

Real Hourly Wage: How Much Are You Trading Your Life Energy For?

[Excerpted from *Your Money or Your Life*, by Joe Dominguez and Vicki Robin, Viking, 1992, pp. 59-65. Edited by Dale Lugenbehl.]

We have established that money is simply something you trade life energy for. Now let's look at how much life energy (in hours) you are currently trading for how much money (in dollars)--that is, how much money are you making for the amount of time you work?

Most people look at this life-energy/earnings in an unrealistic and inadequate way: "I earn \$440 a week, I work 40 hours a week, so I trade one hour of my life energy for \$11."

It is not likely to be that simple.

Think of all the ways you use your life energy that are directly related to your money earning employment. Think of all the monetary expenses that are directly associated with the Job. In other words, if you didn't need that money-earning Job, what time expenditures and monetary expenses would disappear from your life?

Be prepared... Some people resent their work--the hours of drudgery, the boredom, the office politics, the time away from what they really want to be doing, the personality conflicts with their boss or coworkers--and many feel powerless to change their circumstances. One response to those feelings of resentment and powerlessness is to spend money. "It was such a tough day that I deserve a little fun. Let's go out to dinner/dancing/a movie/the mall." So be prepared to discover how much you indulge yourself with "I hate my Job" as the underlying reason.

Be prepared, too, to discover, how much you spend on expensive alternatives to cooking, cleaning, repairs and other things that you would otherwise do yourself if you didn't have to work.

Be prepared to discover the many costs of career ambition, all the things you "must" have in order to continue up the ranks. The right car. The right clothes. The right vacation spots. The right house in the right neighborhood in the right city. The right private schools for your kids. Even the right therapist.

Using the following discussion as a stimulus, discover for yourself the real trade-offs in time and energy associated with keeping your nine-to-five Job. Not all the categories will necessarily apply to you, and you may think of other categories relevant to you that are not mentioned here.

In the examples below we will assign *arbitrary* numeric values to these time and money trade-offs simply to generate a hypothetical tabulation. Any resemblance to your situation is purely accidental. At the end of the discussion we will tabulate these calculations and come up with an *actual* exchange rate of life energy for money--remembering that this "actual" hourly rate is still arbitrary, based on our hypothetical figures. (When you do your own calculations you will be using your actual figures and will figure out your own personal hourly wage.)

Commuting

Getting to and from work incurs an expenditure of time or money, or both, whether you drive, walk or take public transportation. For our purposes here, let's assume you commute by

car. Don't forget to include parking fees and tolls for bridges or turnpikes, as well as wear and tear on your car. Let's say that you commute 1 1/2 hours a day or 7 1/2 hours a week at a cost, in gas and maintenance, of \$50 a week. (If you use mass transit your figures will be somewhat different.)

7 1/2 hours/week -- \$50/week

Costuming

Are the clothes you wear at work the same ones you wear on your days off or on vacations--or do you need a special wardrobe to be appropriately attired for your Job? This includes not just the obvious costumes like nurses' uniforms, construction workers' steel-toed boots and chefs' aprons, but also the tailored suits and the high-heeled shoes, the pantyhose and neckties that are the norm in offices. Look at those clothes. Would you wear a noose around your neck or walk around in three-inch heels every day if it weren't expected for the Job? Consider, too, the time and money spent on personal grooming, from aftershave to exotic cosmetics.

Quantify all your costuming activities, from shopping to putting on mascara, shaving, and tying your tie. Let's say you spend 1 1/2 hours a week on this at an average cost of \$15 a week (i.e., annual clothing expense divided by 52 weeks, plus cost of cosmetics).

1 1/2 hours/week -- \$15/week

Meals

Extra costs, in time and money, for meals affected by your Job take many forms--for example, money for morning coffee and doughnuts, time spent in line in the employees' cafeteria, expensive convenience foods that you buy because you are too tired to cook dinner, unreimbursed restaurant expenses, weight-reduction programs that you enroll in because you ignored decent nutrition thanks to your busy Job.

Let us say you attend Weight Watchers 1 hour a week and spend 50 minutes every day at lunch for 4 hours a week, totaling 5 hours a week. Your lunches at the local deli cost about \$15 a week more than if you made lunch at home, and the espresso breaks you treat yourself to as a reward for working come to \$5 a week. Total spent: \$20.

5 hours/week--\$20/week

Daily Decompression

Do you come home from your Job zestful and full of life, joyously launching into personal or planetary projects, or into intimate sharing with your family or other loved ones? Or are you tired and drained, taciturnly lurching into the soft chair in front of the television set, beer or martini in hand, because "It's been such a day?" If it takes a while for you to "decompress" from the pressures of the Job, that "while" is a Job-related expense. A wild guess would put this at 5 hours a week and \$20 a week in recreational substances.

5 hours/week--\$20/week

Escape Entertainment

Notice that common phrase "escape entertainment." Escape from what? What is the prison

or restrictive circumstance from which you must flee? If your experience of life were consistently fulfilling and exciting, from what would you escape? Would those hours in front of the television or movie screen be necessary? Take a look at scenarios like "It's been such a heavy week at work, let's have a night on the town to blow it off!" or "Let's get away from it all this weekend and go to Vegas!" Would these be necessary? What are the costs in life energy and money? How much of your weekend entertainment do you consider your just reward for sticking it out at a boring Job? Let's assign this whole area 5 hours a week and \$20 a week.

5 hours/week--\$20/week

Vacations and Expensive Playthings

If what you did *every day* were truly satisfying, providing you with a sense of accomplishment and inner fulfillment, of real contribution to the lives of those around you and to the global family, would you want to "vacate?" Would you need that trip to Hawaii? How about the vacation home, boat or recreational vehicle that you use only a few weeks each year just to "get away?" What proportion of the time and money involved in such pursuits is due to the Job? Consider the dues for the country club or your professional organization: would you belong if it were not for your Job? String this all out, divide by 52, and you might have 5 hours a week and \$20 a week.

5 hours/week--\$20/week

Job-Related Illness

What percentage of illness is Job-related--induced by stress, by physical work conditions, by the desire to have a "legitimate" reason to take time off from work, or by conflict with employers or fellow employees? More and more medical evidence indicates that a good percentage of illness is psychosomatic. Stated simply, happy, fulfilled people are healthier. In our own experience over the years we have seen considerably less illness and illness-caused absenteeism in volunteers than in paid employees.

For this category a more subjective "inner sensing" is the only way to evaluate what percentage of medical costs (time and money) is attributable to your Job. Let's imagine that in the course of a year you will be out of commission due to Job-related illness for a week, at the out-of-pocket cost of \$15 a week for exotic remedies not covered by insurance.

1 hour/week -- \$15/week

Other Job-Related Expenses

Examine your balance sheet of assets and liabilities (Step 1) [Note: this is a reference to an earlier portion of *Your Money or You Life* which is not included in this excerpt]. Are items listed there that you wouldn't have bought had they not been directly related to your Job? Look at what you pay "servants:" would you need a housekeeper, gardener, handyman or mechanic if you didn't have a Job? Day-care expenses for single parents or two-income families take a big chunk out of your salary and wouldn't be necessary if you didn't have a Job. Do a time log for a typical week. How many hours accounted for are strictly Job-related? Things like reading the classified ads looking for another Job or social evenings to "network" for business. Are the hours of taking your frustrations about work out on your mate a Job-related activity? As you

progress through the other steps in this program, make special note of such hidden Job-related expenses.

FIGURE 262
Life Energy vs. Earnings: What Is Your Real Hourly Wage?

	<u>Hours/Week</u>	<u>Dollars/Week</u>	<u>Dollars/Hour</u>
Basic Job (before adjustments)	40	440	11
<u>Adjustments</u>			
Commuting	+7 1/2	-50	
Costuming	+1 1/2	-15	
Meals	+5	-20	
Decompression	+5	-20	
Escape Entertainment	+5	-20	
Vacation	+5	-20	
Job-related illness	+1	-15	
Time and money spent on Maintaining Job (total adjustments)	+30	-160	
Job, with adjustments	70	280	4

Every dollar spent represents 15 minutes of life energy.

Don't overlook Job-enhancement expenses, such as educational programs, books, tools and conferences. Remember, your situation is unique, but the basic ideas will apply. Discover your own categories of Job-related time and money expenses.

Your Real Hourly Wage

Now compile these figures and create a table, *adding* the approximate extra Job-related hours to your normal "work week" and *subtracting* the Job-related expenses from your usual pay. On longer-term items like vacations or illness, simply prorate over 50 weeks (1 year minus 2 weeks for your vacation). A \$1,000 vacation that you wouldn't have taken if you enjoyed your Job would be computed as \$1,000 divided by 50 weeks equals \$20 a week--and so on.

The specific entries will be approximations, of course, but with diligence you can come up with fairly accurate figures.

Figure 2-2 illustrates this process of calculating your real hourly wage, as well as a corollary figure: the number of minutes of your life that every dollar you spend represents. Remember, the numbers are arbitrary, chosen solely for their "round number" value. Your figures will probably be considerably different from these, as might your categories.

The Bottom Line: Figure 2-2 clearly shows that you are actually selling an hour of your life

energy for \$4, not the apparent \$11. Your *real* hourly wage is \$4. A good question to ask at this point is: Are you willing to accept a Job that pays this hourly wage? (You should make this calculation every time you change your Job or change your Job-related habits.)

The corollary figure is also interesting. In this example, every dollar you spend represents 15 minutes of your life. Think of that figure next time you're shelling out your money for yet another [\$8] gazingus pin. Ask: Is this item worth 120 minutes of my life energy?

Notice that our calculations have ignored such intangibles as time spent on planning strategies for moving up the corporate ladder, time handling deteriorating family life due to Job demands, and time and expenses incurred in maintaining a life-style in line with the Job.