

Design a Decade

Tidy up your past.
Enjoy today. Set up your future.

CHRIS FREEMAN

**Praise for the 'Design a Decade'
Complete Life Management program.**

As a family [with four kids] we always had the focus on building great relationships and we invested a lot into creating memories with each other. During the years we had some huge challenges to overcome [that] provided an awareness that it is important to have a balanced life – but we were still exhausted, because we neglected to take good care of our time and health. A very good friend introduced us to the founder of BWC, Chris Freeman who presented the 'Design a Decade' program to us. We knew that a balanced life is important, but we didn't know how to implement it into our lives. By means of the program our quality of life is ever-expanding. The program provides methods and motivation on how to deal with all the important areas of our life in a simple and effective step-by-step way, which is accompanied by a fantastic, encouraging coaching team. The program has inspired us and brought back our hope that one day our dreams will come true.

- Siegfried and Claudia Haas, Germany.

We highly recommend the 'Design a Decade' program. Before being introduced to the fundamentals of this program, we believed that we were doing just fine. We were a young couple with no kids, double income and we were enjoying life! 'Design a Decade' showed us what we were not doing, and how not taking action immediately to secure our future would lead to disaster. We have now successfully navigated our first ten years, which included moving countries, the arrival of three kids and the launching of a new business. Our view of life has been greatly expanded... the 'Design a Decade' program has helped us to stay on course.

- Grant and Angela Mascini, South Africa.

The program is empowering and has encouraged us to take control of all areas of life and be wise in the decisions we make for now and the future.

- Stu and Katie Brown, Australia.

My biggest wake-up call was looking at 'the inevitable next ten years'. I didn't want to be doing the same things at 53!

- Jennylee Taylor, Australia.

We can now tangibly see a platform for our life to flourish. The 'Design a Decade' program has been an important tool for our dreams to materialise.

- Craig and Michelle Sparrow, Australia.

Summing up the 'Design a Decade' program for us comes back to consistency and accountability. There are no magic tricks, or special get rich schemes. It was simply about using common sense, being accountable to your coach and consistently working on yourself. When we started around three years ago, we lived week-to-week and had little to no money in the bank. Finances were always an issue and despite our best intentions, often became a point of disagreement. Since we made the decision to do something about it, things have completely changed. The skills that we have learned and then reinforced through the coaching program have been invaluable in the major changes in our lives over the past three years.

- Darren and Melissa Fraser, Australia.

INTRODUCTION

Where are you going?

Wherever you are on life's journey – it is half-time!

As you read this book treat the time like half-time in a sporting contest. Regardless of the result of the first half of the contest, sports people and their coaching team refocus to either do better than before, or if their results have been good so far, to ensure they do not become complacent and lose all the advantage gained. More often than not the first step to take in half-time is to reinforce the basics, the foundations on which the game is based. Sports people always say they are at their best when the foundations of their technique are in place. I hope this book helps you to do the same – to refocus and reinforce the foundations of how to build yourself a better life.

The vast majority of people arrive at retirement age living off a government pension, or a similar sized retirement fund income. This is after having four or five decades within which to set up their retirement. The weight of time, relationship and financial pressures increases as people get married, have children and have increased work and study loads. Not an attractive picture is it?

My first job out of school was at Qantas Airways. After two years as a trainee I was in the reservations seating control department, we would place people who came to book on Qantas and couldn't get a seat, on the other airlines. This was long before the Internet so Qantas did all the bookings out of Australia for the other airlines; the other airlines wanted to keep us happy so they gave us free tickets. So on a Friday afternoon the question often was, "Should we go home today or should we go to Fiji for the weekend?" A great situation for a young man fresh out of school! In my fifth year working for Qantas, I was

sitting with a friend who is still a great friend today, and we looked around at the people in that department. What we saw were the young ones like us, who travelled frequently. Those in the beautiful chaos of young children, and those bearing the weight of bringing up teenagers had stopped travelling. And there were those who were in their sixties, as I am now, who were actually asking for overtime. I was curious so I asked them why they wanted to work more in their sixties. The answer was simply that they had not set up their financial life. Naïvely I thought this meant that a full career at Qantas would see me with no money in my latter years. But of course today I know it was what they had done with the finances along the way that caused the problem. Soon after, my parents arrived home from a free trip to America courtesy of my job to the news that I had left Qantas and bought a lawn mowing run and there would be no more free trips. Well this sorted out the family loyalty pretty quickly and thankfully they were very encouraging as they had been in small business themselves.

*This was the start of my understanding
that sixty-five is the wrong number.*

Sixty-five years of age is too long to expect to keep a job and we live too long after sixty-five not to have income. Over the next few years I tried a courier business, a cafe, a restaurant, and then a friend asked me to go into real estate sales with him. I had no experience but he offered to coach me. He was in a large real estate agency in Mosman in Sydney, Australia. The agency built high-rise apartments and renovated old buildings of flats into individual apartments to sell them off. He once explained this to me, “We will sell homes for people if it comes our way. But really we are suggesting that people buy two or three or four of these properties, so they won’t need to rely on the pension later on.” Measuring this against my experience at Qantas and the mindset of the older generation that worked there, this way of setting up the future seemed like a very simple thing to do. So when other agents were saying, “Here is the kitchen... the bathroom... and the view,” I was saying, “It would be good to have three or four of these paid off by the time you retire, so you won’t need the pension.” This was long before the negative gearing seminars and the Internet

and it was a fairly revolutionary idea for people, so was very popular. Consequently I was making over \$100,000 a year in the early 1980s. We bought many properties and wasted a lot of money.

Over time the company I worked for moved to manage Darling Harbour and I stepped out to develop on my own. One of my property partners suggested I should also buy some businesses. Being a hotelier, we started to buy hotels, one in Sydney, one in North Sydney, one in Newcastle and one in the country. Heather and I also bought a share in a ballet school and we dabbled in things like clothes manufacturing and invested in gold. But in the late 1980s Heather and I decided we would like to bring our children up out of Sydney. I went to a Qantas reunion at Nelson Bay on the New South Wales Northcoast – it is a beautiful place and there was a lot of real estate activity so we moved up to spend our semi-retirement days here at the age of thirty-eight.

In the following years Australia went into the 1990 recession, which was specifically worse for Australia than the global financial crisis was. Our interest rates went from 10% to 17% on our properties and from 12% to 22% on our business loans. But the real problem for me was I had signed a personal guarantee for a trust company for a \$1 million loan taken out by one of my companies to buy a convention centre. And it was this business that got into trouble and brought the whole lot tumbling down. Consequently by 1992 we had sold everything, including our cars and we were still in debt just under \$2 million. As a lot of individuals and companies were in trouble at the time, the banks were negotiating heavily and under a confidentiality agreement we were able to pay a smaller amount off over 15 years and not go bankrupt.

This line of events led me to begin asking people who had what I was looking for – a balance of enjoyable lifestyle and financial security, not necessarily a lot of money – how they ran their lives, how they managed themselves to balance the lifestyle and financial security equation. I discovered that there were five primary things that rang true for them all. Firstly, they all had a developed perspective of life yet to be lived, and carefully considered the milestones to be navigated around over the coming decades. Secondly, they were aware that they took their strengths into every area of life but that their weaknesses followed

along with them. This is what had happened to me – after doing a lot of things right some of my weaknesses brought the whole lot down. Thirdly, they were willing to prepare for opportunity. Opportunities are abundant, particularly living in a place like Australia, but often we are rushing to take advantage of an opportunity because we're not previously prepared to do so, which can lead to trouble. Fourthly, they all had trusted, transparent third parties who could see what they were doing and could bring wisdom to a situation (if only I had had that when I signed that personal guarantee). And finally, they were personally teachable, not meaning they were told what to do but rather that they were clearly taking further information and council before they made decisions.

I encourage you to read this book with a teachable spirit.

So based on these observations I started to put a program together to help Heather and I manage life better, as well as recover financially. I asked a number of these people that I looked up to and learnt from, if they would allow me to tell them what I was doing as I recovered and welcomed their input as I went along. This was one of the best decisions I ever made. Fortunately I still had my real estate investment clients, but I noticed that I was losing some of them, not to the investments that they had but to the mismanagement of either their health or their relationships or their financial cash flow. So I started to put anyone who wanted to invest through the personal management program that I had designed for myself.

There was one young man, for whom I had found a property to buy, that I put through the program to find out if he was in a good position to make the purchase from a time perspective; from the relationship perspective of being in agreement with his wife; and from the financial perspective of his cash flow being sufficient to go ahead with the purchase. One day he asked me how much it was to go through the program, and then he said, "Shouldn't that be a business on its own?"

As I considered his question over the next few days, I went to see one of my trusted third parties and suggested to him that I wanted to commence a coaching business, where I would walk alongside

people on a day-to-day basis and help them with their decision-making around the balance of life and their financial future. He suggested that that was a good idea and he would become my first client. This surprised me as he was wealthy, lived by the beach, and had a successful business and a great family. He said, “Yes all that is true, but I do struggle with keeping the balance in my life and it would be great to have someone walking alongside me.” I then went to eleven of my real estate clients and suggested that this was what I was going to do and asked them if they would like to be involved. I was expecting that maybe one or two would allow me to walk alongside them. Surprisingly all eleven said yes.

Since then, just by word-of-mouth, we have built and developed our company Balanced Wealth Creation (BWC) and have coached our ‘*Design a Decade*’ Complete Life Management program to individuals and couples across Australia and into South Africa and Germany. I have worked with all age groups; the poor and the wealthy; the organised and those in chaos (often both in the one household), to help people to create really solid foundations on which to build their lives and to agree on a path forward. It has been like pouring a cup of cold water on the desert to try to irrigate it – such is the large number of people who appreciate someone walking alongside them and helping them learn to balance lifestyle today with setting up for their future. It definitely is something that is not taught at school.

Through this book I hope to give you an insight into **the balance between the resources** of time, relationships, income and expenses; **the preparation and energy for life** through planning, personal development, health and fitness, and lifestyle; and **the setting up of your financial future** with the balance of capital and cash flow, while (very importantly) understanding speculation and the risk of everything falling down on a poor decision.

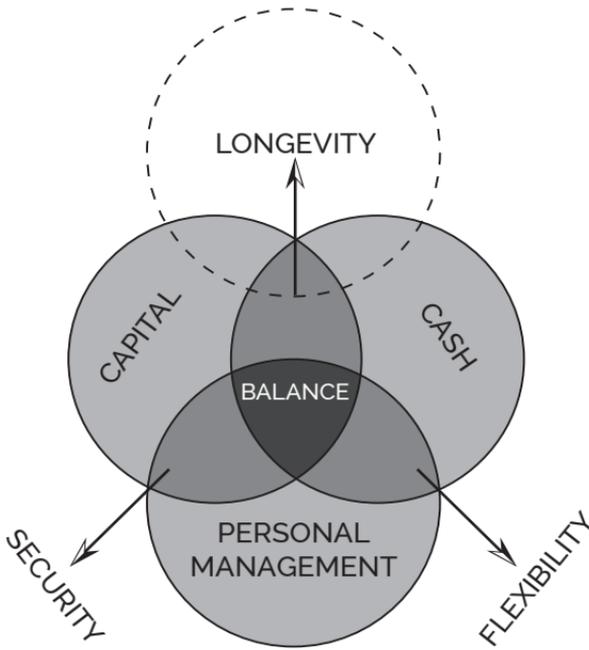
What does your inevitable next ten years look like?

When Heather and I first looked at what our inevitable next ten years looked like, I was 44 years of age with children aged 22 down to 12. When we considered me at 54 and our children at 32 down to 22 we

pencilled in some grandchildren. Heather immediately said, “Please don’t have me working the long hours that I am now when we have grandchildren. I want to be there to help.” She was working around sixty hours a week making beds and cleaning in a motel, and making hamburgers in a take away shop, to help us survive this period in our life. Two years earlier she had a home in Coogee in Sydney, drove a Mercedes-Benz, and owned a ballet school in Double Bay. Working didn’t worry her because she’s been a hard-working person all her life, but it was not being able to be around for our grandchildren that concerned her about the future. At that time I was back in Sydney selling real estate and visiting my family once a month. For me, in ten years time I wanted to be back to flexible and enjoyable incomes and involved again in family life. From where we were it was impossible to see how any of it could happen, so we stayed with the ‘what’ we wanted in the coming decade and the ‘why’ we wanted it, without considering the ‘how’.

Life is like a business – but more complex. It has income, expenditure, human resources, capital acquisitions, property maintenance, investment strategy, conflict resolution, health and safety. To be successful, businesses must have principles and systems to contain the instinct and response of their staff. Life is the same – we need principles and systems to contain our impulsive instinct and responses (I’ll discuss this further in chapter five PLANNING). If you follow the principles in this book to ‘design your next decade of life’ as Heather and I learnt to do, you will go a long way toward building your future on great fundamentals; as the increasing weight of life appears you will be well-equipped to handle it.

This model is the snapshot of the 'Design a Decade' program and what unfolds in the following chapters.



Many people want to acquire enough **capital** investments, like property and shares, to secure their future. Others are focused on business, endeavouring to compile a lot of **cash flow**. In most Western countries governments are focused on growth for their economies, resulting in inflation. This has two effects: the value of commodities increases, clothing and IT devices may become cheaper as manufacturing changes but commodities like property (in a well chosen location) increase in cost due to inflation. There is much more about that in chapters ten and eleven. Conversely, the value of cash reduces over time due to inflation.

I would suggest a balance of both capital and cash flow is needed to secure our future, with the surplus of cash flow from employment or business being sown into capital investment.

Regardless of how much capital or cash flow we accumulate, if we do not personally manage all aspects of life we will end up in 'crisis mode' at some point. As I said before, life management is about the balance between the resources of time, relationships, income and expenses; and the preparation and energy for life through planning, personal development, health and fitness, and lifestyle – all of which are essential foundations to your wealth creation journey. As you can see from the model, personal management combined with sufficient capital investments gives us security. Personal management and sufficient cash gives us more flexibility for life. But a combination of all three sets us up for the increasing longevity of life. The following chapters will unpack this model. I trust you enjoy this book and it is my hope that it will bring you to a better life.

Design a Decade

1. TIME

*We have to have our own rigorous time schedule
or we will be the victim of everyone else's rigorous time schedule.*

John Lewis.¹

Time is an incredibly slippery commodity. Almost no one has absolute control of it. Right from birth through to our school years and then on to employment *where* and *how* we spend our time is totally in the control of others - our parents, carers, teachers and employers. We are told what time to turn up to school and to work, as well as when to be at any other organised activities. From our later school years we are given a little more free time to determine how we want to use it. But as people leave school, find employment, get married and have families the time-pressures of life increase, leaving us little time that we control.

In my case, I spent my primary school years in Stanwell Park, a small coastal town in New South Wales, Australia. My parents owned the only general store in town and the school was at our back fence. It was a great place for a young guy to grow up. My time revolved around school, helping out in the shop, visiting friends who lived near by and waiting to be taken to the beach or to organised sport. When it was time for me to move up to high school my parents sold the shop and we moved to Sydney so I could go to Manly Boys High School. They bought a sandwich shop near the school so life was much the same for

me: I went to school; walked to the shop; and waited to be driven by my brother to various sporting engagements.

The problem is that we have endured decades of our time being controlled by others. As much as we may not like it, we have become used to being told what to do, where to do it and when. So when it comes to being responsible for our own time, many of us struggle and even fail to take control until it is too late and we are left frantically trying to fix a life in crisis.

One thing is clear, what we give time to grows, and what we don't give time to dies.

What is really going on?

Time has three levels and we need to know how to get the best out of each of them. In order to do this it is important that we have both a clear indication of how we currently use our time, and how we would prefer our time schedule to look. Let's call these levels *one, two* and *three*.

Level one refers to the time we spend interacting with others when *someone else has control* over when that time takes place, without us having any input. Examples of this may be the time we are required to be at work, or at school, or at an organised sport event.

Then we have level two time, which is where we interact with others and *everyone in the group has a say* in when we will meet, such as meeting a friend for lunch, or arranging to study together. We are highly likely to attend these activities because of the commitment we have made to someone else. We have the choice of whether spending our time in this way is for a worthwhile purpose or not - but it's likely to happen because someone else is depending on us to turn up.

The final category is level three time where *we act alone* and only we control when and even if it happens. Individual exercise, personal study, reading, time spent on social media, cleaning the house or eating well are all great examples of level three time.

In our school years and early working years the little time we have that is not controlled by others is usually spent on what comes naturally and is most enjoyable to us. At this age we rarely do things that are good for our future; we would rather do what feels good today.

For some this continues as a life-long habit that is difficult to break.

By the time we move into our twenties the only time we have spent doing what we should have to earn money, or look after ourselves, or to plan for our future, is when someone else has set the time for us to do it. The problem is that as we continue through our adult life we have no habitual pattern of discipline for our level three time — the time that we are solely responsible for using well. It is the use of this level three time that primarily determines our ability to build a great future. Only a few people naturally use this time well, so it is important for most of us to work to some structure and learn how to create the right culture towards building this better life.

In my final two years of school there were seven of us that did most things together. Most of us were at the same school, we all played the same sport and we all loved to enjoy ourselves in our level three time. This meant we played *lots* of sport and spent *lots* of time at the beach and had *lots* of parties. Sounds pretty normal, right? At the end of the year when our results came out it was not surprising that we all achieved similar, modest results. Except for one of us. Graeme. He topped the state in Economics and landed a great job at the Reserve Bank. When we questioned him on how he had managed to achieve that when he had never missed any of the fun things we did together, he simply answered, "Well I guess when the weekend finished or a midweek sport or party finished, I studied during the wait for the next fun thing, while you guys just waited." And you know, he was right! In between our times of 'fun' the rest of us were either talking about the last fun thing we had done, or we talked up how good the next fun event would be. Graeme, on the other hand, had used this 'in-between' level three time to invest into his future and still managed to not miss out on any of the levels one and two activities we were engaged in.

It is so easy to let level three activities slip by under the pressures of level one and level two, because the consequences of level three are not immediately felt. But they do hit suddenly down the track. It is a bit like a mobile phone. You don't have to charge it as much as you use it. But if you don't give it sufficient charge often enough your phone will stop working. Level three activities are the same. You don't need as much time for level three as you do for level one or two, but you do need sufficient time, consistently. Interestingly, the signal from a phone with very low battery charge is just as clear as when it's fully charged, but it will still stop working suddenly. In the same way people may seem to be doing just fine – with full signal – and then suddenly they seem to stop working by going bankrupt or getting divorced or suffering illness. Everyone around them is surprised because it all seems so sudden. But it really was only the visual that was sudden as their level three time had been neglected for a long time.

It is worth noting that if we miss giving attention to the different levels of time and their activities, the consequences differ according to the levels. The consequences of missing level one time are immediate and negative. If you don't turn up for work or the game you are playing in on time then it is known straight away and people will not be happy. Missing level two time also creates immediate awareness and can cause concern as someone else relies on you to turn up. You may end up getting a phone call that goes something like, “Chris, you were going to meet me at 10am. It's 11. Are you ok?”

It is significant that the consequences of missing level three time are often only seen and felt well into the future, and are often beyond repair. For example, failing to eat healthy and living a sedentary life will have very negative repercussions years later. Other examples may be failing to manage money well and not planning your financial future; or not investing time and energy in working on your marriage or other relationships.

So what can we do about it?

Understanding that how we use our time is critical to creating excellent life culture, will enable us to make the necessary changes. It

is important for us to work out how we would prefer to spend our 168 hours of time in any given week, taking into account all three levels. Once we know this we can compare our actual time use each week with our intentions and continue to make the adjustments necessary. Often it will only require small directional changes to get you back on course. Heather and I still review this after many years and even so we tend to drift away from important activities due to the pressures of life. To change anything simply requires minor additions and subtractions over time in order to develop the culture you desire and to have outstanding lifestyle wealth.

Like a plane on automatic pilot it is just a matter of constant adjustment to stay on course.

When one of my clients first did such an exercise, with his family present, he told us his top priorities were his family, sport and business – in that order. He had two very successful businesses, which meant most of his week was taken up by his third highest priority. But he had also been an elite sportsman and now gave much of his left over time to coach the juniors in that sport. The challenge for him was that he was giving twice as much time to coaching the juniors as he was giving to his own children who were his number one priority. It was time to make some adjustments. So often we sacrifice what is closest to us for the sake of others.

There are only so many hours in a week, and only so many ways we can spend them at any one time. When it comes to how we spend that time it is clear that every time we say 'yes' to something we are fundamentally saying 'no' to something else that we could be doing in that time. When you are asked to give your time, by all means agree that it would be good to do but take some time to consider what will have to be missed if you say 'yes'. Knowing what we have said 'yes' to is essential, and this can easily be done by using a calendar.

Requests may come in various ways and circumstances. They may come where there is no pressure to say 'yes', the person is merely enquiring to see if you are available with no expectations. Or a request

may come from people who put you under emotional pressure, maybe family or friends. If you need to say 'no' in this circumstance I find it is best not to offer an explanation as to why. People who place emotional pressure on you will judge your priorities and maybe argue with you to put pressure on you to change your mind. In this case I suggest you deliver your decision with, "That would be great, thanks for asking. Unfortunately I won't be available."

Requests may also come from people in authority, maybe the boss, community group leader or a parent. Here it is important to back a 'no' decision with some fact, information or benefit to the leader. You may need to say something like, "If I give time to that we may miss the deadline for something else. Which would be more important to you? Could I suggest an alternative?"

*Remember we only have 168 hours in a week.
Choose when to say 'yes' carefully.*

Always have a sense of the moment. Ask yourself, "Am I doing what I should be in this moment? If I have been distracted, how quickly can I get back on course?"

If you are having difficulty sticking to your level three time, turn it into level two or level one. A great example of this is if you are struggling to commit to getting yourself to the gym to workout, change your fitness program to a level two activity by arranging to do it with a friend so that someone else is dependent on you to turn up. If that doesn't work, make it a level one activity by engaging a personal trainer to train you at a specific time so that you are obligated to turn up.

What if your thoughts were audible?

When planning our time we budget our physical 168 hours a week – where we will physically be – ensuring that the all-important level three time is in the plan AND in the calendar. This is a great first step, but we need to think of our 168 hours in terms of mental and emotional time too. This means that when you are physically present at a one-on-one with your spouse or children, or you are at your

favourite sporting event, or in a meeting at work, are your thoughts and emotions on the physical event or are they somewhere else? Is that time getting all of you when you are physically there?

In the movie *What Women Want* (2000), Mel Gibson plays a character who is hit by lightning and suddenly can HEAR the thoughts of others. If the people you are interacting with in various areas of life could actually hear what you were thinking would they hear you on task in the moment or would your thought time contradict your physical time?

We have found that matching physical, mental and emotional time only comes naturally for the things we are passionate about. For example, if you are passionate about your gym workout it isn't difficult to be focused in all three areas. For things other than our passion we must be intentional about keeping focused in all three areas.

As well as this, many of our business clients have become very intentional about leaving work at work, having been guilty of entering their home on the phone and not connecting with their family. Some now take a moment before leaving their office to concentrate on arriving home focused on their family, some even make a call home before leaving. Others have a landmark, a certain roundabout or set of lights or a corner, where they intentionally switch from work to family time.

You have a choice.

In the next chapter RELATIONSHIPS I talk about the need to recognise the people in your life that energise you, and those that drain you. Interestingly you actually have a choice to balance your time between these two groups. I have found that most people get exhausted by the areas of life and the people that drain them, which leads them to THEN go looking for rest or for people who can lift them up. Obviously this is the wrong way around. Make sure that in each week you schedule a healthy spread of energising moments to strengthen you for those inevitable draining moments. Put it in your calendar! Of course I must note that 'draining' doesn't mean the people themselves are bad news or should not be in your life — think

of your beautiful and chaotic young children. Of course you love them beyond measure, but can they be draining? Yes.

Those people who are in my personal coaching team well know that you cannot reach me on a Friday morning. Invariably I try to be playing golf with my long-term best friend, David. It's more about the great company, the environment of kangaroos and bird life and the occasional good shot that attracts me, than the golf itself. However, I find that if we occasionally miss a week or two I can feel the negative effect during the week.

You need non-negotiable time scheduled for energising actions in your week, whether they are grabbing coffee with your favourite people, or going for a surf at dawn! If there is no energising action planned, or insufficient time for one, then you urgently need to find the time, get it in your calendar and defend it vigorously.

¹ John Lewis, Pastor of Northside Christian Church in QLD, Australia until 2006.

2. RELATIONSHIPS

*Generally we attract people we understand and
we reject people we don't understand.
Often these judgements are made on first impressions.*

David Schaeffer.¹

It is unfortunate that it has become true that we can no longer trust the community at face value. In previous years your word was as good as your bond, and life-changing contracts were sealed merely by the shaking of hands. A professional sign over the door stating 'solicitor', 'accountant', 'fireman', 'teacher', 'policeman', 'doctor', or 'nurse' brought a feeling of trust. Today, unfortunately, we need to consider whether people fall into the good, the bad, or the ugly. The 'good' are people who are known by you to be trusted; who have your best interests at heart and have the skills, knowledge and wisdom to assist you. The 'ugly' are those who are self-focused at our expense and are pretty easy to spot. The real danger is the 'bad' – people who we know as a trusted person, who would have our best interest at heart but who turn out to be someone who lacks the necessary skills and wisdom to assist us. For example, a client of ours, who had lost his wife to cancer before he came to us for help, took the advice of a friend while still in bereavement. His friend advised him to take out a loan against his home and promised he would invest the money for my client to increase his income while he was going through the grief of losing his wife. As it turned out the friend in fact had no wisdom about investing and lost all the money.

In light of this, it is apparent that we often still allow relationships to grow too quickly, trusting the person too easily. As has been said about dating or a job interview, a first meeting is almost always a perception created by the parties concerned to highlight their strengths and cover their weaknesses. Reality follows later and often it fails to meet the expectations created by the initial perception.

On the other hand, creating and maintaining *quality* relationships can be like trying to hold onto slippery soap. I have seen people end an otherwise promising relationship based on a single action by the other person, or on a small aspect of their personality. They then move onto another new and exciting relationship where their initial perception soon fails to be met by reality, when another incident or action moves them on again. A new relationship may seem different to start with; that's because it has not yet reached the same stage where the previous relationship fell apart. More often than not, the new relationship will break down for exactly the same reason and at the same place as the previous one.

This is true for both personal and business relationships. Certainly some relationships are not good for us and should be left behind. However, many times people leave potentially great relationships because they are not willing to try to *understand* the other person or the action they took.

*We need to learn to move through trouble
in relationships, not simply move away.*

The human race is an interesting species indeed. We certainly are complex and there is a lot to understanding relationships. In personal relationships where both parties are willing to try hard and have excellent motives, we still find them separating and claiming that it just didn't work, or that they chose the wrong person. That may be true but most relationships start off great and end badly. How can this be? Primarily it is because we don't understand each other; nearly all the difficulties we face in the other areas of our lives relate back to our poor time-use, or our poor understanding of other people.

In many business relationships everything will progress without a hitch until someone makes a mistake. And instead of communicating well, working through the issue and fixing the problem, to continue in an even stronger relationship, one party decides to leave the business relationship only to replace their business partner or the professional they use with a new partner or professional who also makes mistakes.

Can we avoid this?

There is good news! Personal and business relationships can be much easier than they may seem. As I have coached people through this area of relationships I have often seen the lights go on, allowing them to grow in confidence that their relationships can be saved, develop and prosper.

This is much more easily understood once we have an understanding that everyone has a personality type and a love language. When we learn how people operate in their lives it is much easier to avoid clashes with them and to work *through* challenges instead of running away from them.

There are three vital areas of relationships: the seven levels of relationship; the personality profiles; and the five love languages. Let's have a look at each of these in a bit more detail.

The seven levels of relationship.

Over time many people come into and out of our lives and we need to recognise and understand the value of trusted and energising personal and professional relationships. I encourage you to allow people to move slowly through the following levels of relationship, solidifying the relationship as you go.

1. The first level is what we call the *crowd*. Before we meet someone they are merely a part of the crowd.
2. Then we may be introduced to them at a birthday party or we strike up a conversation with them at the gym and they become an *acquaintance* - the second level.
3. If we begin seeing them often, either at work or as part of a

sports team or community group, they move to the third level of relationship by becoming regular *associates*.

4. *Energising friends or family* are the next level. The key word here is 'energising' and it is important to move people into this group only if you are always more energised from being with them. If they drain you, leave them in an earlier group, even if they are family.
5. If they prove over time that they can be trusted with confidentiality, and that they have some wisdom to share in a particular field, they may become a trusted coach or mentor. *Trusted personal or professional relationships* is level five.
6. Level six is reserved for your *spouse*, your chosen life partner.
7. And the final level of relationship is with *you*. Others can't enter this level as it is how you relate to yourself. Can you be alone without being lonely or anxious?

Like with level three time (see chapter one TIME), the consequences of not learning how to develop quality trusted relationships does not show up immediately. It often shows up later in life when you find yourself in crisis mode. It may be true that by the time someone speaks up about concerns they have regarding a relationship, if they do not understand this process, their love tank is not only empty but it has holes in the bottom. The relationship actually died long before it was seen to be over.

How we present ourselves to others reflects back to us. If we do this well, how others reflect back to us will help us decide which level of relationship people are in for us. If we reflect energy and others continue to reflect draining conversation back to us then they are placing themselves in the crowd, acquaintances or associates level. If others continue to reflect energy back to you, they will eventually become friends who energise you.

Ask yourself where you stand now in regard to these seven levels of relationship. Where have you placed those you are already in relationship with? If you are not sure, for example, what qualifies a person to be in your 'energising' column consider the following questions:

*Do they bring joy to a room when they enter it?
Or do they bring joy to a room when they leave it?*

I have found that in fact people position themselves. Some may already be further along the relationship levels than they should be; they may be taking up too much of your time and brain space, draining rather than energising you. You may need to progressively move them back down through the levels, or maybe out of relationship completely. This can apply to anyone you are in relationship with; a friend, a business partner or sporting relationship. Even a family member.

In the same way you may find that there are people you know who you recognise as someone who needs to be moved up the levels to a more important role in your life. Consider whether you want to get to know them better as a friend who brings energy and joy to your life, or whether you want to build a stronger relationship with them as a trusted coach or mentor.

The client I mentioned before, who lost his wife and his money, is now one of our coaches here at BWC. He is a fantastic person and everyone likes him. One of the reasons is that he is so open and friendly and trusting. He used to let people quickly into the 'trusted professionals' level of relationship, and it was this that led him to suffer the heavy financial fall due to one of them. He has since learned the definitions of investment, development and speculation (I explain this in the Wealth Creation chapters²) and has realised that a 'trusted' professional (with all the best intentions but without the skill to match) took him into an 'investment' that was actually a risk-filled speculation. He has now become more aware of keeping people out of his trusted relationships until he is sure that they can be trusted. Recently he had to go overseas at a time when he had some financial and legal matters to attend to. But this time he was confident to leave Power of Attorney with his trusted professionals and all matters were dealt with well in his absence. What a turn around this was for him now that he understands how to develop trusted relationships and not just take them at face value.

Make sure, as you meet people in the crowd who become acquaintances, that you move them slowly up the levels of relationship as you get to know them better. It is harder to move people out of your life than to let them in quickly, so take your time.

The personality profiles.

Understanding personality profiles is about understanding the differences in people. There is a large amount of information available about personalities and how each personality type communicates and reacts in different ways to the people around them in various environments. Here I am seeking to introduce you to the differences in people to help you grow strong, trusting relationships.

Most available information summarises personality types into four main categories.³ Here is a brief summary:

Melancholic – Owl:

Melancholics are the detailed, organised people. To them the method is as important as the result. They are creative and sensitive. They tend to overdo the details and often delay starting a project until more facts are known. At their extreme they are perfectionists, which can annoy everyone else.

Choleric – Eagle:

Cholerics are the drivers of the world. Like an eagle they are independent. They get things done. Give a choleric a goal and they will find out how to achieve it along the way. They may appear insensitive but usually have people's best interests at heart.

Phlegmatic – Dove:

Phlegmatics are the reliable people, who everyone likes. They are slow to move, slow to make decisions. But if they do make a decision, not even an eagle can move them. They are great negotiators as they are great listeners. They will find the shortest, easiest way to do things and generally won't proactively move to new things, unless their current position becomes painful.

Sanguine – Peacock:

Sanguines love the limelight. They can be show-offs, love a party, and have lots of friends. But they tend to be unreliable, such as being late for an appointment. They easily gather a crowd and can be up and down emotionally. It is important to them that people like them. They have short concentration spans.

Be sure to read *Personality Plus* by Florence Littauer to gain a full understanding of this.⁴ She has a profile in the book that you can complete to properly determine your own personality type and those of your spouse, family members, close friends and work colleagues.

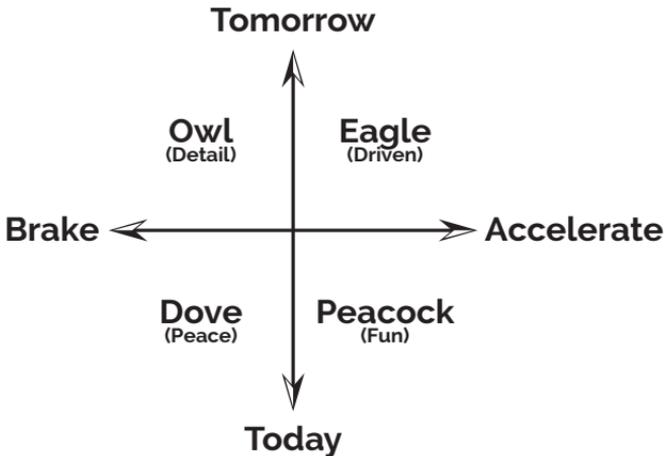
But if you want to assess your profile and that of your spouse briefly, have a look at the following table:

<p style="text-align: center;">Organised Melancholic (Owl)</p> <ul style="list-style-type: none"> • Has the ability to analyse and find the right result • Has an eye for detail • Finishes what they start • Believes that if it is worth doing, do it well • Does all things decently and in order • Sees into the 'heart and soul' of life • Appreciates the beauty of the world • Creates from nothing 	<p style="text-align: center;">Powerful Choleric (Eagle)</p> <ul style="list-style-type: none"> • Has firm control when others lose it • Makes quick strong decisions • Takes leadership • Takes charge in doubtful situations • Holds confidence in the face of ridicule • Has independence to stand alone • Gets things back on track • Takes up arms against trouble
<p style="text-align: center;">Peaceful Phlegmatic (Dove)</p> <ul style="list-style-type: none"> • Has stability to stay on course • Has patience to put up with provokers • Is a great listener • Mediates between opposing forces • Seeks peace at any price • Is compassionate to the hurting • Keeps calm when others don't 	<p style="text-align: center;">Fun-loving Sanguine (Peacock)</p> <ul style="list-style-type: none"> • Life of joy in troubled times • Has a touch of innocence • Is witty when others are troubled • Is always hopeful and sees the positive • Is enthusiastic • Is creative and charming • Keeps things simple

The different personality types impact every area of our lives. You may have heard the saying that someone is a round peg in a square hole – they just don't seem to fit comfortably in their environment. It is crucial to understand our own personality type, not only to get the strengths from it but also to know what we do not do well, so we do not frustrate ourselves and others with misplaced expectations.

We should also consider the personality types of the people in our world. Considering their personality types will help us understand them better; it will allow us to get the best out of our close relationships and better manage the associates and acquaintances who can be a little draining. For example, what is the personality type of your spouse? How can they compliment your personality type by supporting your weaknesses? And how can you support theirs? It is important to remind ourselves that a relationship will only grow to be great if we consider and support the other person's personality.

The model below gives a 'snapshot' of some of the behaviours of the different personality types:



The peaceful dove and the fun-loving peacock are generally focused on today – potential problems can wait. In contrast, the detailed owl and the driven eagle are task-orientated and are constantly

considering tomorrow. The eagle and the peacock are open to change and are generally the accelerators towards change, often moving forward before all information is available. This means they are much more likely to take risks. On the other hand, the owl and dove are unlikely to take any risks and are usually putting the brakes on; the owl continually wants more information so decisions get delayed or don't happen at all, and the dove likes to maintain the status quo.

Clearly each personality needs to be handled differently when being approached to do tasks. With a dove you could simply ask them to help you with the task as they love to please. When approaching an owl ask them what is the best way to handle a task; they will probably take it off you and do it themselves because for an owl no one can do it as correctly as them. The peacock will want the task to be fun. If you cannot make the task fun for them they may still respond if you offer them a reward. Of course you must give the reward after they have completed the task and not before, otherwise they will enjoy the reward and not get to the task. When it comes to the Eagle, they believe they are always right. And they often are! So if you agree with what they are doing and the way they are doing it, ask if *you* can help *them* in any way. However, if you do not agree, you must argue your point vigorously – this is ok to the Eagle as they do not mind conflict. If you are too soft they will probably brush past your concerns and just keep going.

Strengths and weaknesses.

Is there someone who you have as a trusted relationship with who you can be transparent with to discuss your strengths and weaknesses? A group of business owners who I coach had struggled to benefit each others' business because their personalities clashed. Once they had worked through their personality profiles and their relative strengths and weaknesses, they began to understand each other better and to build stronger relationships. They are now willing to share their client base to the benefit of all their businesses and their customers.

If all the people around you all have the same personality type then you are missing some strengths in your relationships.

My wife Heather is a fantastic person. She is a mixture of the four personality types which brings a lot of strength to our relationship. She is strong and driven when she needs to be. She can also be very detailed. At other times she will be very laid back or be in party mode. As you can imagine this can be difficult to cope with sometimes – what personality are we in for today? Well I have worked it out. When we wake in the morning, if I get a kick in the ribs to get up and make the morning cup of tea, we have an eagle day on our hands. If she is already up and the bed clothes are on the floor we have a peacock day. If she is still in bed long after she should be, we have a dove day. And if she has made the bed already but I am still in it we have a detailed owl day coming up.

It is important to understand that while our weaknesses may not become strengths we must manage them so that they do not bring down all the good that our strengths provide. You may remember the former Australian tennis doubles pairing of Paul McNamee and Peter MacNamara, the super Macs. They won many grand slam doubles events and were number one in doubles for many years. In singles, however, Peter struggled. He had a great serve and forehand but was weaker on the backhand. In doubles it was easier to manage this weakness in his game, but in singles it was easier for his opponents to overbear it. He was one of the first players to use the double handed backhand that is so popular today. After a year of practicing and playing with the double handed he climbed into the top ten in singles and made a grand slam final. His backhand did not become a strength but it kept him in the game long enough for his strengths to win the game. We need to know and manage our personality weaknesses so our strengths can get us to win in life.

The five love languages.

I love the story of how a wife confronted her husband with the plea, “You never tell me you love me anymore.” To which her husband responded, “You know I love you, I told you I loved you when I asked you to marry me twenty years ago. I’ll let you know if anything changes.” Sounds a bit far-fetched and ridiculous I know! But for some this is the reality of their relationship. And it is something for all

of us to consider when we think about our relationships and how we communicate our love to those who are important to us.

In his book, *The Five Love Languages*, Gary Chapman brilliantly explains that there are five primary ways in which people give and like to receive love.⁵ We are generally happy to receive love through all the love languages but there is usually at least one we cannot do without. We recommend you read *The Five Love Languages* for a complete understanding of this topic. It is worth it!

One of the biggest challenges in relationships is that we *give* love using our own love language and expect others to understand and appreciate that. We also expect that they will automatically show us love by using our preferred love language because it is so natural for us. The truth is, unless we are made aware of these differences, we don't even think of delivering love in any way other than by using our own primary love language because we don't know any better. We actually have to actively learn how to show others we love them in their own love language and this goes against our nature to do so. Is it any wonder so many people do not feel fulfilled in their relationships?

Wouldn't it be incredible if we could learn the love languages of our spouse, our kids, our closest friends and colleagues and decide to actively show them we love them by using *their* love language, even if it is the opposite of what comes naturally to us.

Here are the five love languages as laid out by Gary Chapman:⁵

1. The Giving and Receiving of Gifts – not just on special occasions.
2. Acts of Service – doing things for people and appreciating what they do for us.
3. Quality Time – giving and receiving undivided attention.
4. Physical Touch – not just hugging and kissing but any kind of physical contact.
5. Words of Affirmation – words of affection, endearment, praise and encouragement.

One of my clients said this to me recently,

After reading *The Five Love Languages* I realised that my primary love language is quality time. For me that meant that having a picnic with my husband on a great sunny day was more important than receiving a gift from him, or if he mowed the lawn. I would much rather spend some quality time with him on my birthday than receive any sort of present. In contrast, my husband's primary love language is receiving gifts. He loves for me to include a block of chocolate in the shopping especially for him, and always has a list of gifts for birthdays. For years we had not been demonstrating our love for each other in a language that we each understood. Now I regularly give him a small gift and we spend dedicated quality time with each other. The positive difference in our relationship is great.

We need to continue to remind ourselves that a relationship can only grow to be great if we consider and support the other person's love language. A regular check of whether we are showing our spouse we love them using their primary love language, for example, can only benefit and develop our relationship further.

Principles to help relationships further.

There is an old adage that states we should operate with 'truth, common sense and good manners'.

These traditional principles still hold today. The saying that 'the truth will set you free' is also certainly true. Living in denial, or ignoring issues which become no-go zones for conversation is like painting over rust hoping it will go away. Sooner or later it will come through and destroy. Using common sense and good manners is an intentional decision to be made. A life-changing time for me came when I arrived at a meeting in a poor and unproductive frame of mind because I had let several 'incidents' during the drive to the meeting annoy me and I am sure I had been 'annoying' back to the other drivers. So I made a decision that day to consciously help other drivers have the best day on the road; let people in who are trying to change lanes and basically help out wherever I could. If someone did something silly I decided to

assume it was just a mistake or they were having a bad day. Over time this has spread to all areas of my life and has significantly heightened my contentment for life.

It is often better to be kind than right.

In conversations speak at half pace, half volume, leaving pauses for the other person to think and join the conversation.

So often people speak too fast and too loud, knowing what they want to say and sure of what they mean. But this alienates people who don't have a clue what the speaker is talking about, and causes the speaker to lose authority in the conversation. We need to be sure that those we are speaking to can hear us and understand us. Have you ever noticed how some people talk over the person talking to them, or talking in a small group, before they are finished? This can be for some very negative reasons, including lack of respect for what that person is saying, or the person themselves. However, there is another very simple reason too. Just as people metabolise food at different speeds, they also metabolise thought and speech at different speeds. Of the various personality types we have mentioned in this chapter, the Choleric Eagle and the Sanguine Peacock tend to think and speak faster than the Melancholic Owl and the Phlegmatic Dove (please know this has nothing to do with intelligence or ability) and so they generally start talking before people have finished. If you are in a relationship, it's likely that one of you tends to be the interrupting kind. If this is you make a conscious effort to wait until the other person has finished talking and then carefully consider what they have said. Many of our clients have learnt to listen with their chin in the palm of their hand and a finger or two across their lips to stop themselves from talking too soon.

Learn to listen reflectively – ask questions and listen intently before speaking again.

There are two types of reflective listening. By repeating back to someone what you understood from what they just said, you are making sure you have grasped their meaning. But to really 'make someone feel good' ask questions about the first thing they have

said, to get more information on what they want to talk about. As you ask questions in a conversation, move across the four areas of life, or F.O.R.M: *family*; *organisations* they belong to; what they do for *recreation*; and *money*, which is about anything to do with their job, investments or business. If you met my wife Heather and began the conversation by asking her if she had a family, she would answer, “Yes, a husband, children and grandchildren.” But if you quickly moved on to ask where she worked, you would have missed the fantastic opportunity to ‘reflective listen’ by asking her further questions about her family and to discover that her family is her passion. By asking reflective questions about each area before moving on to the next area you are likely to find a person’s interests and passions. Talking about *their* interests and passions makes them feel good and draws them to you in relationship.

*Instead of always trying to say something profound,
ask questions to see if others have something profound
to say that you can add to your wisdom bank.*

Trust people but not their nature.

Remember our conversation about the ‘bad’ professional relationship who had your best interests at heart but not the skills to help you. So often we join someone in their endeavour, or we choose someone to do something with, because we trust them generally. For example, you may have someone who could become a trusted personal friend or family member, but will not necessarily make a trusted business colleague because their nature is poor money management or irrational decisions. Many times clients have mentioned people they have lent something too and it has come back in poor condition. It could also be something very sensitive like someone you would trust generally may have a challenge in their life such as an alcohol problem so you would not ask them to look after the bar at a celebration. It would be unfair to them.

Negative humour and a critical attitude are relationship destroyers.

I find that one of people’s favourite pastimes is negative humour – having a bit of fun at someone else’s expense. Often this is by pointing

out weaknesses in their abilities or lack of skills. This happens especially among teenagers and young adults. There is a disturbing trend for this time-to-time humour, which usually *is* funny, to become a lifestyle that becomes destructive in relationships. The default to negative humour cuts out any chance of quality conversation.

To build strong and meaningful relationships we need to encourage other people's strengths rather than criticise their weaknesses. Unfortunately today it has become 'the norm' to be critical first – politicians, the media, and sporting fans always seem to be talking about the negative. How often do you hear a politician give their opposition some praise for a policy decision? Imagine being a person who wakes up every morning working out how to discredit someone! Be different. Find the best in people!

*Remember that bringing someone else down
does not lift us up.*

Who are you associating with right now? Where do they fit into your life? What level of conversation should you be having? Is your conversation building or destroying your relationships?

¹ David Schaeffer, BWC Lead Coach.

² See pages 79-122.

³ For further information about these birds representing personality types you can refer to Richard N Stephenson's DOPE Personality Types Test. <http://richardstep.com/dope-personality-type-quiz/>.

⁴ Florence Littauer, *Personality Plus: How to Understand Others by Understanding Yourself*, 2nd edition (Strand Publishing, 2002).

⁵ Gary Chapman, *The Five Love Languages: The Secret to Love that Lasts*, new edition (Northfield Publishing, 2015).

CONTACT

In addition to this book - in it's complete state - there are many products and services designed to assist you through whatever stage of life you are facing, wherever that may be in the world.

I would love to stay in contact with you.

Please feel free to email me at hello@chrisjfreeman.com.

Or to see more about me and the '*Design a Decade*' program jump on www.chrisjfreeman.com.