

What Do College Football and Evidence-Based Investing Have In Common? **Monica Jennings**

I have only a smattering of knowledge about football, particularly about college-level football. Being from Hawaii, though, my attention was captured by Marcus Mariota and the college football championship game last night.

Even though the Ducks lost the game 42-20 to the Ohio State Buckeyes, Marcus has been an inspiring source of local pride. And not just for his recent Heisman trophy win, but because of his work ethic, strength of character and humility.

My ears pricked up this morning when I heard a sports analyst on a news show discussing the inevitable comparisons NFL draft experts are making between Mariota and Florida State quarterback Jameis Winston, the 2013 Heisman winner, now that Winston has announced that he'll enter the 2015 draft.

The analyst mentioned some of the points draft experts have made in favor of Winston, such as his reputation for better anticipation as a passer. He noted some of the "too nice to succeed in the NFL" comments about Mariota.

But what pulled me away from packing lunches in the kitchen was hearing this analyst go on to say he thought many observers were missing some more important factors that might speak to the better choice for a team in the long run. He posed a question. Who's the grinder? Who's the one that you can count on? Who's the one focused on fundamentals?

In this case, it just might be Marcus Mariota.

It occurred to me that there was parallel in this quarterback debate to the comparison between active and evidence-based investing. Active management is the option the vast majority of investors pursue in the world of investment management and advice. It's where most of the profession is focused. It's sexier, more headline-grabbing.

Evidence-based investing is founded on rigorous research. It's sophisticated, but simple. It's built on solid principles. Many intelligent people espouse its strengths. Most certainly, however, it's not what sells publications or draws viewers to financial media outlets. Boring? Perhaps. Although I prefer to think of it as elegantly understated.

Despite his loss in the college championship game, drafting Mariota appears to be the correct strategy for an NFL team interested in the best odds for long-term success. In the same way, whatever happens in the world and in the financial markets in the short-term, a well-founded,

evidence-based investing strategy is one on which you can rely. It can dependably serve as the foundation of a wealth plan offering good odds of a successful financial future.

As the sports analyst wrapped up his segment, his closing line was, “Give me boring!”

I don’t know anything about assessing quarterbacks, but given what I’ve learned about Marcus Mariota, that made sense to me. I am, however, much more certain about which side of the debate to take when it comes to investing advice—“Give me boring!”

About Monica Jennings, Founder, Jennings Financial Planning, Honolulu, HI

After a career in corporate finance beginning in the early 1980s, Monica Y. Jennings, CFP® established Jennings Financial Planning to create a place where planning your financial future would just feel right. As part of a growing organization of advisors, researchers and national thought leaders, we are devoted to helping people just like you achieve their most important goals.

The opinions expressed by featured authors are their own and may not accurately reflect those of the BAM ALLIANCE. This article is for general information only and is not intended to serve as specific financial, accounting or tax advice.

© 2014, The BAM ALLIANCE

