



## DOLLARS AND SENSE

By Brian Ross, OST Director of Financial Education

### Who Wants to be a Millionaire?

A typical financial counseling session will include a client's assessment of Needs vs. Wants. So, perhaps the better question to ask here is: Who **Needs** to be a Millionaire?

If you have looked into the available retirement calculators on the TSP website or just about anywhere online these days you have probably seen the projections of how much you'll need to have saved up when you choose to retire. A range of \$1-2 million is pretty typical.

While not everyone aspires to become a millionaire, many workers do hope to retire comfortably. And with the recent market volatility dominating the news, as well as the nightmares of many investors, there is perhaps no better time to evaluate your retirement goals and progress thereof.

In their New York Times bestseller, "The Millionaire Next Door," Thomas Stanley and William Danko studied the habits of millionaires and offer some very insightful research for those who hope to move closer to that distinction.

To give you an indication of their findings there is a chapter in the book entitled, "Frugal, Frugal, Frugal."

Stanley and Danko found that over 80% of all millionaires are nouveau riche, or new to wealth. In other words they didn't inherit their money, but are entirely self-made. That's encouraging for those of us who refuse to give up on our dreams.

They also found seven common denominators among those who are successful in asset building:

- They live well below their means
- They allocate their time, energy, and money efficiently, in ways conducive to building wealth
- They believe that financial independence is more important than displaying high social status
- Their parents did not provide economic outpatient care
- Their adult children are economically self-sufficient
- They are proficient in targeting market opportunities
- They chose the right occupation

Author and speaker Les Brown says, "Most people fail in life not because they aim too high and miss, but because they aim too low and hit."

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