

**GETTING
RICH
YOUR
OWN
WAY**

**ACHIEVE ALL YOUR FINANCIAL
GOALS FASTER THAN YOU
EVER THOUGHT POSSIBLE**

BRIAN TRACY



WILEY

JOHN WILEY & SONS, INC.

Praise for *Getting Rich Your Own Way*

The opportunities to create your own personal fortune have *never* been better than they are today, and *Getting Rich Your Own Way* is the ultimate how-to book for anyone who wants to achieve massive financial success. Brian Tracy takes the proven lessons and strategies from the many who have gone from rags to riches, and empowers readers with this success knowledge so that anyone can take action and create this same wealth in their own lives.

—Joe Polish, Founder and President, Piranha Marketing, Inc., and
TheGeniusNetwork.com

Financial success is not a miracle, nor is it based on luck. It is simply the law of cause and effect in action. If you initiate the causes you will get the effects. When you learn the essential principles, ideas, and concepts Brian presents in *Getting Rich Your Own Way* you will be on your way to financial independence.

—Tony Jeary, Mr. Presentation™,
Author, *Life Is a Series of Presentations*

This fast-moving book is full of practical, proven methods and strategies used by all financially successful people to become wealthy. By learning and applying the ideas in these pages, you will save yourself 10 to 20 years of hard work in becoming wealthy.

—Raymond Faltinsky, CEO/
Co-Founder, FreeLife International

An exciting, stimulating, and practical approach to proven wealth creation. By learning and applying Brian's ideas you will save yourself time and virtually guarantee your success!

—Michael Burnett, CEO, Vision Pursuit

Financial success is not an accident! It comes to anyone who does the right things in the right way, over and over. Brian's book shows you exactly what you need to do to achieve all your financial goals.

—Tom Hopkins, The Builder of Sales Champions

We are entering into an extended period of affluence and prosperity, and this powerful, practical book shows you how to achieve financial success beyond your dreams or imagination.

—Lee Iacocca

**GETTING
RICH
YOUR
OWN
WAY**

**ACHIEVE ALL YOUR FINANCIAL
GOALS FASTER THAN YOU
EVER THOUGHT POSSIBLE**

BRIAN TRACY



WILEY

JOHN WILEY & SONS, INC.

Copyright © 2004 by Brian Tracy. All rights reserved.

Published by John Wiley & Sons, Inc., Hoboken, New Jersey.

Published simultaneously in Canada.

No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, scanning, or otherwise, except as permitted under Section 107 or 108 of the 1976 United States Copyright Act, without either the prior written permission of the Publisher, or authorization through payment of the appropriate per-copy fee to the Copyright Clearance Center, Inc., 222 Rosewood Drive, Danvers, MA 01923, (978) 750-8400, fax (978) 646-8600, or on the web at www.copyright.com. Requests to the Publisher for permission should be addressed to the Permissions Department, John Wiley & Sons, Inc., 111 River Street, Hoboken, NJ 07030, (201) 748-6011, fax (201) 748-6008.

Limit of Liability/Disclaimer of Warranty: While the publisher and author have used their best efforts in preparing this book, they make no representations or warranties with respect to the accuracy or completeness of the contents of this book and specifically disclaim any implied warranties of merchantability or fitness for a particular purpose. No warranty may be created or extended by sales representatives or written sales materials. The advice and strategies contained herein may not be suitable for your situation. The publisher is not engaged in rendering professional services, and you should consult with a professional where appropriate. Neither the publisher nor author shall be liable for any loss of profit or other commercial damages, including but not limited to special, incidental, consequential, or other damages.

For general information on our other products and services please contact our Customer Care Department within the United States at (800) 762-2974, outside the United States at (317) 572-3993 or fax (317) 572-4002.

Wiley also publishes its books in a variety of electronic formats. Some content that appears in print may not be available in electronic books. For more information about Wiley products, visit our web site at www.Wiley.com.

Library of Congress Cataloging-in-Publication Data:

Tracy, Brian.

Getting rich your own way : achieve all your financial goals faster than you ever thought possible / Brian Tracy.

p. cm.

ISBN 0-471-65264-4 (cloth)

1. Finance, Personal. 2. Investments. 3. Success in business. I. Title.

HG179.T73 2004

650.1'2—dc22

2004005514

Printed in the United States of America.

10 9 8 7 6 5 4 3 2 1

*To my four wonderful children—
Christina, Michael, David, and Catherine—
my primary reason for learning and applying
these ideas. May each of you get rich in
your own way in the years ahead.*

Contents

<i>Preface</i>	<i>xiii</i>
<i>Introduction</i>	<i>xv</i>
The Difference between Success and Failure	xv
Starting with Nothing	xvi
You Can Do It	xvii
The Difference between Rich and Poor	xvii
A Real Eye Opener	xviii
The Miracle of Compound Interest	xviii
You Can Learn What You Need to Learn	xix
1 Learn How to Become Rich	1
Why People Don't Become Rich	2
Five Ways to Stay Poor	6
Five Ways to Become Rich	7
Definition of Wealth	9
Find a Need and Fill It	10
Big Fortunes from Small Ideas	10
One Idea Is All You Need	11
Maximize Your Assets	12
Become a No-Limit Person	19
2 Become a Money Magnet	21
Change Your Thinking, Change Your Life	22
All Causation Is Mental	22
Expect the Best	22

Become a Living Magnet	23
As Within, So Without	23
The Laws Are Neutral	25
What You Put In Determines What You Get Back	25
Negative Thinking Drives Money Away	26
Think Like the Rich Think	26
Settle In for the Long Haul	26
Learn What You Need to Learn	27
The Great Truth	30
You Will See It When You Believe It	31
Resolve to Pay the Price	32
Not for Everyone	32
Get Serious	33
Take Charge of Yourself	33
You Must Want It Badly Enough	34
Your Reasons Why	35
Make Your Goals Specific	36
Think Long-Term	36
Give Yourself a Raise	37
The Magic of Visualization	38
Control Your Inner Dialogue	40
Practice Affirmations	41
You Can Do It	41
Feed Your Mind with Mental Protein	43
Get Around the Right People	44
Sleep On It	45
Imagine Your Ideal Life	45
The Golden Hour	46
Million-Dollar Habits	46
The Rudder of the Day	48
3 Invest for Success	51
The Financial Planning Stool	51
Invest the Way the Wealthy Invest	53
Your Own Business	53
Income-Producing Real Estate	54
Land Held for Development	61
Liquid Investments	62
Stocks and Bonds	62
Investment Alternatives Available to You	62
Where to Put Your Money Conservatively	62

Investing in the Stock Market	63
Mutual Fund Investing	73
Different Ways to Invest	75
Guard Your Money Carefully	76
4 Start with Nothing	79
The Golden Chains	80
The Statistics Are Dreadful	80
Four Steps to Financial Success	81
Five Ways to Become Wealthy	82
The Starting Point of Riches	84
Pay Yourself First	84
Work Hard and Save Your Money	85
Attract the Money You Want	85
Starting with Nothing	86
Pleasure and Pain	86
The Wedge Strategy for Financial Success	87
Don't Lose Money	88
Strategies of the Wealthy	89
Change Your Personality	90
The Truth about Entrepreneurship	90
Reasons for Business Failure	92
Business Success Is Predictable	93
Get On-the-Job Experience	93
Learn While You Earn	94
Five Keys to Business Success	94
Use Your Job as a Springboard	99
Do Your Research	100
Practice the 10/90 Rule	100
Study Successful Companies	101
Five Rules for Entrepreneurship	101
Network Marketing Opportunities	105
Money in Your Mailbox	110
Get Wired	111
Start Small	113
Trade Time for Experience	113
Seven Steps to Business Success	114
Be Action-Oriented	117
Take a Chance	117
Seven Steps to Financial Independence	118

5	Build Your Own Business	121
	The Failure Rate Is High	122
	Seven Principles for Business Success	122
	The Factor of Three	128
	Questions You Must Ask and Answer to Succeed in Business	129
	The Great Marketing Questions	131
	Getting into the Game	132
	Test Your Idea Before You Invest	141
	Fast, Cheap Market Research	141
	Test-Market Your Product or Service	148
	How to Build a Profitable Business	151
	Business Opportunities Are Everywhere	152
6	Market and Sell Anything	155
	Marketing and Sales Defined	155
	The Marketing Mix	156
	Five Rules for Selling Anything, Anywhere	157
	Five Questions You Must Answer	158
	Selling Your Product or Service	160
	Multiple Ways to Sell	160
	Start Small, Grow Slowly	169
	Master the Art of Selling	170
	Control the Revenues	171
	Opportunity Gap Analysis	172
	Getting Free Publicity	173
	Opportunities Everywhere	177
	Just Do It!	177
7	Get the Money You Need	179
	Ignorance Holds You Back	179
	Lack of Money	180
	Money Is Available Everywhere	180
	Determinants of Credit	192
	Choosing the Ideal Business for You	192
	You Can Start Today	195
8	Think and Grow Rich	197
	You Are a Potential Genius	198
	Why Creativity Is So Important	198
	Use More of Your Intelligence	199

Multiply Your Results	199
As Within, So Without	199
Stimulate Your Thinking	200
The Qualities of Genius	205
Thinking More Creatively	209
Ways to Get Rich Your Own Way	210
Clarity Is Essential	215
Evaluating Your Ideas	216
9 Learn from the Best	221
Copy the Best in Your Business	221
Qualities of the Great Ones	222
Think Like a Champion	229
Follow the Leaders	229
The Qualities of Leadership	230
Find Your Own “Acres of Diamonds”	234
Become an Apprentice	237
Rent or Buy the Knowledge You Need	238
Ask for Advice	238
Study Successful Companies	239
Learn by Trial and Error	243
10 Lead the Field	245
Three Pathways	245
The Common Denominators	247
Secrets of Health, Wealth, and Happiness	247
Put Your Career onto the Fast Track	250
Become a No-Limit Person	273
<i>Focal Point Advanced Coaching and Mentoring Program</i>	275
<i>Index</i>	277
<i>About the Author</i>	283

Preface

*“The golden opportunity you are seeking is in yourself.
It is not in your environment; it is not in luck or
chance, or in the help of others; it is in yourself alone.”*

—Orison Swett Marden

Immigrants to America used to think that the streets were paved with gold. They believed that fame and fortune was possible for everyone. Eventually, experience taught them this wasn't necessarily true. But what turned out to be true was that wealth came to those who knew how to look for it. Brian Tracy is one of those who knows where to look. By applying the principles he shares with you in this book, Brian Tracy went from a struggling salesman to a millionaire, and he did it in less than 10 years.

Brian has helped hundreds of businesses and thousands of individuals achieve financial success far beyond their expectations. He is constantly traveling the world, giving seminars on sales, management, entrepreneurship, business development, and personal achievement. He is the president of his own human resources company and the author/narrator of more than 300 best-selling audio and video learning programs. He is the author of 35 books, which have been translated into

as many as 25 languages. In *Getting Rich Your Own Way*, Brian Tracy shows you, whoever you are and wherever you are starting from, how to become wealthy in the years ahead.

You will discover the five major sources of self-made millionaires, and the 18 principles, ideas, and concepts you need to program your mind for total success. You will learn the five rules for starting and building your own successful business. You will learn how to get the money you need, plus the 10 rules for investment success. You will learn the tried-and-true methods that have been proven over and over again by people who have gone from rags to riches in one generation. By reading about how Brian Tracy and so many others have done it, you too will learn how to get rich your own way, the way that is exactly right for you and your special talents and abilities. You will discover that there are no real limits.

—VICTOR RISLING

Introduction

*“Are you in earnest? Seize this very minute—
What you can do, or dream you can, begin it,
Boldness has genius, power, and magic in it.
Only engage, and then the mind grows heated—
Begin it, and the work will be completed!”*

—Prelude to Goethe’s *Faust*,
translated by John Anster

The Difference between Success and Failure

Thank you for reading this book. The major difference between those who succeed and those who fail is simple: Successful people in every field are action-oriented, while failures are talk-oriented. People who achieve greatly are those who “just do it!” while those who accomplish little spend their lives hoping, wishing, dreaming, and making excuses. By opening this book, you have stepped forward into the ranks of those few people who *make* things happen, rather than the majority who continue to wait for things to happen to them.

This book is written with an American flavor, using American

examples and statistics, but the principles it teaches are universal. They can be applied with some modifications in any other country with a market-based economy. Today the United States has the freest economic system and the greatest number of opportunities for a person to become wealthy of any country in the world. In 2004, according to the Organization for Economic Cooperation and Development in Paris, 19 percent of Americans between the ages of 18 and 54 were planning to start a new business—the highest percentage in the world. As a result of this entrepreneurial climate, there are more self-made millionaires and billionaires in the United States than in any other country. So we'll start here.

Starting with Nothing

When I was growing up, my family had very little money. My father was not regularly employed and my mother's work as a nurse was often the only thing that put food on the table for my three brothers and me. We were raised on macaroni and cheese, and wore clothes from the Goodwill and the Salvation Army. From the age of 10, I made my own money and paid my own bills working at gardening and odd jobs around the neighborhood.

When I was 15, I began searching for the so-called secrets of financial success. Like many young people, my goal was to be a millionaire by the time I was 30. However, when I turned 30, even though I had had spurts of success from time to time, I was just as broke as when I was 20. I had not even graduated from high school, and aside from being able to sell, I had no real skills at all.

It was about that time that I started to think seriously about my situation, and how little progress I had made in the preceding 10 years. Many of my friends were already doing quite well, married with children, living in nice homes, and making good money. But I was going nowhere financially.

My concern drove me into getting really serious about money for the first time. After trying a variety of shortcuts to get rich, I finally settled down and created a real plan for becoming wealthy. And the plan worked. I had countless setbacks and temporary failures, and I learned a lot of hard lessons over the next seven years, but I came out the other end with a net worth of more than one million dollars. And what I have done, within reason, you can do as well.

You Can Do It

My goal in writing this book is to convince you that, wherever you are in your financial life today, you, too, can become wealthy over the course of your working lifetime. If you start soon enough, work hard enough, and do some of the things I recommend, you may even become a millionaire. Thankfully, these methods, techniques, and strategies have worked for me and countless others. There is no reason why you, too, cannot achieve the American dream, if you are willing to take the time to learn how to attain it.

In the year 1900, there were about five thousand millionaires in the United States, and at that time the sum of a million dollars was worth a lot more than it is today. In 1980, when I began my research into the subject, there were about 1.5 million millionaires. By the year 2000, more than seven million Americans had a net worth of more than a million dollars. In addition, there are today decimillionaires, centimillionaires, and more than 300 billionaires. And these numbers are predicted to *double* in the years ahead.

Most of these millionaires, and even billionaires, are *first-generation*. They are self-made. They started with nothing. They earned every penny by applying their talents and abilities to the opportunities that they either discovered or created. It is estimated that someone, somewhere in the country, becomes a millionaire every four minutes. Your goal should be to become one of them.

What these self-made millionaires have done you can do as well. *Believe that no one is better than you and no one is smarter than you.* Over the years, I have had opportunities to meet with countless millionaires and multimillionaires, and even several billionaires. The remarkable thing about most of them is that they are largely unremarkable. They are invariably honest, hardworking men and women who have taken risks, developed expertise in their chosen fields, and refused to quit when the going got tough, as it always does.

The Difference between Rich and Poor

The wealthy are not very different from you and me. They have simply used more of their God-given talents and done things in a different way from the majority. The wonderful discovery is this: *If you do what other*

successful, wealthy people do, over and over again, you will eventually get the same results. Financial success is not a miracle, nor is it based on luck. It is simply the law of cause and effect in action. If you initiate the causes, you will get the effects.

In this book, you will learn how to start wherever you are, even deeply in debt, and achieve financial independence. Having worked with thousands of people all over the world who have become millionaires, I firmly believe that individuals who really want to can become wealthy over the course of their working lifetimes, if they do the right things over and over until they get the results they desire.

A Real Eye Opener

I had a real eye-opening experience some years ago. I was speaking to an audience of about 1,200 people on success. I was telling them that I believed that anybody could be successful if they just did certain things in a certain way. At the break, I was surrounded by about 30 well-dressed men and women who were asking me questions and sharing their own stories. At that moment, a mentally retarded young man who had been sitting in the audience pushed his way through the crowd. He said in a very loud voice, “Mister Tracy, Mister Tracy, can I be a success, too?”

I was a bit taken back. I stood there looking at him while all these people watched me to hear how I was going to answer his question. I didn’t exactly know what to tell him. My mind was racing. My credibility and my message, “Anyone can be successful,” were being put to the test. Fortunately, he continued speaking. He said, “Mister Tracy, I live in a group home. Mister Tracy, we repair furniture. Every month, I buy a hundred-dollar savings bond. If I continue doing that, will I be a success, too?”

The Miracle of Compound Interest

As it happened, I had just been reading about how much someone would have to save to become financially independent. I knew that a person who saved \$100 per month from the age of 21 to the age of 65 and earned an average return of 10 percent on the savings over that time period would be worth more than a million dollars at retirement. I suddenly realized that that young man, living in a group home, repairing furniture, with no advantages or opportunities, could actually become

wealthy. If he just kept saving \$100 every month, he would retire wealthier than 95 percent percent of the population.

He would end up better off than most doctors, dentists, lawyers, architects, engineers, salespeople, small business owners, corporate executives, and people in show business. All he had to do was to save \$100 per month and he would retire financially independent. If he could discipline himself to save every month, the power of compound interest would do the rest. Anyone can do it.

You Can Learn What You Need to Learn

Making money is a basic skill. It takes knowledge and practice to master, but since hundreds of thousands, and even millions, of men and women have learned how to make money over the years, it is obviously a *learnable* skill. In fact, if you can drive a car, operate a cell phone, use a computer, or carry out many of the standard tasks that are a part of daily life, you definitely have all the intelligence and ability you need to earn all the money you want.

In the pages ahead, I will show you how to achieve financial independence, and even *get rich*, in a variety of ways. After that, it is up to you to take action, and keep on taking action until you get the results you desire. There are no real limits except the ones you place on your own imagination.

*“See the things you want as already yours. . . .
Think of them as yours, as belonging to you,
as already in your possession.”*

—Robert Collier

1

Learn How to Become Rich

“When your desires are strong enough, you will appear to possess superhuman powers to achieve.”

—Napoleon Hill

If someone with limited abilities can become rich, why is it that so few people become wealthy? Even though we live in the most affluent country in the world, where most people earn and spend a fortune in the course of their working lifetimes, why is it that the majority end up dependent on Social Security, pensions and relatives when they retire?

If a person earning \$25,000 per year would just save \$2,500 per year, 10 percent of his income, and invest it carefully to earn a return of 10 percent compounded over the course of his working lifetime—the years from age 21 to age 65 (44 years)—it would grow to \$1,794,762 through the miracle of compound interest.

If a mentally retarded young man without a single advantage in the world can become wealthy (see Introduction), and a person earning \$25,000 a year, saving 10 percent of his income, can become a millionaire or a multimillionaire, then almost anyone can become rich who wants it badly enough.

Why People Don't Become Rich

The question I began to ask was, “Why is it that people don’t become wealthy?” In a country like ours, with the opportunities that we have, why is it that so few people retire financially independent? And I eventually found the answers. Here are what I consider to be the five reasons why people don’t become wealthy.

Who, Me?

First, at the top of the list, is that it never *occurs* to them. The average person has grown up in a family where he has never met or known anyone who was wealthy. He goes to school and socializes with people who are not wealthy. He works with people who are not wealthy. He has a *reference group* or a social circle outside of work who are not wealthy. He has no role models who are wealthy. If this has happened to you throughout your formative years, up to the age of 20, you can grow up and become a fully mature adult in our society without it ever occurring to you that it’s just as possible for you to become wealthy as for anyone else.

This is why people who grow up in homes where their parents are wealthy are much more likely to become wealthy as adults than people who grew up in homes where their parents are not wealthy. Wealth achievement is part of the worldview of children of wealthy parents.

Therefore, the first reason why people don’t become wealthy is it never occurs to them that it is possible for them. And of course, if it never occurs to them, then they will never take any of the steps necessary to make it a reality.

Make a Decision!

Another reason that people don’t become wealthy is that they never *decide* to. Even if a person reads a book, attends a seminar, or associates with people who are financially successful, nothing changes until she makes a decision to do something different. Even if it occurs to a person that she could become wealthy if she just did certain things in a specific way, if she doesn’t decide to take the first step, she ends up staying as she is. *If you continue to do what you’ve always done, you’ll continue to get what you’ve always got.*

The primary reason for underachievement and failure is that the great majority of people don't decide to be successful. They never make a firm, unequivocal commitment or definite decision that they are going to become wealthy. They mean to, and they intend to, and they hope to, and they're going to, *someday*. They wish and hope and pray that they will make a lot of money, but they never decide, "I am going to do it!" This decision is an essential first step to becoming financially independent.

Maybe Tomorrow

Procrastination can prevent people from becoming wealthy. People always have a good reason not to begin doing what they know they need to do to achieve financial independence. It is always the wrong month, the wrong season, or the wrong year. Business conditions in their industry are no good, or they may be too good. The market isn't right. They may have to take a risk, or give up their security. Maybe next year.

There always seems to be a reason to procrastinate. As a result, they keep putting it off, month by month, year by year, until it's too late. Even if it has occurred to a person that he can become wealthy, and he has made a decision to change, procrastination will push all his plans into the indefinite future. *Procrastination is the thief of time, and of life.*

Pay the Price

What economists refer to as the *inability to delay gratification* is another reason that people retire poor. The great majority of people have an irresistible compulsion to spend every single penny they make and whatever else they can borrow or buy on credit. If you cannot delay gratification and discipline yourself to refrain from spending everything you make, you cannot become wealthy. If you cannot practice frugality as a lifelong habit, it will be impossible for you to achieve financial independence. As W. Clement Stone, founder of Combined Insurance Company of America and one of the richest men in the world, said, "If you cannot save money, the seeds of greatness are not in you."

Take the Long View

The last reason that people retire poor is perhaps as important as, if not more important than, all the others. It is *lack of time perspective*. In a longitudinal study conducted in the 1950s and published in 1964 as

The Unheavenly City, Dr. Edward Banfield of Harvard University studied the reasons for upward socioeconomic mobility in the United States. He wanted to know how you could predict whether an individual or a family was going to move upward one or more socioeconomic groupings and be wealthier in the next generation than they were this generation.

Banfield studied and compared his findings against the most common explanations for economic success in the United States and in other countries. Was it education? No. Many people with good educations actually moved *down* economically. Was it intelligence? No. A lot of very intelligent people were poor and unable to earn a living. Was it being born into the right family? No. Many people born into affluent families did poorly as adults, while many people with poor educations became very successful. Was it being in the right part of the country? Was it being in the right industry? Was it luck? What factors were best at predicting that a person would move up economically over the years?

Project into the Future

All Banfield's research brought him to a single factor that he concluded was more accurate than any other in predicting success in the United States—*time perspective*, defined as “the amount of time that you take into consideration when planning your day-to-day activities, and when making important decisions in your life.” Time perspective referred to how far you projected into the future when you decided what you were going to do or not do in the present.

An example of a long time perspective is the common habit of upper class families in England to register their children at Oxford or Cambridge as soon as the children are born, even though the youngsters will not be attending for 18 or 19 years. This long-term thinking is what causes parents to open savings accounts for their young children to assure that they will be able to attend good colleges when they graduate from high school.

Saving and planning for the future is *long time perspective in action*. The young couple who begins putting \$50 a month aside in an education fund so that their newborn child can go to the college or university of his or her choice is a couple with long time perspective. They are willing to sacrifice in the short term to assure better results and outcomes in the long term. People with long time perspectives almost invariably move up economically in the course of their lifetimes.

Pay the Price in Advance

A person who graduates from high school, goes on to university, attends medical school, earns an M.D. degree, perseveres through internship and residency, and then after 10 or more years of training becomes a licensed physician, has a long time perspective. He has earned the right, through years of sacrifice and delayed gratification, to prestige, status, and a high standard of living. That 10 to 12 years of work and study is an investment in his career for the rest of his life. His long time perspective will also assure a higher standard of living for his children, as well as better schools, and more opportunities for them. His children will very likely marry better, have higher social and economic aspirations, and live better lives.

The time perspective of a doctor investing 10 or more years in education at the beginning of his career may be the lifetimes of one or two generations, 50 to 70 years. We intuitively sense that a doctor, someone who has dedicated so many years to learn his craft so that he can attend to us and our families when he is most needed, is a person who has earned our respect and esteem. This appreciation for long-term thinking may be why the family doctor is usually at the top when surveys of the most respected people in society are compiled.

Attitude Is Everything

Time perspective is an essential measure of *social class*. A wealthy family or a good education will help, but ultimately your level of status and prestige will be determined by how far you think and plan into the future as you go about your day-to-day work and life.

If an immigrant couple comes to the United States with nothing and goes to work at menial jobs, sacrificing so that their children can go to school and attend university, that immigrant couple is demonstrating class, no matter how well or poorly they are doing in the present. They are virtually guaranteeing upward social mobility for themselves and their offspring.

The opposite of a long time perspective is no time perspective at all. The average professional person has a time perspective of 10, 15, or 20 years, perhaps longer. The average laborer has a time perspective of about two pay periods. The derelict, the hopeless drug addict, or the alcoholic at the bottom of the social pyramid has a time perspective of hours, or even minutes. He does not think about the future at all, only the next drink or shot. Each person's position and direction in life, from the top to the bottom of society, are determined by the length of their time perspective.

Think about the Future

The very act of *lengthening* your time perspective, of thinking far into the future, changes your attitude and your personality. You begin the process of getting rich your own way by thinking ahead 10 or 20 years. As you do, you become more capable of setting bigger, longer-term goals and making long-term plans for their accomplishment. You become more thoughtful about your decisions, and more sensitive to the long-term consequences of the ways that you invest your time or money. You develop greater patience and perseverance. You actually become a better and more positive person.

From this day forward, practice lengthening your time perspective. Begin to see that everything that you are doing today is part of a long process that is moving you inexorably toward becoming financially independent, if not rich, over the course of your career. This is the mind-set of people who move continually upward and onward throughout their lives.

Commit to Your Career

Many people begin work or start careers and it never occurs to them they may be doing the same job for 20 or 25 years. It doesn't occur to them that they should invest any amount of time, money, and energy to learn how to do their jobs very, very well.

You should be prepared to make any sacrifice to excel at what you do. This enables you to earn the very most that it is possible to earn in that field. Even if it takes years of hard work to get to the top, with a long time perspective you will persevere. You will realize that *the time is going to pass anyway*. The only question is, how much will you be earning five years from today?

Five Ways to Stay Poor

Once again, here are the five reasons why people retire poor: One, it never occurs to them that they, too, can become wealthy. Two, if it does occur to them, they never *decide* to become wealthy. Three, if they do decide to do something to improve their financial lives, they *procrastinate*, sometimes all their lives. Four, they cannot discipline themselves to *delay gratification*, to resist spending everything they earn and a little bit more besides. Five, they operate with a *short time perspective*. They think and act day to day and month to month instead of planning 10 and 20 years into the future.

Five Ways to Become Rich

If you are really serious about becoming wealthy, there are five primary ways that fortunes are made.

Become an Entrepreneur

The number one road to riches, at the head of the list and on the top of the hit parade throughout U.S. history, is *entrepreneurship*, starting and building a successful business. Entrepreneurship includes every kind of business, from farming and trucking to real estate and computers.

Seventy-four percent of self-made millionaires in the United States, going back 200 years, come from self-owned businesses. An individual starts with an idea for a product or service, turns it into a business, builds it up from the ground floor, and as a result becomes wealthy. Henry Ford, Andrew Carnegie, John Jacob Astor, Cornelius Vanderbilt, Ross Perot, Sam Walton, Bill Gates, Michael Dell, and Larry Ellison are all people who started with little or nothing and built their own successful businesses. And there are millions of others.

Work Your Way Up

Another way to become rich is as a highly paid *executive* of a successful company, or as an employee of a company that awards stock options that become valuable. Ten percent of self-made millionaires in the United States are men or women who have joined large corporations, or companies that became large, and worked for these companies for many years. They usually worked hard; were promoted and paid well; earned stock options, bonuses, and profit sharing; and as a result of holding on to that money, became millionaires and multimillionaires.

Paul Allen started Microsoft with Bill Gates, sold out when he became ill, took much of his share of the company in stock, and is now a multibillionaire. The Seattle area is famous for having so many “Microsoft millionaires,” people who went to work for Microsoft in the 1970s and 1980s, sometimes as secretaries and programmers, received stock options, and became wealthy when they exercised them. Many senior executives receive bonuses and profit sharing worth many millions in a single year. Working for a large company that grows, pays well, and shares its profits is a major source of wealth.

Many executives have stayed with their corporations for many years; have risen to positions of seniority; are paid extremely well; are given stock options, profit sharing, and bonuses; and as a result of holding on to the money, they became millionaires. Not so long ago, Lee Iacocca, the chairman of Chrysler Corporation, was paid \$26.7 million for one year. Michael Eisner of Disney earned a \$150 million bonus. It's not too hard to become a self-made millionaire if you're making that kind of money in a year.

Become a Professional

A major source of self-made millionaires consists of *professional people*—doctors, dentists, lawyers, architects, engineers, and others with advanced degrees who can charge high fees for their services. These people earn their degrees, dedicate themselves to becoming very good at what they do, rise to the top of their professions, earn high incomes, and then hold on to the money. Ten percent of self-made millionaires in the United States fall into this category.

Get into Sales

An important source of self-made millionaires is *salespeople* and sales consultants. Five percent of self-made millionaires in the United States are men and women who are experts and at the top of their fields in selling. They never started their own businesses. Few of them went to college or earned professional degrees. Instead, they became very good at selling a product or service, and were paid well for doing it. In addition, they managed their money well, invested it intelligently, and made it grow until they were millionaires or better.

Fully 99 percent of self-made millionaires in America come from these four categories:

1. Self-owned businesses	74%
2. Senior executive positions	10%
3. Doctors, lawyers, and other professionals	10%
4. Salespeople and sales consultants	5%
Total	<u>99%</u>