Invest Time Wisely

Idea In Short

Invest your time in things that grow in value, challenge you, give you flow and are unique to you. The four highest-return investments are people, experiences, assets and writing. These compound while consumption decays.

The Question of Where to Invest Time

When is the last time you said you did not have enough time? Yesterday? Maybe even today. We live in a culture of distraction, consumption and remarkably good streaming services across Netflix, Hulu, Disney Plus, HBO Max and YouTube Premium.

Time is one of the few things you cannot buy, so the question of where to invest it applies to most everyone. Business school students with a gap between school and internships face it. Mid-level corporate professionals ready to ride the next career S-curve face it. Recent retirees thinking about their next 10 years face it.

The framework that follows organizes where time produces the highest returns. The principles are accretive value, uniqueness, challenge, flow and synergy. Apply them to decide what deserves your hours. 1

Invest in Things That Grow in Value

Think of your time like a retirement account. Invest in things that are accretive. Over time, solid growth stocks outperform cash held idle. On the flip side, do not pour time into things that go nowhere.

This principle sounds obvious until you audit a typical week. Hours disappear into activities that produce no lasting value, no skill, no relationship and no asset. The opportunity cost is invisible but enormous. Every hour spent on decay is an hour stolen from compounding.

Invest in Things That Are Unique to You

Do not be average. If something is available for sale on Amazon or can be looked up by a 13-year-old nephew on Google, it does not give you a competitive advantage. Average is boring, low-margin, undifferentiated and frankly un-fun. Playing to win means playing more of your own game.

Using financial language, if you want alpha, which means beating the averages, then you need to be different. Uniqueness is where leverage lives. The skills, relationships and perspectives no one else has are the ones that command premium value in the market.

Invest in Things That Challenge You

Push yourself, and this is advice for anyone. It is easy to coast in your career once you get good at something. The problem is that markets are competitive and clients are savvy. They do not want to eat the same thing you cooked last year for five other clients.

They want value, and value equals a better version of yourself. If consultants or anyone in professional services are the product, then what are we doing to improve the product? Are we faster, more organized, more cross-functional, more scalable, easier to work with, more predictive and more fun? Have you improved your craft?

Invest in Things That Give You Flow

What kind of problems do you like to work on? What do your friends and colleagues say you are naturally good at? If you got paid 250,000 dollars a year to do one thing, what would that be? What would you like to get so good at over the next five years that people would drive across town and pay you to speak about?

These questions surface the intersection of talent and enjoyment. Flow is where time disappears and work feels effortless. Finding it is not indulgent but strategic, because flow is where your best and most valuable work happens.

Seek Two-for-One Deals

Perhaps this is a luxury, but if possible, try to get two-for-one deals in your life. Can you invest time in things that grow in value, give you flow, are unique to you and challenge you? If so, you are winning.

The best investments satisfy multiple criteria simultaneously. Writing about your expertise, for example, grows in value, is unique to you, challenges your thinking and can generate flow. The synergy multiplies the return on every hour invested.

Invest in People

After all, what else is there? We all want to make an impact, leave a legacy and leave the place better than we found it. It is all about relationships: professional opportunities, a sense of community and a workshop for your gifts.

Which people? Your spouse, your parents, your kids, your work colleagues, your friends and your neighbors. You determine how big your metaphorical cup is. Expand your kingdom as broadly as you can to influence, support and care for more people.

Invest in your family, relatives and friends. Send them a book. Spend time with them. Find ways to help them articulate their dreams, encourage them and help them. Push yourself to help others, except do not loan money. As Dave Ramsey warns, once you loan money to family, Thanksgiving dinner starts tasting differently. Give the money rather than lending it.

Invest in Experiences

Why not? You only live once. Life is too short to sit in one place, doing the same thing, never branching out. Theodore Roosevelt, the president, rough-rider, trust-buster and nature lover, captured this well.

He said, "Far better it is to dare mighty things, to win glorious triumphs, even though checkered by failure, than to rank with those poor spirits who neither enjoy nor suffer much, because they live in a gray twilight that knows not victory nor defeat."

What new experiences are you learning from? Are you getting smarter and wiser? Are you innovating and making the right kind of mistakes? As Seth Godin prods us, we are always becoming, and we can always make the choice to start becoming something else, if we care. The only way to become a more interesting person is to have something to talk about.

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Invest in Assets

This is a big one. Too many people make strong incomes but do not take the right steps to save and put that money into assets like dividend-paying stocks, rental properties or cash-flowing businesses. Are you getting retired? You have to own assets without liabilities.

In non-accounting terms, you need to be an owner of something, not just a worker. Financial freedom is about the balance sheet, not the income statement. The income statement shows what you earn, but the balance sheet shows what you own. Freedom lives in the latter.

Consume less and invest more in assets that make money for you. As Dave Ramsey often says, "We buy things we don't need, with money we don't have, to impress people we don't like." The cure is to redirect consumption into ownership.

Invest in Writing

This was a surprising discovery, and it proved enormously rewarding. Writing hones thinking and catalogs thoughts. Start putting your thoughts on paper, putting them online and finding your voice. It is fun, evergreen and helps you grow.

Most important, writing creates a community, a tribe of like-minded people to talk to and learn from. Your portfolio can take many forms: photographs, podcasts, songs, art, infographics, data visualizations or games. You decide. The main thing, as Seth Godin says, is that artists ship. 3

- 1Goodreads: Theodore Roosevelt, Dare Mighty Things Quote
- 2Apple Seeds: Dare Mighty Things by Theodore Roosevelt
- 3Thomas L. Friedman: Thank You for Being Late

Summary

Time is the one thing you cannot buy. Invest it in people, experiences, assets and writing. These appreciate while stuff depreciates. Consume less, own more and ship your work.

Financial freedom lives on the balance sheet, not the income statement.