

# Does long-term investment planning have a place in an ever-changing world?

By Khanyi Nzukuma, Chief Executive at Glacier by Sanlam

I've given this question some serious thought recently. My own children are young adults and their views on the world and how they envision their future is literally worlds apart from how I saw the future at their age. How does one plan for a future 50 to 60 years ahead when we have no idea what the world will look like then, and what the demands on us will be?

Futures strategist John Sanei said in a talk recently that we're a society addicted to certainty, and we seek certain and specific outcomes. Examples he gave included believing that marriage or job security is for life, or that a tertiary education is a guaranteed gateway to success. We may not be able to predict the future, but the one thing we can control is our own behaviour. Future success will demand that we be more agile, so while planning is still essential, we'll need to change and adapt those plans more frequently as the world, and consequently our lives, change.

## Financial security gives you options

My own children will probably never know a life that consists of spending five days a week in an office, for 40 years. They will be more in control of their own lives and how they spend their time as people take more control and ownership of their own destinies. This is the reason why I believe financial security, and knowledge of personal financial matters, will become even more important than ever before. Financial security gives you options and the freedom to try new things. That will be critical in a world that presents new and more options every day.

## There's more to long-term investment planning than retirement planning

Long-term investment planning is not only about retirement planning. If you've just started working and have time on your side, long-term planning will include dreams and goals – perhaps you want to take a gap year, travel, study full-time, or even do volunteer work. But these goals

need to be factored into a plan, with steps on how you're going to get there. They won't happen by themselves.

## Advice is critical – talk to qualified professionals

Although life is fluid, if you've worked for a few years, you probably have a fair idea of what's important to you and some of the things you'd like to do and achieve in the years ahead. A qualified financial adviser can help you translate these ideas into actionable goals. Think of an adviser as more of a life coach – someone who can help you get there and motivate you when times get tough along the way.

## Create a life you want

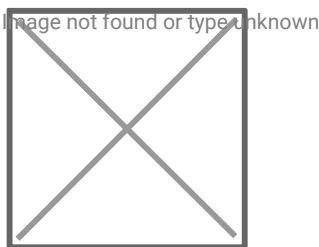
Retired industrial psychologist Professor Johann Coetzee once spoke about the four “Ms” that feature in people's lives – money, moments, memories and magic. Focusing on the last three - creating moments, memories and magic – adds up to a life of meaning, and that's what we should be planning for, not simply for the accumulation of money.

Microsoft co-founder Bill Gates is credited with saying that most people overestimate what they can achieve in a year, and underestimate what they can achieve in a decade or even twenty years. So to answer the question posed at the beginning of this article, yes, long-term investment planning most definitely does have a place in a fast-changing and chaotic world. In fact, as we've seen, it's more critical than ever before if we want to be able to adapt and grab opportunities as they present themselves.

Whether you're in your 20s or nearing retirement, have a plan for at least the next 20 years. And while long-term investment planning is the bedrock of the plan, ensure that you're planning for a well-lived life at the same time. A life that you can look at back on and be happy with.

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Khanyi Nzukuma obtained a BA in Psychology from Rhodes University in 1991. He then obtained a Masters in Business Administration from Potchefstroom University in 1998 and a Doctor of Psychology degree from the University of Johannesburg in 2011. Khanyi joined Sanlam in 1994, where he spent 11 years, starting as a Financial Adviser, and thereafter occupied a number of junior and senior management roles. He joined MMI Holdings in 2008, where he spent eight years, starting as a CEO of Metropolitan. In 2017 he was appointed CEO of Momentum. In January 2018 he left MMI and re-joined Sanlam as CEO of Glacier by Sanlam.

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