

STEP BY STEP WITH MONEY

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We are now in week 8 and our focus will be on **Stress Free Savings**.

You are probably saying yes, you heard it all before, you know you have to do it but *you don't make enough money, you can't save more and/or saving money is more work*.

When I first started writing, I knew that money is a belief and mind game. As I research each week, I am more certain that money is all about the mind. The leaders in the Success Collaborative can help you with overcoming the issues of the mind. So, let us get practical with Stress Free Savings by starting with one of my favourite quotes by Marcus Aurelius, *the secret of all victory lies in the organisation of the non-obvious*.

1. **Start with a small savings goal**

If you are struggling with savings, start by saving for a small goal such as a night out, rather than an overseas holiday. A night with dinner followed by the opera or rugby and coffee thereafter, rather than spend your current cash or credit card, start saving for it. Once you see you can save you can increase the size of your goal, such as saving for a holiday or house.

2. **Have your savings automatically deducted**

This goes with 1 above. The conventional wisdom is to save 10% of your monthly income each month. I used to struggle with saving and I used to stop and start until I just did it. I suggest that you start at 1% per month and stick with it. What you want to create is the habit of saving. Once you have created the habit of saving and you see it in your bank account, your stress free savings begin

3. **Put your savings progress where you can see it**

My goals are written and placed next to the mirror when I shave so I can see how I am tracking. Track your savings balance and place it where you will see it everyday

4. **Cut back on small things**

Instead of four coffees a day have two. Over time you will naturally have one and as you see your target each day, you will start packing lunch.

5. **Have a savings target**

Whatever your savings goals, set a date by which to reach it. Importantly, if you see you will not reach your target date, do not get discouraged. Life happens and suddenly you may, for example, need four new tyres. The great thing is that you did not have to go into debt to get four new tyres. You may also find that you achieve your goal three or six months later. The great thing is that you now have cash, which you otherwise would not have had, had you not started your savings goal.

6. **Don't touch your savings**

This is a hard one. I failed many times and had to discipline myself. You may find that you have this extra cash and you may want to spend it on something that you wanted. This will delay the achievement of your goal.

7. **Have a savings buddy or a mentor**

Get together with a friend and start saving together, you don't need the same goal or need to save the same amount, you need to help one another to create the habit. You may also want a mentor to keep you on track, someone who has gone the path.

I recently read a book which included a story of a man who never earned more than \$14,000 per year. By regularly saving a portion of his income he made \$70 million over his lifetime. Create the habit and you may make the amount you wish.

Next week, I will go deeper. I wish to provide you with a greater understanding of how money works so when you are speaking with prospects you will have another tool. I will share about the short-term debt cycle.