

# The Law of 50/50 Applies to Time As Well As Money

The law of 50/50 has served us so well in our financial lives, I decided to also apply it to how I spend my time. My love of money is really about the optionality it provides, and that is especially true with how I spend my time – especially these days. If you were to study the weekly hours I put in over the last decade, you would see a slope that was declining as I transitioned from 80+ hour work weeks down to ~35-hour work weeks. I don't regret the 80+ hour work weeks, and I actually enjoyed them, so don't take this the wrong way. I like to work! I like to be productive! And that isn't changing any time soon...if ever. That said, starting in October of 2022, I officially adopted a four-day work week (Monday – Thursday). Initially, that allowed for up to 40 hours per week of work/productivity time (8-10 hour days). After a couple of months, I was been able to get this down to around 35 hours per week.

September of 2022 was a significant milestone as we collected the third and final payment related to selling the remaining share (40%) of the business I founded almost five years ago. That final payment represented another inflection point in how and when I will work. I built the business with the full intention of selling it. My hope was that it would be the vehicle that would allow me to make my “final transition” from wage earner into the role of a full-time capital allocator, which is well on its way to becoming a reality. As a reminder, I have been working on the following three career goals:

1. Make the C-Suite by 30 – Check!
2. Start, Scale, and Sell a Business – Check!
3. Become a full-time capital allocator – Transition In Progress!

I put “final transition” in quotes because I haven't fully completed the transition, although I have hit the milestones to do so. Paired with these three goals above was the BHAG of achieving a \$10M net worth which was **THE NUMBER** that would allow for the transition to a full-time capital allocator. I also used the quotes because nothing in life can ever really be final, right (except for death...maybe, we will see...)?

So, what does all of this have to do with time? Everything. All my actions and intentions were about acquiring the resources to live life by design and with that gaining full autonomy over how I spend my time. TIME FREEDOM has always been the true end-goal.

[I wrote about it back in 2020](#) when I future-cast how my life would look and then used that letter from “the future” to act as a north star. For the ten years before selling the business, I was head-down aggressively and obsessively building a financial foundation that has enabled my family and me to live life by our design. I’m lucky that I have a partner (Mrs. GYFG) willing to dream with me. She has been there to not only support me but work alongside me to manifest our future life together. This took long hours and sacrifice. The “living well below our means” sacrifice was the easy part. But the harder part, the part that can destroy a relationship and a family, is the sacrifice of time and attention the family doesn’t get along the way. I’m not saying I didn’t spend any time with my wife and our family, but I do recognize that they received the short end of the stick when it came to the majority of my time and attention.

And then the inflection point came. I started spending less of my time working and more time with my family and on personal endeavors. I “discovered” a particular book in my library that had been previously gifted to me ([Choosing to Cheat: Who Wins When Family and Work Collide?](#)) but which I hadn’t read up until then. (Sidebar: Books often seem to find me in my life at just the right moment – anyone else?) After having unceasingly stepped on the serial achieve accelerator, I was struggling to find a way to stop over-indexing my time away from my family. This book puts it simply by stating that you can either cheat your family or you can cheat your work. No matter who you are or where you are in life, you (and I) are constantly “cheating.” Cheating is really about trade-offs. This book found me when I had personally hit an inflection point in my life (at 35...I’ll be 37 later this year) where I decided that I’m no longer willing to cheat my family. For the prior decade, I had embraced the work/life blend, and it worked well in achieving great career and financial success. But it was only meant for a season in life, and that season has now passed. Now, I’m interested in embracing the life/work blend where instead of fitting life around work, I will fit work around life – if and when there is room.

I wasn’t really sure what this shift would mean in terms of the next chapter of my career other than that I would need to be ruthless with my calendar by prioritizing my family over work. I’m still figuring it all out, but I have made significant progress and have strict rules in place to manage my calendar to protect my family and personal time. I currently allot 35 hours a week for work and take way more vacation time – guilt-free. The way I look at it is that I got the long hours ([70-100 hour weeks](#)) out of the way during the years before I had kids and while they weren’t old enough to notice or remember. I’m also totally content if this means I earn less money from now on, because the currency I want the most now is **TIME**. My career and my business were nothing but a means to an end to build up enough wealth to buy back our time to live the rest of life on our terms.

I'm a big believer that if you're willing to live and work like most *won't* for ten to twenty years (less if you're extra bright and/or lucky) then you can live like most *can't* for the rest of your life. I graduated college in 2008, and my strong work ethic has never wavered. It took 14 years post-college [to reach Financial Freedom](#) and make work optional. The financial success and the lifestyle we now enjoy are merely a result of taking the road less traveled.

One of the early money philosophies I shared on this blog was [the rule of 50/50](#). This rule states the power of saving 50% of your after-tax income and spending the remaining 50% guilt-free. Do realize that this is something you grow into; at least, it was for us. We had to focus aggressively on growing our income to find the balance between our desired lifestyle and reaching our financial goals. It was simple, balanced, and something that allowed Mrs. GYFG and me to align on all things financial. As we transition into this next chapter of life, and with the money goals taking care of themselves at this point, we are now applying this rule to our time - more on that below, but first, let me share the email I sent to my partners and management team announcing my schedule change.

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**Subject Line:** Effective 10/1/23

**Message:**

Team,

One of the long-term goals in building this business was to enable the freedom trifecta:

- Financial Freedom
- Location Freedom
- **Time Freedom**

Over the course of the last couple of years, we have aggressively grown the business which has enabled the scaling of our operations and delivery model. As you have likely read by now in my latest memo, we have made substantial progress toward the continued evolution of each of your roles. We will be doubling down on this effort as we head into 2023.

Bringing on each of you has enabled continued growth and evolution for us all. I have tried my best to progressively ramp up and stretch each of you into your current and future roles. I've made sure there was nothing I hadn't done that I was asking each of you to do (except for maybe SQL - ???). At the beginning of the

year, I think B-Money put it best when he said that all of you were where I was for the first two and a half years of growing the business...minus the sales and administration side of my role.

We all know that the technical delivery aspect of this job and the short-term nature of many of the projects that we take on can be a grind and can eventually lead to burnout. Trust me, I have both empathy and sympathy for you guys because I've been doing this since 2014 when I first implemented the software as a client. I'm very aware that you can only last so long in the delivery grind, thus the importance of introducing the pod structure and being very intentional about evolving each of your roles.

We are turning the page to yet another chapter in our journey. You all know by now that brevity is not my strength, as I feel the need to constantly lay both foundation and context behind my communications. That said, the purpose of this email is to inform you that effective 10/1/2022 I will be transitioning to a four-day work week as I work towards the last item of the freedom trifecta

- **Time Freedom!** In full transparency, I've been working towards this since the transaction closed when I started blocking my schedule on Fridays starting at 11:30 am PDT.

I will still be putting in 32-35 hours a week - Monday through Thursday. That said, I will be flexible in moving my non-work weekday as the business needs but plan to take most Friday's off. My "office hours" will be 8:30am to 6pm Monday through Thursday (for now). You all know me well enough to know that my idea of not working is a bit twisted when compared to what most would consider not working. I'm still wired for productivity and think about this business constantly. Going forward, I want to continually delegate and elevate each of you to make the next few years more about **YOU** and less about me! The goal between now and our next liquidity event is to ensure that the business is in a position for continued success with or without me staying on for whomever decides to stay post transaction.

As we embark on this next chapter, I also want to continue helping each of you work/evolve towards what you consider to be an ideal schedule. This is something we will discuss during our strategic planning sessions in November. This could mean each of you adopting a unique schedule that works for you. That could mirror my four-day work week, it could be a 9/80 schedule, or something else. We don't really have strict policies and I think we all try to cut off early on Fridays already.

Cheers,  
Dom

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## Applying the Rule of 50/50 to Time

Mrs. GYFG and I started living by this rule back in 2015 with respect to our financial lives. It was the linchpin to getting us both on the same financial page. It removed all ambiguity in terms of what success looked like financially from the savings perspective. Before implementing this rule, we would get into arguments occasionally because I couldn't articulate how much savings was enough, which put us both in a scarcity mindset. What it translated to for Mrs. GYFG was that I wouldn't be happy unless we didn't spend money, when that was furthest from the truth. Implementing this rule not only answered how much we could spend but it allowed for lifestyle inflation – a built-in feature of this rule. It also focused on earning more income rather than spending less money. At the end of the day, it helped us both transition to a mindset of abundance.

I am now ready to apply this same rule to how I allocate my time between work and personal time. I may have sold my business, but I am still running it for at least the next couple of years and still have a few things I'd like to accomplish with it and my partners. That said, I've been working my way into a more balanced allocation between work and personal time. For most of the last twelve months, I have kept my work week between 32 and 35 hours per week, which is a huge reduction from the many years of 80+ hours per week. I have always been fond of three-day weekends and often wished there were more...like every week. Now I'm granting myself my own wish.

So, one of my post-transaction goals was to transition to a four-day workweek – check!

There are 365 days in a year, and if you split them evenly, it's 182.5 days of work and 182.5 days of personal time. That averages out to 3.5 days or about 28 hours per week. So, it won't be perfectly 50/50, but it will be close, especially when you layer in 8 weeks of PTO (including company holidays). Let's say my average work week before PTO is 35 hours per week, representing 1,820 working hours, and adjusted for eight weeks of PTO (320 hours), leaving me with 1,500 working hours (or an average of 28.8 hours per week).

So where will I spend – or have I been spending – the extra time?

- Reading
- Writing
- Thinking
- Family & Friends

- Health & Fitness
- Travel
- Cooking
- E-Foil Boarding (the hobby I started post-transaction)
- Allocating Capital
- Pool Time (We are two weeks away from being able to swim in our pool...finally!)

I don't think of the above list as exhaustive or any one item as mutually exclusive.

I share all this to entice the readers to think about how they are spending their time vs. how they want to be spending their time. It's also a reminder that building wealth should be a means to an end, not the end itself. It's important [not to get so consumed with building wealth that you forget to build a life](#). Lastly, I share this to document my continued evolution and [progress toward the vision I cast for my own life](#).

- Gen Y Finance Guy

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## Gen Y Finance Guy

**Hey, I'm Dom** - the man behind the cartoon. You'll notice that I sign off as "Gen Y Finance Guy" on all my posts, due to the fact that I write this blog anonymously (at least for now). I like to think of myself as the *Chief Freedom Officer* here of my little corner of the internet. In the real world, I'm a 30-something former C-Suite executive turned entrepreneur turned capital allocator. I am trying to humanize finance by sharing my own journey to Financial Freedom. I believe in total *honesty* and *transparency*. That is why before I ever started blogging, I decided that I would share all of my own [financial stats](#). I do this not to brag, but instead to inspire motivate, and also to hold myself accountable. My goal is to be a beacon of hope, motivation, and inspiration for *you*, the reader, by living life by example and sharing it **all** here on the blog. My sincere hope is that you will be able to learn from me - both from my successes and my failures! [Read More](#)