

5 BIGGEST DANGERS TO ATHLETES' WEALTH

And How to Avoid These Common Mistakes

4

The YES Men

As soon as someone in the athlete's camp gets fired for not agreeing with bad decisions, the professionals hired to protect their client, like the agent, business manager or lawyer, are likely to mitigate any conflict with the athlete to avoid getting fired – becoming YES Men. They would rather ride out the financial storm that is coming then tell the athlete only what they need to hear. As soon as there are only YES men around, the end is almost certainly near.

What to do instead: You must understand how getting different points of view on financial matters helps avoid financial hazards. Get into the habit of always asking your team: "What could go wrong with this financial move?" The final decision is always yours, but there is tremendous value in advisors who feel confident sharing financial knowledge and experience, even when you don't want to hear what you need to hear.

5

Financial Myopia

Athletes can have a defective vision of their financial future. The average career span in the NFL is 3.3 years, the NBA is 4.5 years, the MLB is 5.6 years, and the NHL is 5 years. Sure they may earn a lot of money, but after paying agent's fees, taxes, and for a luxury lifestyle, there isn't much left to support the rest of their non-playing years. They may think that they can pull off another miracle in overcoming all odds to maintain their lavish lifestyle, but the most common result is a broke athlete.

What to do instead: Budgeting and planning are the keys here. Just remember it isn't a "one or the other" situation. With the right mindset and approach, you can still live (relatively) large, while putting away enough to secure a future for yourself and your family. It just takes some self-control and a willingness to make the right decisions.

So many athletes come into a level of money at a young age that no one is truly prepared to handle. Athletes just have to remember that true baller status comes when athletes can live like a king for a lifetime, not just for a couple years. If an athlete can build a trusted team, establish a plan, and follow it through, a comfortable lifestyle is highly attainable.

