



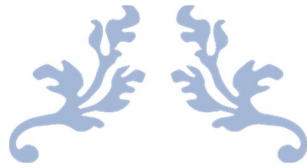
Millionaire Mindset

TRANSFORM YOUR LIFE

# FINANCIAL FREEDOM

THE DIFFERENCE BETWEEN RICH AND POOR

ALED ZAIN



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# Financial Freedom

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# DEVELOP A POSITIVE MINDSET

## **What Is A Positive Money Mindset?**

If you want financial freedom, First, you'll need to know what is a money-focused mindset. A mindset of money is the dominant attitude you take on your finances.

Your mental attitude toward money affects your financial decisions each day. This could have a significant influence on your ability to reach your goals. Your success is contingent on developing a positive mindset towards money.

Although money is an issue that causes stress for many, when you change your attitude towards money, you'll make better decisions about overcoming obstacles.

## **Change The Way You Think About Money**

Your mindset about money is the set of opinions and values you build regarding money. These ideas can come from your surroundings, your influences, your friends and family members, as well as other areas of your life as you go through your daily life. Your views can influence your decisions regarding managing money.

- People with a positive mental attitude toward money have certain characteristics that are similar to those of a healthy mindset towards money:
- They view money as an instrument for achieving things
- They don't look up to others or fret about what others do.
- They believe that anyone can learn how to manage their money effectively
- They understand that they can achieve their financial goals when they have a plan
- Of course, that is a small portion of positive attitudes towards money. However, you'll see the direction this is headed.

However, your attitude is essential to financial success since it will determine how much effort you'll be putting into your financial goals, how you perceive other people with money, and the confidence you have in your ability to get out of financial debt investing.

## CREATE A FINANCIAL PLAN

### **What Is a Financial Plan, and How Can I Make One?**

You can achieve financial freedom by creating and sticking to a financial plan. A financial plan is an outline for your finances and assists you in achieving your goals. Planning your finances can be completed by yourself or through an expert.

A financial plan is a detailed description of your financial situation and your financial goals, and the strategies you've developed to reach your objectives. An effective financial plan should include specifics regarding your savings, cash flow, debt, investments, insurance, and other aspects of your financial situation.

### **What is the purpose of financial planning?**

Financial planning is a continuous procedure that can help reduce money anxiety, help you meet your current financial needs, and assist you in building an investment fund to meet your long-term goals, such as retirement. It is essential to plan your finances since it helps you maximize your assets and also helps to ensure that you can meet your goals.

Financial planning isn't just reserved for those who have money. Creating an outline for your financial future is an option for all. You can create an investment plan on your own or seek help from a financial planner. With the advent of online services such as robot-advisors, assistance with financial planning has become more accessible and less expensive than ever before.

## **Do you require assistance with your financial plan?**

Financial plans aren't static documents. It's an instrument to monitor your progress and one that you must modify as your life changes. It's beneficial to revisit your financial plan following significant life events like being married, beginning your new career, having children, or losing an important person in your life.

A comprehensive financial plan, as well as investment guidance. Online financial planning services give you virtual access to human advisors. A basic service will include automated management of your investments (like the kind you'd find in an automated advisor) and the capability to speak with the financial advisors in your team in case you have any financial queries. Comprehensive providers generally reflect the service offered through traditional financial advisors. They assign you a financial advisor, a human being who'll manage your investments, design an all-encompassing financial plan, and conduct regular checks to determine if you're on the right track or required to modify the financial strategy.

You may require specialized advice and talk to an advisor face-to-face if you are in complex financial circumstances or need a specialist in estate planning, tax planning, and insurance. A conventional adviser in the local economic area might be the right choice. To prevent conflicts of interest, We recommend fee-only financial advisers who have been designated as fiduciaries (meaning they've taken an oath to represent the client's best interests). Be aware that many traditional financial advisors will not accept clients who do not have enough funds to invest. The criteria for "enough" varies, but most advisors need at least \$250,000. If you're interested in knowing more about what an advisor can cost, take a look online for a guide on financial advisors' fees.



# LEARN TO BUDGET

To afford yourself financial freedom you will need to budget. Even if you do not use a budgeting spreadsheet, there is a way to determine your budget every month. A budget based on an outline will help you feel more at ease with your finances and help you to save money to achieve your goals. The key is to find the best way to monitor the finances that will work for you. These steps will help you develop your budget.

## **Step 1: Note your net income**

The first step in establishing the budget is determining the amount you will be receiving. Be aware that it's easy for you to overestimate what you can manage by thinking of your salary in terms of what you'll need to pay. When you create the budget worksheet, make sure to subtract allowances to Social Security, taxes, 401(k) and flexible spending account allocations. Your take-home pay final is referred to as net income, which is the number to use when making your budget. If you're a freelancer or part-time, we've compiled some guidelines for managing your irregular income.

Tip: If there is an interest or an ability, you may be able to locate an opportunity to boost your earnings. The additional

source of income could be beneficial if you have to quit your position.

## **Step 2: Keep track of your spending**

It is helpful to track your spending and categorize it to know which areas to adjust to. This will allow you to determine what you spend the most on and which areas might be the easiest to cut costs.

Start by listing all of your fixed costs. These are the regular monthly expenses like mortgage, rent, and car and utility payments. You're unlikely to reduce these; however, knowing the amount of your income per month they consume can help. Make a list of your variable expenses, which could change from month to month, like groceries or gas, as well as entertainment. This is one area where you could find ways to reduce your expenses. Bank and credit card statements can be a great starting point since they typically list or categorize your monthly spending.

TIP: Track your spending each day using whatever you have at hand--a pen, paper, an app, or your phone. Using this spending and budgeting tool, it is possible

## **Step 3: Establish your goals**

Before you start looking through the data you've collected, take an inventory of the financial goals that you wish to achieve in the short and long term. The short-term goals

shouldn't take more than one year to reach. Long-term goals like saving for retirement or your child's schooling could require years to achieve. Be aware that your goals do not need to be fixed in stone; However, establishing your priorities before establishing a budget will aid. It could be easier to reduce your expenses if you know that your goal is to lower your debt on your credit cards.

#### **Step 4: Develop an outline**

Make use of the fixed and variable expenses you've compiled to determine how much you'll have to spend over the next few months. When you have fixed expenses, you'll be able to estimate fairly accurately the amount you'll need to budget for. Make use of your budgeting habits in determining your variable costs.

It is possible to divide your costs into items you must have and items you would like to own. For example, if you commute to work each day, you'll probably count gasoline as a necessity. A monthly music subscription could count as an actual need. This is important when it's time to adjust.

#### **Step 5: Refine your routines if necessary**

After completing all of this, you've got what you'll need to complete your budget. After you've documented your expenses and income, then you'll begin to look at the areas

where you have cash leftover or areas in which areas you could cut back on to have more money than you can put towards your goals.

Spending on wants is the first place to look for savings. Are you able to skip a movie to watch a movie at your home? You can adjust the numbers you've been tracking to determine how much money it frees up. If you've already changed your spending for needs, look at your expenditure on needs. You may require internet access at your house, but do you need the fastest internet available?

### **Step 6: Keep checking in**

It's crucial to check your budget now and then to ensure that you're in the right direction. You may also look at your monthly expenses with the expenses of others like yours. Certain aspects of your spending plan have been fixed. There is a chance that you will receive a raise, and your costs might rise, or you might be able to meet your goal and need to make plans for a new budget. No matter the case, you should keep reviewing your budget by following the guidelines above.

# CREATE MULTIPLE STREAMS OF INCOME

Multiple streams of income are essential for financial freedom. Even with the challenges, the benefits outweigh the potential problems, especially if you build additional income related to your existing home business. Here are some steps to help you add more income streams to your home business.

One way to start is by creating a mind map. Take out a piece of paper and write your main business product or service in the middle to form a mind map.

Next, create four spokes coming out of the middle, titled “products,” “services,” “advertising/affiliate,” and “other” off of your main product or service. These are categories of types of income you can potentially generate off of your existing business.

Create more spokes off of each of these categories with ideas on how you can make money at them. Earning sources include books, online courses, merchandise, coaching, freelancing, speaking, training, selling advertising, and affiliate marketing. Not all businesses will be able to develop ideas for each spoke,

but every company should create extra income streams from their home business idea.

Focus first on passive income streams that you create once, but they continue to generate income. For example, writing a book is a passive income stream. You write it once and sell it over and over. The word passive is a little deceptive because you need to register and market the book. Nevertheless, compared to non-passive sources of income, which you need to do over and over to make money, such as providing a service, passive income streams require less time once they're created.

Other forms of passive income include other written works (i.e., courses), audio or video creations, affiliate marketing, licensing your idea, franchising, or continuity programs (i.e., memberships).

Next, focus on income streams that can expand your business. For example, public speaking or teaching can create additional income and generate new clients. Another option is freelance writing, in which you'd get paid for an article that would also promote you and your business.



# INVEST

For true financial freedom you will need to invest wisely.

## **What Is Investing?**

Investing is making investments, usually in money, to earn income or profits. You can invest in various endeavors that require money, for instance.

To establish a company, or invest in purchasing assets, for example, real estate, hoping to sell it later at a higher cost.

## Understanding Investing

The fundamental premise behind investing in the hope of earning a profit through income and appreciation is statistically significant. The range of assets which you can support and gain a profit is a comprehensive one.

## Types of Investments

- Gold
- Stocks
- Dividends
- Crypto
- Real Estates.



# How to Invest

## **Do-It-Yourself Investing**

The decision about "how to invest" boils down to whether or not you're a do-it-yourself (DIY) type of investor or prefer having your money taken care of by an experienced professional. Many investors who prefer to manage their finances themselves can open accounts at discounted brokerages because of their low commissions and the convenience of making trades through their platforms.

## **Professionally-managed Investing**

Investors who want professional management of their money usually have wealth managers who oversee their investment. Wealth managers typically cost their customers a portion of their assets (AUM) as fees under the leadership. While professional management of money is more expensive than managing your money on your own, these clients are willing to pay for the ease of outsourcing research, investment decision-making, and trading to a professional.

# BUILD YOUR OWN BUSINESS

Having your own business is seen by some as an essential component of financial freedom. Are you starting a new business of a small size? Find out where to start and the best way to succeed.

You must ensure you are prepared before starting your business, but you must realize that everything will likely be a mess. For a business to be successful, it is essential to adapt to changing circumstances.

Conducting a thorough market research study on your industry and the characteristics of your prospective customers is a crucial element in preparing a business plan. It involves conducting focus groups, surveys, and researching SEO and other public information.

Before you begin selling your product or service, you must build your reputation and gain followers who are willing to leap into your business to business.

This book is written for entrepreneurs looking to understand the fundamental steps to start an enterprise.

The tasks of naming your business and establishing identity are easy, but what about lesser-known but equally crucial processes? When it comes to determining your company's structure or creating a thorough marketing plan, the work will

quickly grow. Instead of circling your wheels and wondering what to do, take this 10 step checklist to transform your company from a mere lightbulb over your head to an actual business.

### **1. Develop your concept.**

If you're considering setting up a business, You probably know the products you'd like to sell on the internet or the market you'd like to tap into. Lookup businesses that are already operating in your sector. Discover what brand leaders are doing and think about ways to do better. If you believe that your company could offer something that other companies do not (or provide the same services but at a lower cost and speed), You have a solid idea and can now develop the business plan.

#### **Find out the "why."**

"In the words of Simon Sinek, 'always start with why,'" Glenn Gutek, director of Awake Consulting and Coaching, said in Business News Daily. "It is good to know why you are launching your business. In this process, it may be wise to differentiate between [whether] the business serves a personal why or a marketplace why. When your why is focused on meeting a need in the marketplace, the scope of your business will always be larger than a business that is designed to serve a personal need."

### **Consider franchising.**

Another option is to establish an existing franchise business. The concept, brand follow-up along with business model are already in place. All you require is a suitable place to locate and the resources to finance your business.

### **2. Create a business plan.**

When you have your business plan in place, you have to ask yourself some important questions: What's the objective of your business? Who do you intend to sell your products to? What are your ultimate goals? What are your plans for financing start-up expenses? These issues can be addressed in the form of a well-written business plan.

Many errors occur when new companies are in a hurry without thinking about these elements of the business. It is essential to identify your ideal client base. Who will buy your service or product? If you cannot prove that there is a market for your product or service, What's the reason?

### **Conduct market study.**

Doing thorough research in your area and the demographics of prospective clients is a vital element of preparing your

business plan. This includes conducting surveys, conducting focus groups, and analyzing SEO and public information.

Market research will help you comprehend your customer's desires, preferences, and habits and also your industry and your competition. Many small-business professionals suggest collecting demographic data and conducting an analysis of competition to understand the possibilities and constraints in your industry.

The most successful small-scale businesses offer offerings or solutions that stand out from their competitors. This can significantly impact your market and lets you communicate your unique brand value to prospective customers.

A business plan can help you understand the direction your business is taking, how it can overcome any challenges that may arise, and what you'll need to do to maintain it. If you're ready to put pen to paper, then templates can be helpful.

### **3. Review your financial situation.**

Every business starts with cost, so you should decide how to pay for those expenses. Are you able to start your business, or do you have to take out a loan? If you're looking to quit your current job to concentrate on your venture, will you have

enough money saved to help you until you earn profits? It is best to determine the cost of starting your business.

Many businesses fail because they cannot raise funds before making a profit. It's not a good idea to underestimate the amount of capital you require since it could take a long time before your business can generate sustainable income.

#### **4. Establish your legal business structure.**

Before officially registering your business, you must determine what type of company it is. The legal structure of your business influences everything from the way you pay your taxes and your liability if there is a problem.

**Sole proprietorship.** If you run the company entirely on your own and plan to be the sole responsible for all obligations and debts, you may be able to register as a sole proprietorship. Be aware that this method could directly impact your credit score.

**Partnership.** As its name suggests, a business partnership implies that two or more persons are personally accountable as the business's owners. It's not necessary to do it on your own if you locate a business partner who has the same skills as you do. It's generally an excellent idea to include an additional person to boost your business's success.

Corporation. Suppose you're looking to separate your personal liability from the company's. In that case, you may think about creating one of the different kinds of companies (e.g., S corporation or C corporation, or a B corporate). While each type of company has its own rules, the legal structure makes a company a distinct company from the owners, which means that corporations can have their assets, take on the burden of liability, pay taxes, sign contracts, sue and be sued another person. "Corporations, especially C corporations, are especially suitable for new businesses that plan on 'going public' or seeking funding from venture capitalists in the near future," said Deryck Jordan, the managing lawyer Jordan Counsel. Jordan Counsel.

A limited liability corporation. The most popular type of small-scale business structure can be limited liability corporations (LLC). The hybrid structure offers legal protections similar to corporations while also allowing the tax benefits that come with the partnership.

In the end, you decide as to what type of entity will work the best fit for your needs today and your future objectives. It's essential to understand the different legal business structures that are available. If you're having trouble making decisions and are unsure of which one to choose, it's a good idea to discuss your decision with a lawyer or business consultant.

## **5. Join the government as well as the IRS.**

You'll require various permits for your business before you can legally run your company. For instance, you will need to register your company with the federal, state, and local authorities. There are various documents to be prepared before making an application.

## **6. Purchase an insurance plan.**

It's possible to think of it, and you'll "get around to" eventually; however, acquiring the proper insurance for your business is a crucial action to take before starting your business. The consequences of property damage, theft, or even a lawsuit by a customer could be expensive, so it's essential to ensure that you're adequately protected.

While you should think about various kinds of insurance for your business, there are a few basic insurance plans that all small-sized businesses could benefit from. If, for instance, your company employs employees, you'll at a minimum have to buy unemployment insurance and workers' compensation insurance.

There are different types of insurance, dependent on the area of operation and your industry. However, most small-sized



firms are advised to get general liability (GL) insurance or an owner's insurance policy for their business. GL will cover injuries to your body, property, and personal injuries to you or another person.

If your company provides the services you offer, you might consider obtaining business liability insurance for professionals. It will protect you if you make a mistake or do not take action on things you should have done in the course of running your company.

## **7. Make your team.**

If you're not planning to be the sole employee of your company, You'll need to hire and recruit an excellent team to get your business up and running.

"People build your product." "Identifying your founding team, understanding what gaps exist, and [determining] how and when you will address them should be top priority. Figuring out how the team will work together ... is equally important. Defining roles and responsibility, division of labor, how to give feedback, or how to work together when not everyone is in the same room will save you a lot of headaches down the line."

## **8. Choose your vendors.**

Being a business owner can be daunting, and you and your team will not handle everything by yourself. This is where

third-party vendors step into. Companies from every sector, such as HR, business, and telephone systems, are available to collaborate with you and assist you in improving the efficiency of your business.

If you're looking for B2B partner companies, you'll need to be careful when choosing. They will have access to crucial and possibly sensitive business data; Therefore, choosing a confident partner is essential. Our advice for selecting business partners, Our expert sources suggest interviewing potential vendors about their experiences in your field, their history with current clients, and the kind of growth they've helped their other clients achieve.

There aren't all businesses that require the same types of vendors; however, there are some of the most common items and services that virtually all businesses will need. Take a look at the following functions that are essential for every type of business.

Paying customers in cash by offering multiple payment options can ensure that you can make a sale using the most convenient format for the customer you want to target. You'll have to look at different choices to choose the most suitable processor for credit cards to ensure that you're receiving the most competitive rate for the type of business you run.

Management of finances: A lot of entrepreneurs can manage their accounting tasks at the beginning of their venture; however, as your business expands, you can cut down on the time by hiring an accountant or even comparing accounting software suppliers.

## **9. Advertise yourself and brand yourself.**

Before you begin selling your product or service, you must build your reputation and gain an audience of customers eager to jump the first time you open your physical or metaphorical doors for your business.

Website for your company. Make your name known online and create a business website. Many people use the internet to find out more about businesses, and a website can be online proof that your company is operating. It's also an excellent method to connect with your current and potential customers.

Social media. Utilize the social networks to help spread the news about your business's new venture and perhaps use it as a promotion instrument to offer coupons or discounts to your followers after you have launched. The most appropriate social media platform to use will depend on the people you want to reach.

CRM. The best CRM software options permit you to keep the data of your customers and enhance your marketing to them. A well-planned email marketing campaign will effectively get your message out to customers and communicate with your target audience. To make your email marketing campaign successful, you'll need to build your list of email marketing contacts carefully.

"These types of forms usually pertain to email communication and are often used in e-commerce to request permission to send newsletters, marketing material, product sales, etc. to customers," Edmonson stated. "Folks get so many throwaway emails and other messages these days that, by getting them to opt in to your services in a transparent way, you begin to build trust with your customers."

Logo. Create a logo to aid people in identifying your brand. Be consistent across all your platforms.

Keep your digital assets up-to-date with current, informative material about your company and your industry. Based on Ruthann Bowen, chief marketing officer at EastCamp Creative, too many companies negatively view their websites.

"The issue is they see their website as a cost, not an investment," Bowen explained. "In today's digital age, that's a huge mistake. The small business owners who understand

how critical it is to have a great online presence will have a leg up on starting out strong."

Making a plan for marketing that is more than just a launch is crucial to establishing your client base by continuously creating the news about your company. This is especially important at the initial stages than delivering the best products or services.

# LIVE BELOW YOUR MEANS & TRY TO INCREASE YOUR MEANS

Finally the one action you may hate but again is a prerequisite to financial freedom. Living below your means isn't just about cutting costs and saving money. It's about taking control of your money, so it doesn't control you.

When you live below your means, you have the power to coolly handle an unexpected car repair or medical bill, save for retirement, and fund your dreams, whether that's a Craftsman-style house or launching an Etsy business.

A good rule of thumb is to live on at least 15% less than you earn. Here are our best tips for how to live below your means without feeling like you're missing out.

## **Create a plan for your money**

The act of assigning a job for every dollar can be empowering. The popular 50/30/20 budget divides money into needs, wants, savings, and debt repayment.

“Make financial choices for the month in the quiet of your head, or with your partner, in advance — not in the moment.

That way, you can feel great about your spending,” says Charlie Bolognino, a certified financial planner in Plymouth, Minnesota.

### **Save off the top**

Divert money from each paycheck before you’re tempted by it. Once you start, it becomes painless to save through 401(k) paycheck deductions at work or automatic monthly transfers to a savings or investment account.

### **Pay yourself**

When you finish paying off something, whether a smartphone, car, or college education, continue making the duplicate monthly payments you’re accustomed to — but direct them to yourself. Stash the money in an interest-bearing savings account, and let it accumulate. The next time you want to buy something, you can pay cash — and feel the opposite of deprived.

### **Live off one income**

Many dual-income families naturally budget their lifestyles based on money that two jobs bring in. But consider the benefits of making a conscious choice to live off just one salary. If it’s possible, arranging your household costs, so just one person’s pay covers the bills provides significant financial freedom.

“Arranging your household costs, so just one person’s pay covers the bills provides significant financial freedom.”

Earmark the second paycheck for maxing out retirement savings, investing, or paying off debt. It also provides flexibility for life events like an unexpected job loss or having one parent stay home with young children for a time.

### **Cut meaningless expenses**

Are you eating out too frequently, subscribing to boring cable channels, or paying for unused memberships? You don’t care about eliminating costs frees up money for things you genuinely enjoy.

Try this: Write down what you value in life. Then look closely at your last few financial statements. Do your purchases match your values? You might find that small changes can help you stop spending money on unnecessary things.

### **Right-size your home**

Hold back from buying the most expensive house the bank says you can afford. Instead, buy the small fixer-upper and make the home your own, says Diane Manuel, a certified financial planner in El Segundo, California. That way, you can enjoy your nest without feeling stretched by the costs of homeownership like taxes, insurance, and maintenance.



## **Drive used**

Do you need that brand-new car that loses 20% of its value as you drive it off the lot and comes with a \$500 monthly payment? Purchasing a previously owned car, and paying cash, means you skip the stress of an auto loan on top of other expenses of car ownership.

“Remember, your car is only transportation. Used cars from rental agencies are good” to buy, Manuel says — “low mileage and under warranty.”

## **Payless interest**

If you carry balances on high-interest credit cards, consider consolidating your debt to save on interest. With good credit, you might be eligible for a balance transfer credit card at 0% interest for 12 months or longer. Just watch out for transfer fees, and transfer only an amount you can afford to pay off before the introductory period expires and the rate jumps.

Or refinance with a low-interest personal loan from a credit union, bank, or online lender. With less interest to pay, you’ll be free of debt and on to other meaningful goals faster.