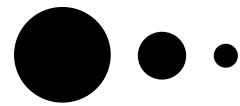


# THE GROWTH MARATHON

One Stride At a Time



## THE VALUE OF AN HOUR





# **THE GROWTH MARATHON**

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## **One Stride At a Time**

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## Introduction

Time is a concept I have not fully appreciated throughout my life I think. For some people, it just clicks, and they understand how valuable time is, and for some, it does not. Some need a drastic event to happen in their life to fully understand their mortality, while some just need some numbers (monetary value, social value etc.). At least that is what I think.

It goes without saying that it is quite important for individuals who want to achieve a lot in this life to understand the value of each second, minute, hour, day etc.

In this article, I present some views that helped me appreciate time a bit better. I mainly touch on the monetary and social values of time. Let's get into it.

## The value of an hour

### Immediate vs future time

I bumped into a short article talking about being a "**timenaire**". I found the term quite intriguing. The article defines a "*timenaire*" as someone who understands the true value of his/her time, someone who values the current time more than the future (uncertain) time. I liked the idea of it. The article compares the value trajectory of time to that of money. \$1 today is stronger than \$1 in 10 years. Does that apply to time? Let's think about it. I cannot say it does for all circumstances, but it does for a few circumstances I could think about.

Our time in this world is finite. Let's assume Orpheus will live for 70 years (i.e., Orpheus only has 70 years to "spend"). Let's make that a fixed term. An hour when Orpheus is 20 years old is more valuable than an hour when he is 30 years old for example. This is because if that hour is spent wisely (when he is 20), its benefits can grow for the next 50 years. Or if he uses the hour unwisely, he has 50 years to correct it or do something about it. When he is 30, he only has 40 years left to reap the benefits of that hour. Thinking about it in this sense, I think that an hour well spent now is more valuable than an hour well spent in the future. This is because each hour well spent now is an investment in the future. The longer that future, the greater the investment.

That was me trying to think about the value trajectory of time. I got a final answer that makes sense to me, but let me know what you think in the comment section [here](#). I'll be interested to have a look at your thought process and conclusion.

You can find the reference article [here](#).

## Skill acquisition

We can do a lot in an hour. We can spend quality time with a loved one, we can take a decent nap, we can read, we can cook, we can work out etc. I personally

believe we can all free up at least one hour from our busy days to do something that interests us. I'd like to spend more of my time on skill acquisition, but it usually seems daunting.

[Josh Kaufman](#) indicates that to reach a reasonably proficient level, it takes about 20 hours of deliberate practice, i.e., 40 mins daily for a month or 1 hour daily for 20 days. **Deliberate practice** is the key here. Josh provides a 5-step methodology required to approach a new skill (It is called Rapid Skill Acquisition. You will not be a master with this, but you'll get the basics of any skill down).

1. Pick a skill/project you love (Something you can be partially obsessed with and dedicate 20 hours to).
2. Define "Success" (This allows you to know if you have achieved what you wanted to achieve).
3. Research (Spend a bit of time to give yourself an understanding of the skill you want to learn).
4. Eliminate barriers.
5. Practice (Set a dedicated time for your project, and work on it).

Studies have been done on human learning and one interesting law that came out of these is the **Power Law of Practice**. It suggests that learning increases at a constant rate in relationship to what is left to be learned. Hence when you learn a skill for the first time, you can absorb 50% of the information quickly, but when you have 50% less to learn, it takes more time to assimilate the last 50%. This simply means it does not take very long to learn the basics of a skill, but to master it you need to spend a significant amount of time.

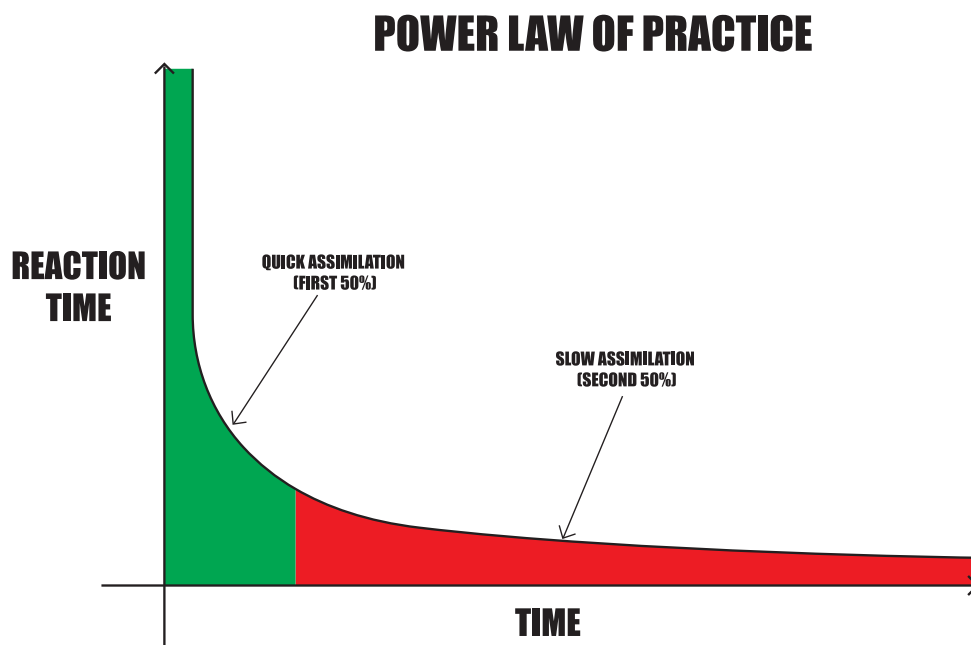
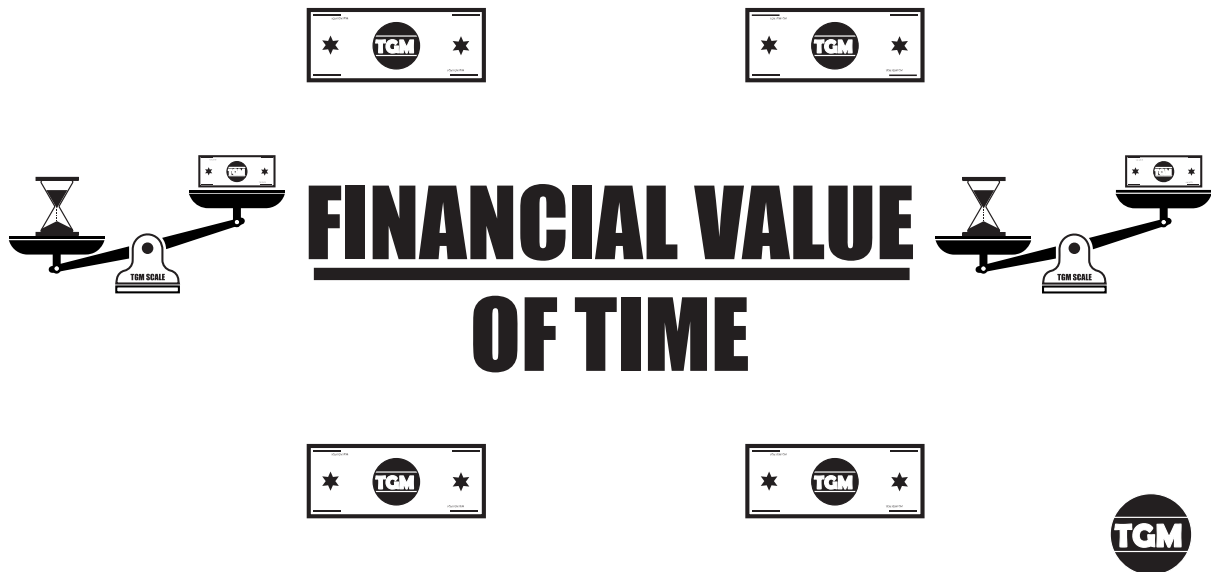


Figure 1: The Power Law of Practice (Source: [Wikipedia](#))



## Financial value of time

### Quick economic analysis of time

I recently watched a video from [Professor Jordan Peterson](#), in which he suggests that if you waste more than 4 hours a day then you have not fully realized the reality of your own death. He then proceeds to do a quick economic analysis of wasted time (Time should not only be linked to money by the way).

Let's use some numbers to visualize this analysis better. If you waste 4 hours every day (you define what time wasted is, for me, it's time spent passively), that gives 28 hours a week and 1456 hours a year (or 36 weeks of full-time work i.e. 40-hour work weeks). Now let's do an economic analysis on that and figure out how much time you are really wasting in terms of money and experiences.

The minimum wage in Washington D.C is about \$13/hour (according to [usnews.com](#)). For simplicity, let's take that as the value of one of your hours. If you waste 4 hours a day, this means you waste \$52/day. That is \$364/week, \$1456/month, \$17472/year wasted at the very minimum (that is if you live in Washington, use numbers from where you stay to have an idea, it can also help you decide if you should maybe relocate). If you value your time at let's say \$35/hour, this figure shoots up to \$470740/year, quite significant. Wasting such an amount per year is more consequential when you are younger because you'd typically live longer than someone already in their 50s or 60s. According to the CDC, the [life expectancy in the U.S is 78.7 years](#).

It's beneficial to express time in a monetary value because people usually understand it better, but you can compare it to an experience too. Maybe drawing is something big for you, how do you feel after an hour of drawing, playing a musical instrument etc.? You are squandering that feeling over 4 hours every day basically.

You can find the reference video [here](#).

## Marginal value of time

There is a concept called the ***Marginal value of time***. Which I adopted based on my understanding of it. The method used to obtain the marginal value is similar, but the [initial idea](#) is slightly different. Fundamentally, it depicts that for the time you don't "own" (i.e., the time you work as an employee and you earn a salary), if your monthly salary is more than what you need (i.e., the amount required to satisfy your monthly needs), then you value your working hours differently. Your employer values them the same by the way. If you earn less than what you need, then you value your hours the same.

Let's say your needs consist of \$400 rent, \$270 groceries, \$670 savings & investments, \$335 entertainment, \$170 transport, \$500 dependencies, then per month you need \$2345 after tax. Assuming you earn \$3335 per month (This is just an arbitrary number for the purpose of this example). Let's do some quick math. You need \$586.25/week to satisfy your needs, i.e., about \$15/hour for (40 hours/week). But your take-home pay is about \$21/hour.

In hour **#1**, you earn \$6.2 above your hourly minimum pay (the hourly rate to ensure you get the amount that covers your needs by the end of the month), that is your **marginal value** for that hour, your extra value gained for that hour. This results in an adjusted minimum salary you need to get for the rest of the week. You now only need to get \$565.4 for the rest of the week to cover your weekly needs.

In hour **#2** you earn \$6.4 above your hourly minimum pay. You now only need to get \$544.6 for the rest of the week. Proceeding with the same logic for the next hours, you get to hour **#29**, after this hour, all the money you get paid for is just an addition to what you need. Typical workplaces impose 40-hour workweeks, so you'll have to work the remaining 11 hours. Those 11 hours are less valuable (to you) spending them at work. This is because you have already worked for the amount you need. When you get the amount you need after a number of work hours, hours outside of work become more valuable to you, you'll typically need to be paid more than your hourly rate to be willing to work extra hours in such a case. Hence, this scenario indicates that some hours might seem more important to us depending on the situation.

You can find the reference article [here](#).

## \$1000/Hour

I stumbled upon an article that has an interesting take on time. It proposes that if you consider that one of your hours is worth \$1000, you will engage life more productively. What would your typical day look like if your time is worth \$1000/hour? Personally, I'll force myself to do more than usual (that's if I manage to believe that one of my hours is worth \$1000). I'll still feel demotivated once in a while, but I'll just force myself to be more productive, to be honest. Cut down on time spent with people who bring negativity in your life, cut off unproductive time, mindless "busy" time etc. Have a look at the things

you've done this week, how many of them can you value at \$1000? Can you get into the mindset of believing an hour of your time is worth \$1000?

You can find the reference article [here](#).

Just a random thought here, I think of each hour as a bag that I can fill. I can either fill it with quality material or with junk. The bags with quality material accumulate and compound over time, making you be able to pack more things in one as you become more efficient.

## Top 10 minimum wages

After figuring out the value of your time, have a look at the minimum wage in various countries in 2021 (Top 10). I think it's just good information to know.

1. Luxembourg - \$13.78
2. Australia - \$12.14
3. France - \$11.66
4. New Zealand - \$11.20
5. Germany - \$10.87
6. Netherlands - \$10.44
7. Belgium - \$10.38
8. United Kingdom - \$10.34
9. Ireland - \$9.62
10. Canada - \$9.52

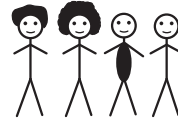
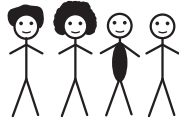
Source: [World Population Review](#)

## How can knowing the financial value of an hour help you?

Knowing the value of an hour of your time can help you in your decision process in life (Especially business decisions). Is that new job worth it? Are the overtime work hours worth it? Am I getting remunerated enough as a freelancer?

Don't just think about the money you'll make now, there is also the concept of deferred wages. Putting work now, to get a reward in a year or 2 or more. Maybe working at a company with a great team pays low wages now, but once you soak in all the experience from the people around you, your value might grow significantly within 5 years, you need to assess all that.

The value of an hour is not just financial, it can be emotional, it can be social, it can be spiritual, etc. What I mean by this is that time well spent in a business sense leads to better financial returns, time well spent in a social sense leads to better social returns (quality friends, stronger network etc.), and time well spent in a spiritual sense leads to better spirituality. This is pretty straightforward. The financial aspect is just easier to use as an example because everybody needs some amount of money in life and hence understands those numbers better.



# **SOCIAL VALUE** **OF TIME**



## **Social value of time**

### **Value of time with respect to relationships**

The value of your time can also be helpful when it comes to relationships. How often do you speak to the people you love? siblings, parents, friends?

Let's take parents as an example. Goon's parents are about 60 years old for the purpose of this example, and they live in the U.S where the life expectancy is about 78 years (According to the [CDC](#)). From this, we can assume that they have about **18 years** left to live, maybe they'll be in reasonably good shape for the next **15 years**. Goon calls/sees his parents for **2 hours** every month, hence they are in contact for **24 hours** a year. Maybe Goon has not yet seen the importance of spending more time with his parents, and everything stays the same. Over the next **15 years**, he will be in contact with his parents for **360 hours**, that is **15 full days**. Goon has 15 full days left of quality time with his parents being in reasonably good shape. If this was your scenario, and assuming you are on good terms with your parents, would you keep the time together the same or rather sacrifice some of the daily wasted hours and dedicate them to time with your parents? You make the choice, and you deal with the consequences.

Professor Jordan Peterson presented this interesting approach to time and understanding its importance in one of his interviews on YouTube, I can't find the link anymore, unfortunately.

### **Impact of how we spend our time**

We are a node in a network, hence our actions have an impact. In this day and age, it's easy to have about 500 connections, and each of those 500 connections is also a node in another network of 500 connections, so you are one level away

from impacting 250 000 people if you have a positive impact on your full network and they spread it out to their network. This is probably a utopian case, something a bit more realistic is your positive (or negative) actions impacting a third of your connections, and if they spread it to a third of their connections too then you'll have impacted about 27 890 people, which is still a large number, hence using our time well is not just important for us, but also for a lot of people in our direct and indirect networks. The things that you do and that you don't do have far more impact than you think.

According to [Solzhenitsyn](#) If you live a pathological life then you pathologize your society, and if enough people do that, then it's hell. In other words, how you spend your time affects a wide number of people, so choose how you spend your time wisely.

Now let's ask ourselves the question again, what is the value of one hour?

## Quotes on time

Some quotes on time I like;

- "Time waits for no man" – Folklore
- "Better three hours too soon than a minute too late" - William Shakespeare
- "Lost time is never found again" - Benjamin Franklin
- "The key is in not spending time, but in inventing it." -Stephen R. Covey
- "Regret for wasted time is more wasted time" - Mason Cooley
- "Either you run the day, or the day runs you" - Jim Rohn
- "If we take care of the moments, the years will take care of themselves" - Maria Edgeworth

Source: [actiTime](#)

## Miscellaneous

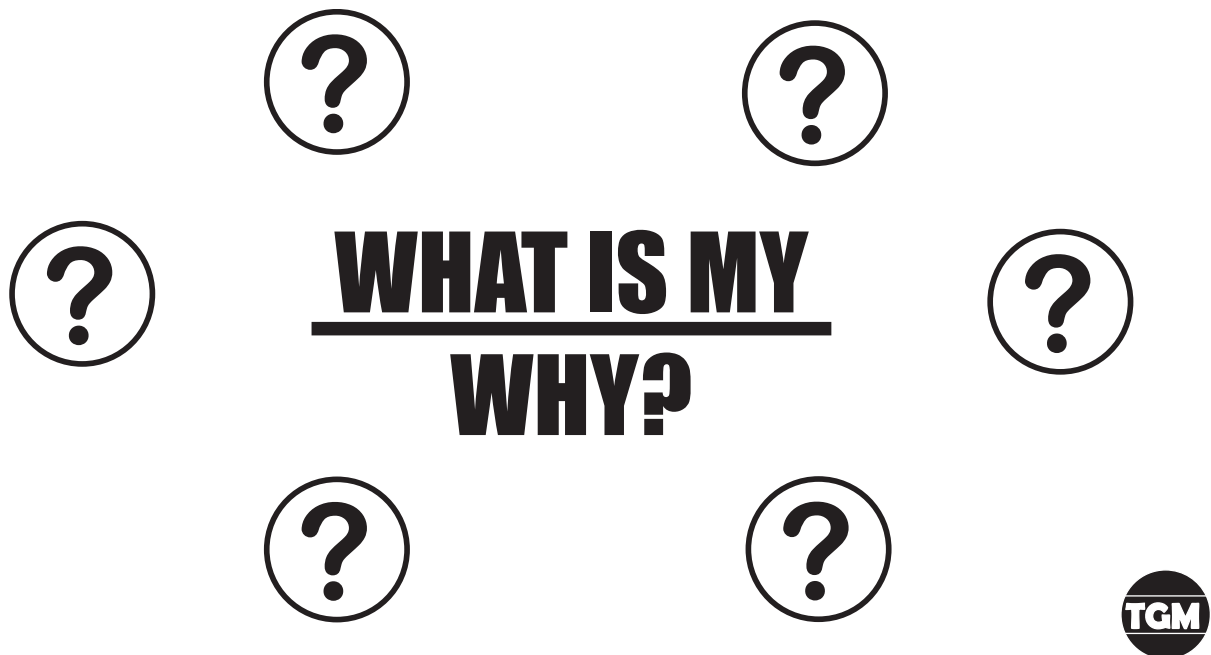
### Difficulty understanding the value of time

For those of us who cannot understand the value of our time, maybe all we really need is a drastic event to happen to make us fully understand how important an hour is, the birth of a young one, a near-death experience, etc. (I do not wish any ill coming your way). Personally, after doing the economic analysis of my time, as well as seeing how important time is when it comes to building stronger relationships, it just clicked that I needed to significantly drop my wasted time.

Check out [this article](#) from this lady who realized the importance of an hour after giving birth.

## My typical workday

I have significantly touched on the financial value of an hour, but it is possible to rate your time in different ways. I think the best way to measure the time in which you actively work is via a financial method as described above, but you also need rest. I cannot say how much rest a typical human requires per day (excluding the typical 6-8 hours of sleep), because I think it is subjective, but it depends on how hard you work. I typically work for about 12 hours on a workday, workout for 1 hour, rest for 1 hour, shower, eat, etc. for 1 hour and I fill in the 16th hour with random activities (YouTube, anime, calls etc.). That's roughly how my workdays are segmented, with only 16 hours available to act on. This implies I deliberately rest for about 6% of my active day. What I do during that time makes a difference in my energy levels. Typically, such resting time should include napping, meditation, walking, journaling etc. Something that genuinely relaxes you. Being on the screen actually takes up quite a bit of your energy. I cannot put a price on the time I rest, the time I work out, the time I eat, cook, or take care of myself, and I don't think you should either. These are moments to destress and build some energy back up. I do not think it's possible to quantify the effect of rest, working out etc. in a day, but the typical trend indicates that it makes one more productive, hence increasing the value you can produce in each of your "working" hours.



## Why I wrote this article (Conclusion)

I decided to write this article because I could not feel motivated to do some productive work in my spare hours. I've been talking about wasted time but never indicated what "wasted" means to me. In my personal life I've realized that most things done passively are a waste of my time (because I don't get anything out of them), while most things done proactively are productive. It's so

easy to do things passively and get instant gratification (watching a short comedy skit, scrolling through Instagram etc.), which results in a vicious bad habit that eats through your precious time (I touched on how to build good habits and break bad habits in [this article](#)). Things done proactively require a little bit more effort, but they build you in one way or the other.

Most articles or books I read talked about passion, a concept I'm not a big fan of. I needed a clear way for me to understand the importance of an hour, as this would translate into me being more productive.

I first stumbled on Professor Jordan Peterson's concept, figuring out how much time a loved one might have left on this planet (on average) using historical data, and figuring out how much more you'll interact with that person (it ties with realizing our mortality). That was quite big, and just thinking about that will make me call a loved one instead of scrolling on YouTube for example.

I then stumbled upon the financial value of time (For freelancers, employees, side-hustlers etc. i.e., people with a constant source of income) and that showed me how little my employer values my time. Very beneficial to make business decisions, but one of its flaws that still dwells in my mind is the value of the experience you get there. Once you know how much your employer values one hour of your time, you should think about how much **you** value 1 hour of your time and figure out ways to obtain that value for each hour you are at work. For example, find ways to gain more experience and lead projects (the financial value will only come a few years down the line, but it's better than just sulking and not being proactive), actively search for mentors in your workplace and learn from them, build up your network etc. All these have a deferred value, you probably cannot measure it now, but if you are an employee, you might as well take those steps.

These two concepts gave me a new understanding of time, an understanding that does not rely on me being "passionate", but rather understanding my own mortality and how much I value each hour of my day. This might or might not resonate with you, but hopefully you pick something here that makes you start thinking of how you spend your finite resource (time) beneath the friendly skies.