

Meaning to Live For

- At every income bracket, satisfaction is one higher
- Felt wealth has decreased; happiness down
- Now have more deaths due to self-harm than war
- Far more deaths of obesity than starvation

What Clients Want in a Financial Professional



91%

Someone who
“gets me”



71%

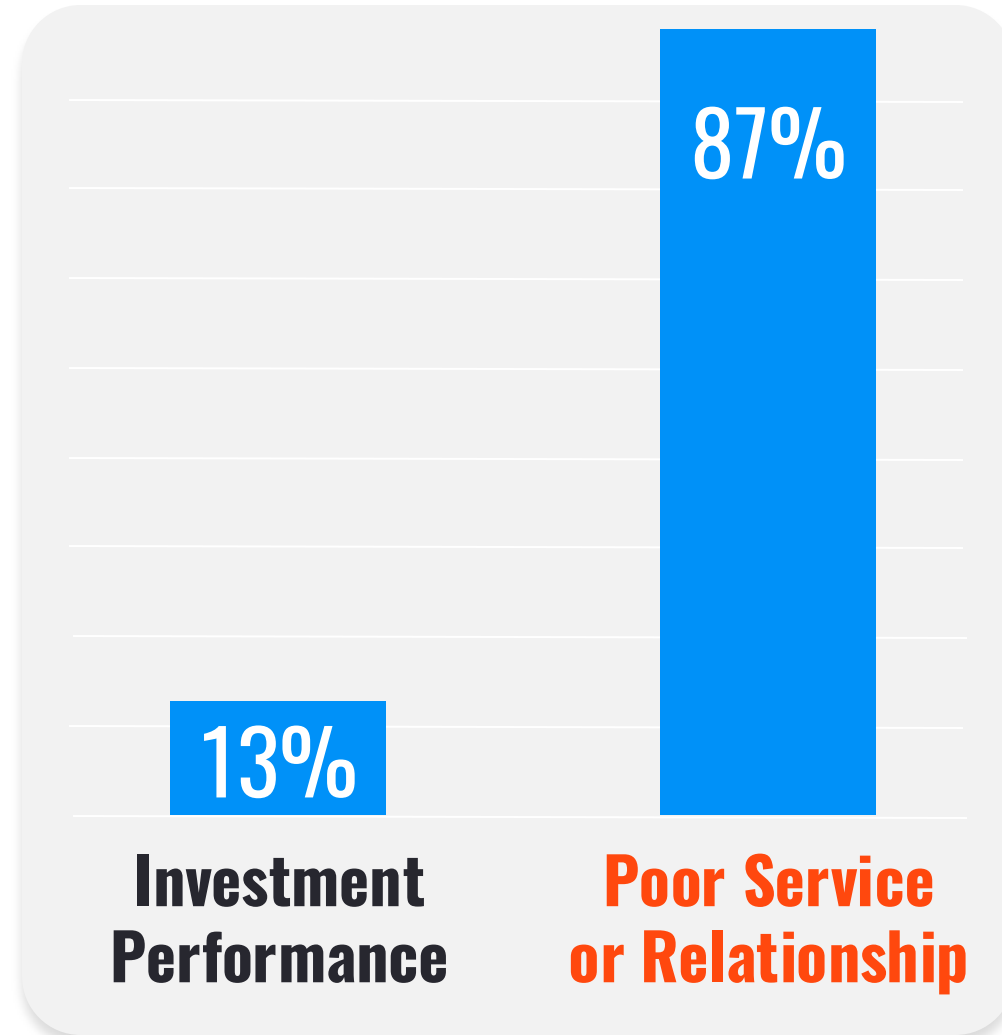
Someone with whom
I share values



70%

Someone who meets
with me socially

What Causes Clients to Leave?



Traditional vs Behavioral/Relational

- Asset Allocation (35 bps)
- Tax Management (62 bps)
- Product Allocation (49 bps)
- Rebalancing (36 bps)

VS.

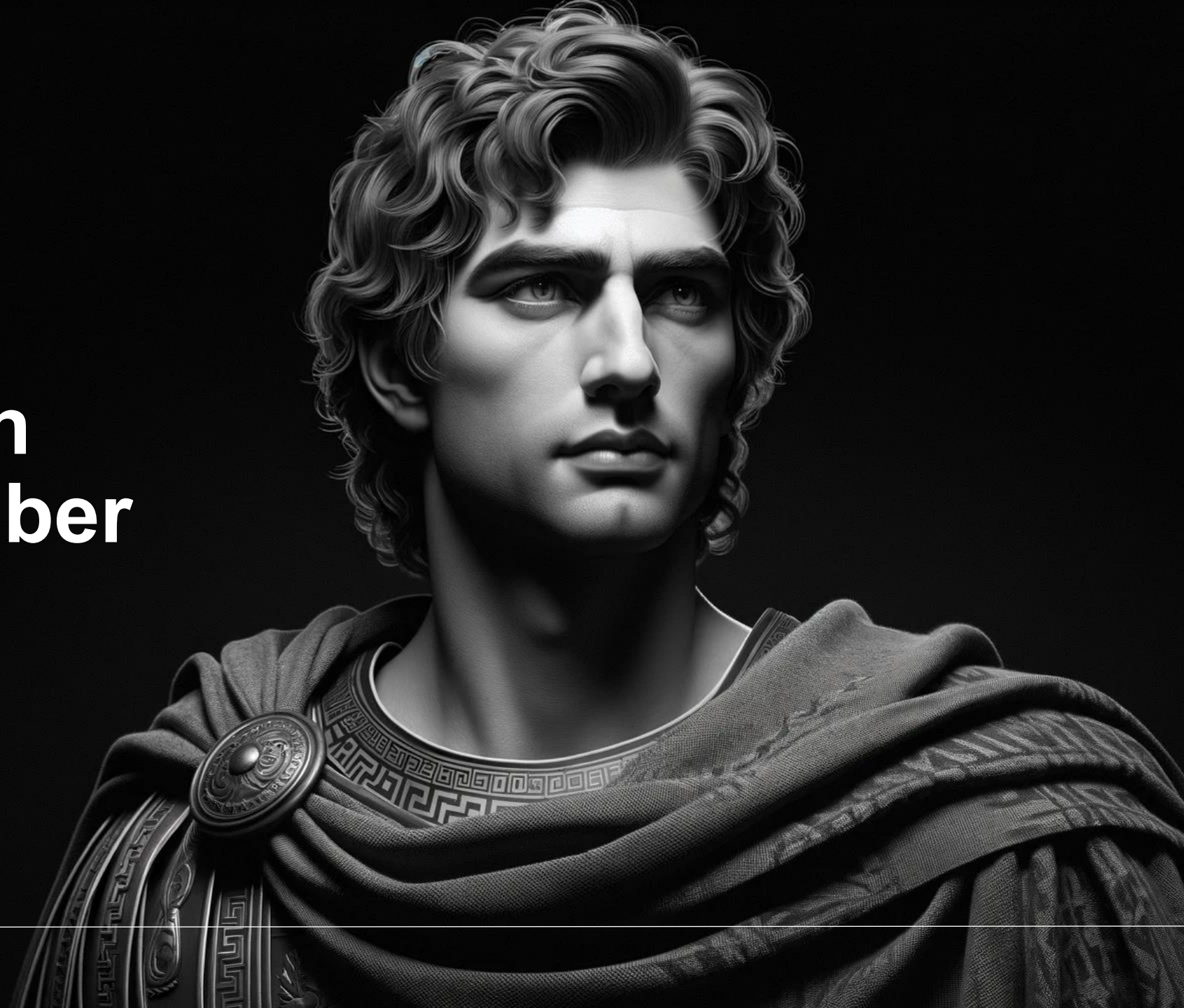
- Client Assessment (65 bps)
- Behavioral Coaching (244 bps)
- Goal Optimization (89 bps)
- Savings + Withdrawal Guidance (90 bps)

“In the next ten years, advisers will gradually shed their role as investment managers and become more like integrated life/wealth coaches...”

On the Cusp of Change: North American Wealth Management in 2030

McKinsey

**True Wealth
Isn't a Number**



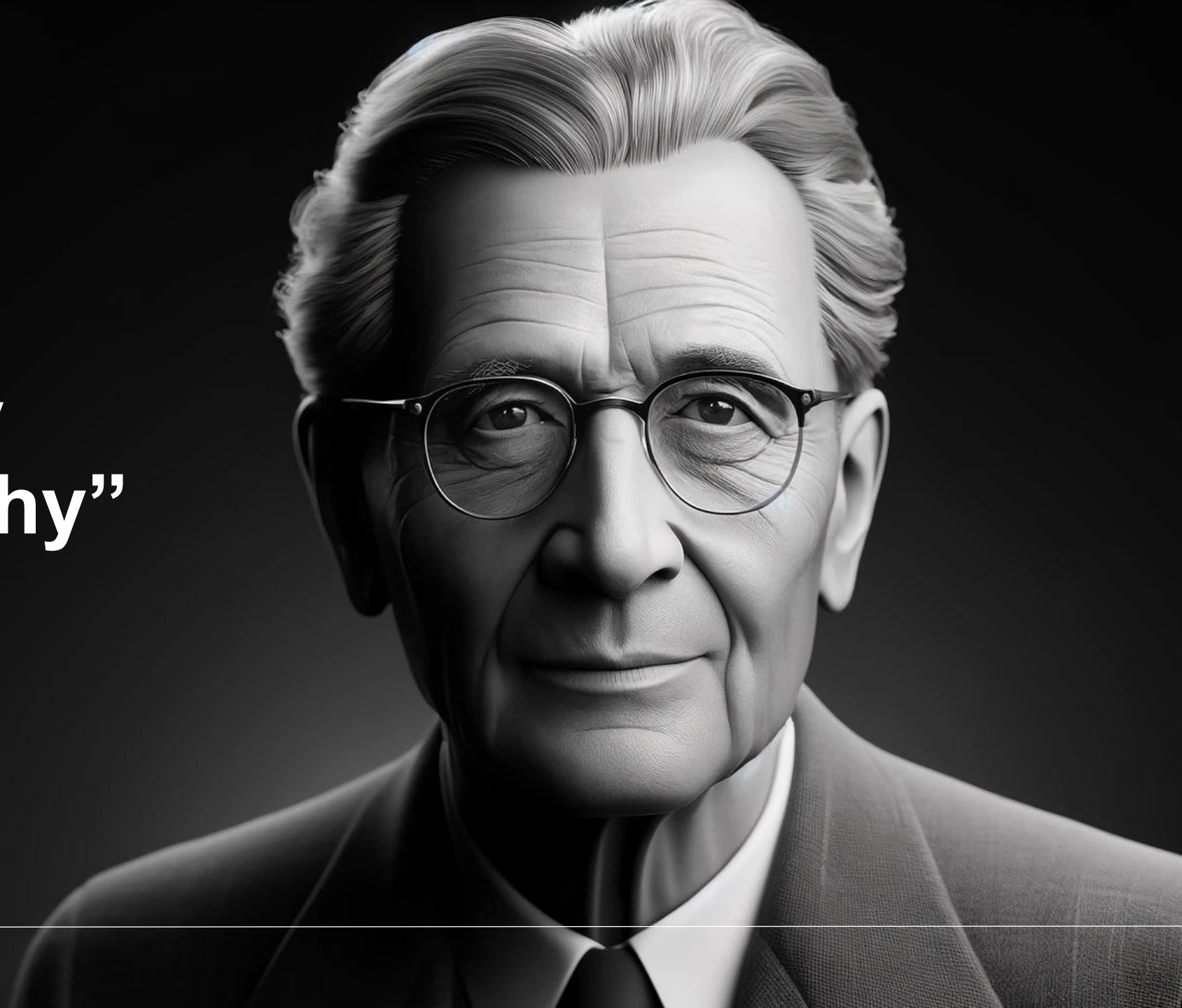
The Top Five Regrets of the Dying

1. **They wished they had not worked so hard**
2. They regretted living a life that was not true to themselves
3. They felt remorse for not having had the courage to express their feelings
4. They wished they had stayed in closer touch with friends
5. They lamented not having let themselves be happier

The Five Facets of Flourishing

- Positive Emotion - fun
- Engagement – deep work
- Relationships – connection
- Meaning – bigger than self
- Advancement – growth

**Your Money
Needs a “Why”**



Goals-based retirement accounts led to **15% increase** in wealth

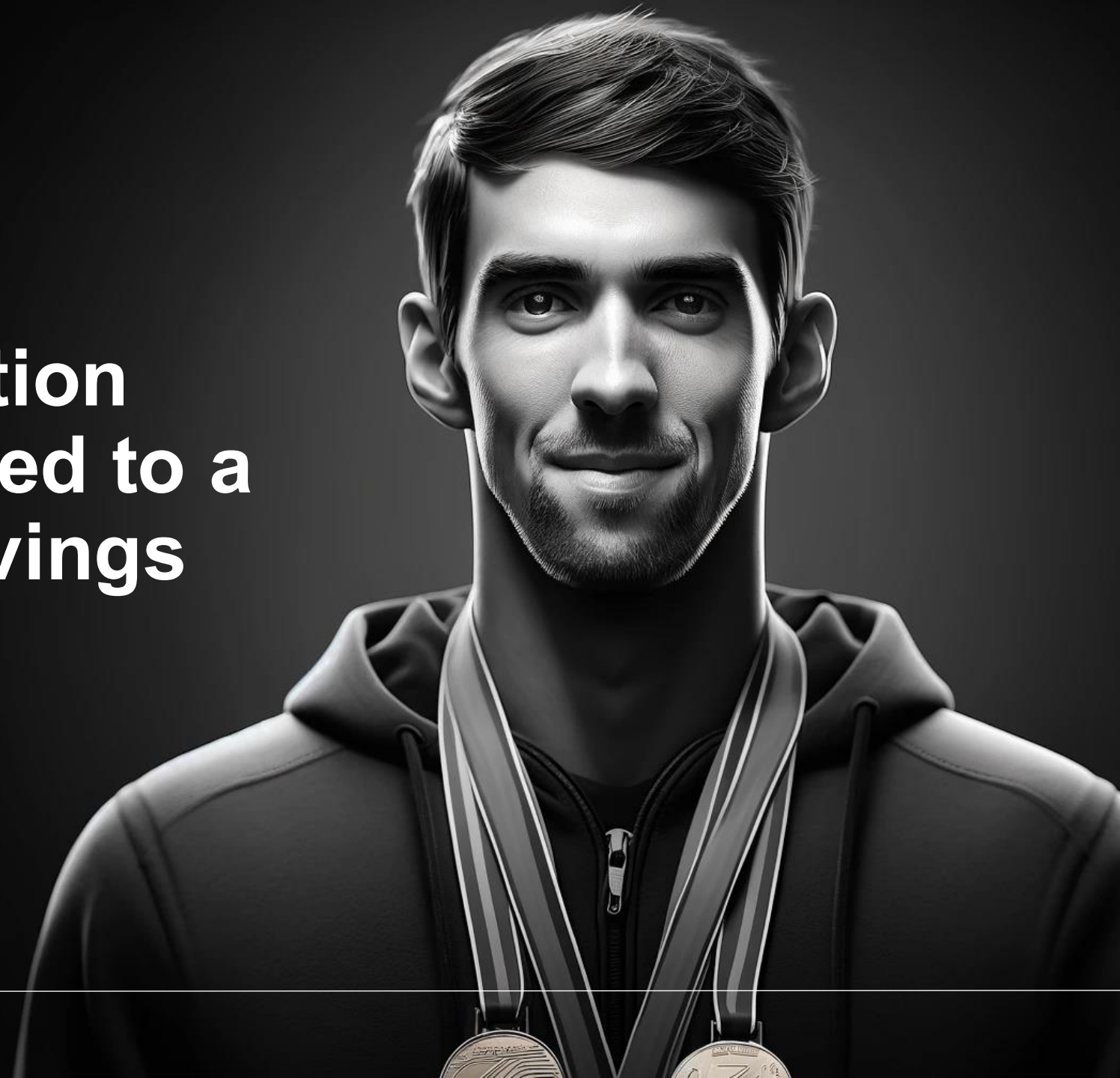
- Morningstar, 2014

**10x decrease in
panicked selling**

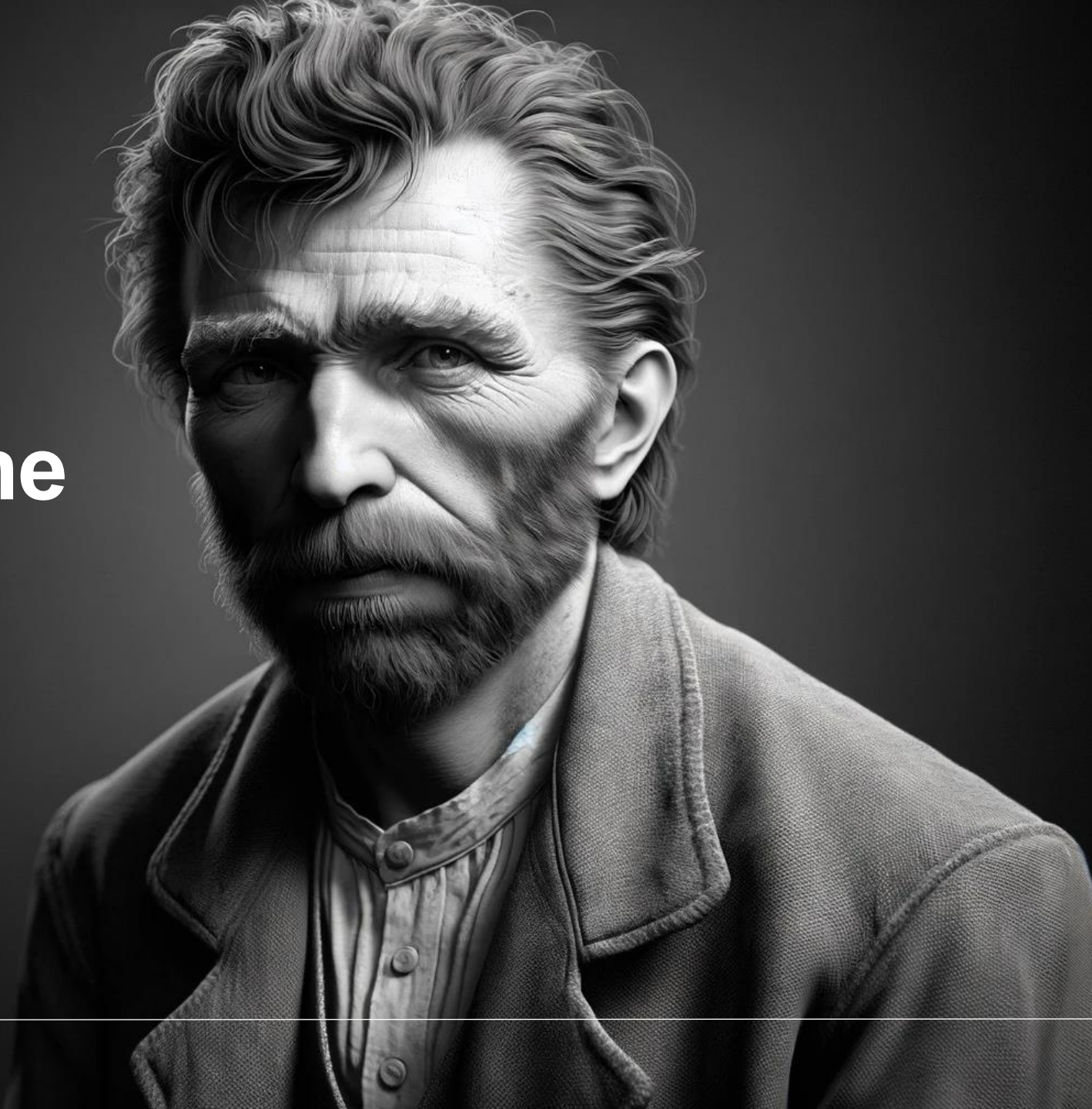


**Pairing visualization
and automation led to a
73% uptick in savings**

– Dr. Brad Klontz



**Comparison is the
Thief of Joy**



Run Your Own Race

- Looking “up” with jealousy makes us sadder than looking “down” makes us happy – Science Daily
- Those with mid-range salaries were happier than those with very high or low salaries
- “Some are worse off, some are better off. I’m good.”
- **Study of 2.3 million participants found that perceived relative wealth is a better predictor of happiness than objective wealth**



The Joneses Aren't Even Happy

- **259 studies** – “significantly lower well-being”
- **92 studies** – “...those pursuing goals of growth, community, giving, and health experienced significantly higher levels of well-being than those pursuing goals of wealth, fame, or beauty.”

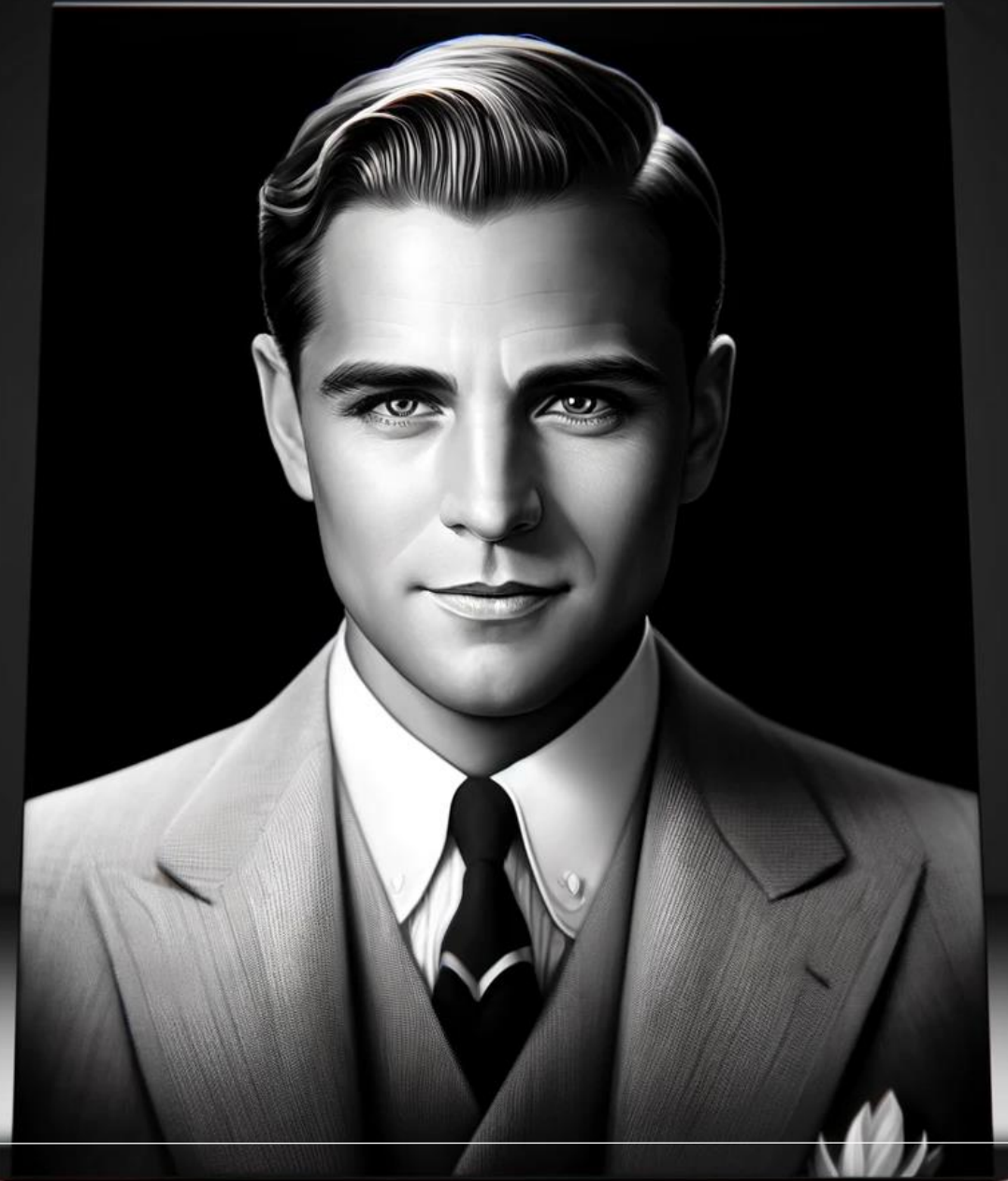
Gratitude is the Comparison Killer

- Happier
- Better love life
- Deeper friendships
- Better decision-making
- Lower blood pressure
- Lower risk of depression

- **10% boost in happiness**
- **One month impact**



**Money Can Kinda, Sorta, Buy
Happiness, Sometimes, If
You Spend it Right**



Kinda, Sorta, Sometimes, Depending

- Happiness plateaus at 75k – Kahneman + Deaton
- Subjective wellbeing increases up to 500k – Killingsworth + Mellers
- 30% of people saw happiness accelerate over \$100k
- 15% of folks aren't happy at any number

Happy Money: Dunn + Norton

- Spend on experiences
- Bless the lives of others
- Buy time
- Bypass materialism
- Fund life's necessities
- Get out of work you hate
- Consistent with personality
- **Example:** Car clubs and retirees

Giving is the Path to Abundance



The Science of Giving

- Giving rose 6% during COVID-19
- In 136 countries studied, people received emotional benefits
- “Warm glow” is most pronounced in children, as young as 2
- Impact was largest for “costly giving” that required real sacrifice

Whether or not individuals choose to give is as important as their actual income in determining financial contentment.

- Dunn, Aknin, Norton (2008)

**Your Money,
Your Vote**



What Do You (Really) Value?

Personal growth – Are you investing in therapy and coaching?

Relationships – Are you traveling with your family while you can?

Spirituality – Are you being charitable?

Balance – 9 PTO days per year left on the table

Health – Fast food is a leading expenditure



**Willpower is
Overrated**



The Two Secrets of Willpower

- 32,000 person study – more willpower = more fit, happier, did better in school, had better relationships
- 2011 study – Those who reported greater willpower were just better at avoiding temptation
- 2017 study – Willpower is just good habits by another name
- “...lead structured lives that minimize the need for decision-making in the face of temptation.”
- **Willpower boils down to two things: good habits and avoiding temptation**

Make Good Easy, Make Bad Hard

- **Netflix** – 70% increase
- **Cafeteria** – 30% more healthy
- **London** – eradicate vandalism
- **Amsterdam** – 80% less “spillage”



You Are Your Best Investment



Invest In Yourself

- **Education** – best predictor of income, the engine of wealth
- **Exercise** – Those who workout save \$2k year on healthcare spend
- **Go to therapy** – ~10% increase in salary for those who went to therapy (12.4% for men, 8.1% for women)
- **Find a mentor** – Those with mentors more likely to get raises and promotions

"Ever more today,
people have the
means to live but no
meaning to live for." -
Frankl

