6/26/2018 The West Australian | Sunday, June 24, 2018 | Business | 43

every response encourages people to buy your book. Is your column at risk of becoming a grand-scale advertorial and therefore undermining your independent credibility?

Barefoot responds: I apologise profusely and I will stop in three months. Promise.

(Bill, just skip over the next question; it's only going to make you angry.)

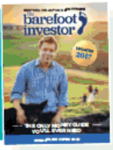
What about helping tweens too?

Nikki says: Last night I was reading your book and my 11-year-old son asked me about it. I was reading the chapter about credit cards, so I explained the dangers of them to him. Would you consider revising your book and targeting tweens like my son? He is faced with so much more "negative temptation" than I ever was. He talks about an online shopping site called Wish, and he also talks about gambling because of those horrible Lottoland and Sportsbet ads. I think your advice and guidance would help reinforce some good financial messages for kids.

Barefoot responds: As luck would have it, I'm writing a new book — *The Barefoot Investor for Families: The Only Kids' Money Guide You'll Ever Need* — that helps parents to raise financially fit kids of all ages, including tweens. While my last book focused on doing Barefoot Date Nights, this one focuses on the entire family having Barefoot Money Meals.

It's due for release in September. (Calm down, Bill. I told you not to read this!)

***The Barefoot Investor: The Only Money Guide You'll Ever Need* (Wiley) RRP $29.95**



Super lesson on how not to get burnt

Noel Whittaker

IN 1992, when I was researching my book on retirement, I discovered the books of Ellen Langer, Professor of Psychology at Harvard, who led pioneering research on the potential of older people.

Professor Langer conducted an experiment with elderly patients in a nursing home. Half were told they would be given a pot plant if they were prepared to care for it; the other half were told they would be given a pot plant for which staff would be responsible. As she had hypothesised, the group who were required to look after their plant showed significant improvements.

She was also the driving force behind the 2010 BBC TV program ***The Young Ones*** in which six elderly volunteers, including cricket umpire Dickie Bird, were taken back to an environment that was identical to 1975, when they were 35 years younger. They were asked to act as if they were 35 years younger. The effect on their health was dramatic — it was as if the ageing process had been reversed.

The American Psychological Association citation for her distinguished contributions award reads: "... Ellen Langer has demonstrated repeatedly how our limits are of our own making. Her pioneering work offers new hope to millions whose problems were previously seen as unalterable and inevitable."

As a fan for many years I was delighted to have the opportunity to spend some time with Professor Langer when she was in Australia last week to deliver a keynote address at the AMP Amplify conference.

She related the story of a friend who was having a house built and sustained an injury while standing on a porcelain toilet to adjust a light fitting. The friend exclaimed, "I have learnt my lesson". Dr Langer asked: "What was the lesson you learned? Was it not to visit a construction site? Was it not to stand on unstable objects? Or was it simply to take more care?"

Her point was that the lesson learnt depends entirely on a person's perception.

That rang bells for me at once. Immediately I thought of the many times I have heard people say they have learnt their lesson about investing in shares and will never do it again.

I've always wondered what lesson they thought they had learnt. Was it to not buy shares when the market is booming? To avoid speculative shares? To not buy shares when they were so cash-strapped that they would be forced to sell them if the market fell? Or that they did not have the temperament for volatile investments? Should they avoid shares altogether in future, or simply use managed funds, where the decisions are made by professionals?

It's the same with superannuation. Now I appreciate it's received a lot of bad press as a result of the Royal Commission, but you would be doing yourself a great disservice if you said to yourself, "This proves superannuation is no good — I've learnt my lesson and will invest elsewhere in future".

In my mind the big lesson is to become engaged with your super, get a handle on the fees involved, and then use it as the wealth-building tool it can be if used properly.

As Mark Twain said, "We should be careful to get out of an experience only the wisdom that is in it and stop there lest we be like the cat that sits down on a hot stove lid. She will never sit down on a hot stove lid again and that is well, but also she will never sit down on a cold one anymore".

Noel Whittaker is the author of *Making Money Made Simple* and numerous other books on personal finance. His advice is general in nature and readers should seek their own professional advice before making any financial decisions.

ASK THE EXPERT

Send your questions to Noel Whittaker noelwhit@gmail.com or tweet @NoelWhittaker

Q I took a voluntary redundancy at age 60 and started work again a few months later. All of my $400,000 super is taxable. How can I use a re-contribution strategy to reduce the taxable portion of my super? Is there a disadvantage in doing so? I plan to work for another year or two. I have other income that will allow me to delay drawing on my super after I retire.

A A re-contribution strategy involves withdrawing funds from your super, and re-contributing them as non-concessional. Because the non-concessional contribution is a non-taxable component, this reduces part of the taxable element in your fund and increases the non-taxable component. You should be able to withdraw all your super tax-free as you are over 60. By using the bring forward rules you could change your fund from 100 per cent taxable to 25 per cent taxable. It's tricky, so take advice. Getting it wrong can prove costly.

Technology no help for the lonely at work

WORKPLACE MATTERS

Gary Martin

WE live in the most technologically connected age, which makes it easier than ever to interact with others.

Yet some experts say we are experiencing a "loneliness epidemic" — and this epidemic is affecting the workplace.

Perhaps the reported rise in loneliness is connected to a changing nature of work — longer hours for some, or lengthy commutes including fly-in, fly-out regimes — that has reduced the time many people have to develop quality workplace relationships, not to mention spending important time with others away from work.

Technology certainly plays a role because, as much as it has become a productivity enabler, it has the power to replace the traditional face-to-face conversations and interactions.

With people spending about a quarter of their lives at work, healthy workplace relationships are vital — not only for the individual but for organisations. Healthy workplace relationships build morale, increase motivation and facilitate effective teamwork, leading to increased productivity.

And for some, with limited ties outside the workplace, their place of employment can be their main social circle.

Reasons for loneliness in the workplace are wide and varied. Some employees like to draw a line in the sand and keep their private and working lives separate while some employers simply don't encourage interaction.

Others might not seem to fit with a particular workplace culture, preventing them from readily mixing with other like-minded co-workers, and introverted employees might appear disinterested or aloof, sometimes making the formation of relationships a challenge.

For those in management roles, loneliness can be a real issue, especially if they worry that getting too "close" will undermine their authority.

Individuals who experience loneliness at work can take a number of steps to reduce this isolation.

They can, for example, leave their desks to speak to nearby co-workers, rather than send emails or text messages. They can look for reasons to engage with others to offer praise or appreciation, and they can attempt to change their own mindset when it comes to assuming that others are not interested in interacting with them.

Employers, too, can take steps to reduce isolation in the workplace.

During the induction of employees they should ensure new staff members are introduced to co-workers in a structured way so that meetings are not left to chance. They can encourage employees to consult with one another and to acknowledge others' achievements, and they can design and promote opportunities for social interaction outside regular work hours.

Above all, they can take steps to establish a workplace culture that fosters inclusions and encourages employees to ask for support if they are experiencing isolation.

The bottom line is simple. Socially connected employees have better levels of self-esteem, are more secure, and feel more respected.

And the greater an employee's sense of psychological well-being, the more likely this is to translate into higher productivity and performance.

Professor Gary Martin is chief executive at the Australian Institute of Management WA

http://thewest2.smedia.com.au/Olive/APA/thewest-archives/Print.Page.aspx?href=WAN%2F2018%2F06%2F24&page_num=43&pub_name=The… 1/1