Money changes everything. But just like everything else, if you don't control it, then it will most definitely control you. Money is not the root of all evil; the love for money is.

More often than not, the more successful people in life, those who are well-educated, are those who are poor at managing their finances. Why does this happen? What are they doing? What are they not doing?

Introduction

Lesson One: Decide to Be Wealthy
It all begins with you.

Before you can become wealthy, you have to decide to be wealthy. It's an all-or-nothing mindset. And when you've made that decision, there's no turning back. Everything is all up to you.

People who have made the decision to become wealthy only have one regret: that they could have done it earlier.

But you have to keep in mind that money isn't all there is in life. Those who are so engrossed in their wealth and making more money tend to forget all about God, their family, their relationships, and even themselves.

They forget that though it's important to make your money grow, what's more important is personal growth in all aspects of your life. And part of that is knowing how to balance all these different facets.

It's surprising that the wealthy aren't as obsessed about money as you think. Those who think about money more than they should are those who are hand-to-mouth, who live from paycheck to paycheck.

Though money can be your best friend, it can also be your worst enemy. It can bring out the best and the worst in a person. There have been studies made, which prove that divorces, domestic abuse, and diseases can be traced to financial problems.

With wealth, you can have more choices and more opportunities ahead of you. But being wealthy doesn't necessarily mean having all the riches that can last you more than a lifetime and a half. Essentially, what being wealthy means depends on your own personal definition.

However, don't make the mistake of equating wealth to extravagance. It's funny how it all works the other way around. Those who lead extravagant lives are those who just recently acquired wealth, have absolutely no idea how to handle their finances, and want the world to know how rich they've become. Living a life of excess is more often than not short-lived. The genuinely wealthy people, on the other
hand, are always on the lookout for accumulating more wealth and cost-efficient purchases.

Media has played a major role in people's lives. Just look at how it has affected the way people think, eat, dress, walk, and talk. Who ever said that being anorexic-thin was in? Before making the decision to become wealthy, clear your mind of any media-induced thinking, for this will distort how you see yourself in a wealthy state.

Being wealthy doesn't mean having to adopt a showy and an excessive lifestyle. In contrast, the five lessons will show you how to enjoy a balanced, worry-free, comfortable life, without compromising ones spiritual and personal values.

Most people are unable to attain wealth because they forget to do this first step: they don't decide to become wealthy. Just like any other journey, the road to achieving wealth starts with making the decision—the first, most important, and easiest step.

Once you've decided to become wealthy, there's this fire deep inside you that lights up and keeps on burning, which will motivate you to carry out your plan, to become committed to your decision. Your mind will be conditioned to do everything and anything to reach your goal. However, the contrary will hold true as well. If you keep on thinking and telling yourself that you can't possibly do something, then you most probably won't be able to. Your desire to move forward is more than enough to empower your thoughts and actions, and will greatly affect how you live your life. Once you've chosen the path you wish to tread, you've already, in essence, chosen your end.

Everything is within your reach, whatever point you are in your life right now, as long as you take that first step—to decide to become wealthy. Saying it out loud to yourself every single day will help. And give yourself a pat on the back. For you are now on the road to greater things.

Lesson Two: Take Responsibility for Your Money

According to a French proverb, "Money makes a good servant but a bad master."

Just like a double-edged sword, money can do you good or make your life worse. Most people generally let money control themselves and their lives, affecting everyone around them. You have to learn to take charge, to be responsible for your money. For once you let it control you, there's no telling what it can do.

But before you can begin to control your money, you have to be responsible for it. Initially, you'll have to find out (1) how much you have, (2) where your money is coming from, (3) where your money is going, and (4) what your money is doing for the time being.

Taking care of your money is similar to taking care of your pet or your children. You can't just leave them alone and hope that nothing bad will happen to them. You have to set boundaries. You have to take control as to what they can do and what they cannot. Same with money, you have to know the four things aforementioned. Sadly, most people are more organized when it comes to other things, like their rooms or work areas, as compared to their finances.
The Four Steps to Taking Responsibility for Your Money

First, you have to know how much money you have, how much you are worth. With the Net Worth Form and Net Worth Calculator, both available online at www.thefivethreelssons.com, you'll be able to chart your progress on a monthly and yearly basis. This form will help you categorize your current liquid assets, fixed assets, and deferred assets, and your current and long-term liabilities.

Second, you have to know where your money comes from. Every form of income—whether it's your monthly paycheck or your year-end bonus, an interest payment, alimony or child-support—should be recorded. Everything. This will also let you know how much time you should spend on a particular thing. For instance, if your day job is just giving you this much, and your part-time freelance gig is giving you so much more, then maybe you should re-evaluate your priorities, career-wise. Knowing how much money you get and from where will also help you decide how you should use your money. A great tip from Evans: Ongoing income should cover ongoing expenses. One-time money should be used to pay for one-time expenditures.

Third, you have to know where your money is going. Before you can gain control of your expenditures, you have to be aware of where exactly every single penny is going. You can't fix something if you don't know where it's broken. With the Cash Flow Form, also available online, you'll be able to sort out your income and your expenses. As soon as you start keeping track of your money, you'll be more aware of how much some things cost more than you thought so, and you've already taken the step to taking control of your finances, and your life.

Fourth, you have to know what your money is doing for the time being. Is it just lying in a savings account somewhere, earning you a few dollars a day? Is it in an investment portfolio, at risk of being gone all together in one go? In order to achieve financial success, you have to regularly evaluate all of your investments, and make sure that they're all working in your favor. Knowing how much and where to spend your money is just as important and not even half as complicated as knowing where you should put it to make more wealth.

Lesson Three: Keep a Portion of Everything You Earn

Examine the lives of some people when it comes to handling their finances.

There are those who don't even bother checking where they get their money, how they spend it, and how long it's going to last them. So before they know it, everything's gone. And they don't have anything to show for it. Surprising? Not really.

Then, there those who automatically take a percentage of every type of income they earn and put it away for future use. Something they're not going to touch until the time comes. Say, until retirement.

Part of M.C. Hammer's lyrics, when applied to real life, will save everyone a whole lot of worries and debts: "You can't touch this."

The former is what usually happens to people when they encounter a large sum of money. They think, "Hey, it's just a $10,000 dress. I've got a lot more where that came from." Or, "$150,000 for a car isn't that bad. Besides, I'm rich now. I got to look the part."
And before they know it, they've got $0 in their bank account. And a lot of debts to pay.

So why does this happen? It's so easy to judge when you're on the outside looking in. But when put in the same situation, you'll probably do the same thing. Unless you're aware of the Five Lessons and you're disciplined enough, you'll go through the same downward spiral.

There's a tendency for them to believe that they can always make more and that there's a lot from where it came from. And they don't understand that only a portion of what you earn is for you to keep. Understandably, you earned the entire amount so it's all yours. But try living the lifestyle of those people and see if you have something to show for it after. What's important is not how much you earn now, but what you keep for yourself and your family in the future that matters.

You've heard it a million times, but have you ever tried to understand the concept? Before anything else, you should pay yourself. Think of it as a reward for a job well done.

But how much should you get? Well, it all depends on your goal: where you want to be in the future and how much time you want to and can spend before getting there. Because, obviously, the more you put away, the faster you'll reach your goal. It's recommended to save as much as you can to test your limitations. The suggested minimum amount though should be 10 percent of your ongoing income and 90 percent (though 100 percent would be better) of all your marginal earnings. According to studies made on American millionaires, most of them save from 15 to 20 percent of all their income.

This is where compounded interest comes in. Though it seems like a complex idea, once understood, you'll realize why it's better to put away more now so you can enjoy more in the future. And that a one percent increase in your savings translates to more than one percent of what you'll be getting decades from now. It's best to be able to comprehend the meaning of compounded interest so as to avoid the regret of not being able to take advantage of it until it's too late.

Though 10 percent of your income may seem like a big amount of money, once you've established the habit, you won't be able to notice it anymore and might want to put away another five or 10 percent. It might help if you can have your bank automatically deduct the 10 percent to be put in a different account, so you won't have that excuse of forgetting and then spending the money for something else.

Keep in mind, however, that this doesn't mean that you should deprive yourself just so you can enjoy in the future. Once you start keeping track of where your money goes, you'll realize that more often than not, this 10 percent sometimes goes to things that you can really forego. So even you've already started building your nest egg, so to speak, your lifestyle need not change drastically.

To be able to encourage and motivate yourself, you'll need to see tangible results, something that is actually growing before your eyes. This is where the concept of the nest egg comes in. According to Merriam-Webster, a nest egg is a natural or an artificial egg left in a nest to induce a fowl to continue to lay there. In a word, incentive.

There are different "eggs" that you can use. Some purchase precious metals, such as silver or gold coins. With these kinds of investment, you won't be tempted to dip your hand in the nest at any time you feel tempted. But be wary of all the pros and cons when investing in such metals. It is important to get the help of a professional financial adviser, especially when you decide to invest in other
things. Just like other things, when it comes to your investment portfolio, diversity is the key.

Once you’ve established your nest egg, there may come a time that it will earn you more than what you can earn with your day job. But this will only happen if you let it grow.

But how about outstanding debts? Should you pay them all off at once first before starting to save? Well, it depends. The first step you can take, however, is to cut up your credit cards. Literally. And then come up with a payment scheme on how to repay your debts. Here, you'll be able to figure out whether it's best to pay them all at once or how staggered your payment should be. One good suggestion, though, is to use 10 percent of your income to repay your debts and then another 10 percent for your nest egg. Once you're debt-free, add the 10 percent you used before to your nest egg, which will in turn speed up your wealth accumulation.

Lesson Four: Win in the Margins

Just because you've come up with a plan to manage your finances doesn't mean it all ends there.

Besides knowing how to handle their money well, the wealthy people look for other means to increase their income and savings; also known as winning in the margins.

You can win in the margins in two ways: by earning more or by saving more. It's recommended that you do both, to maximize the growth of your nest egg.

It's sometimes funny how all these opportunities are around you, and yet you don't seem to notice them; that is, until you start really looking and start becoming more aware of what you haven't noticed before. It's not all about luck, though it does play a role in one's life. It's about opening your eyes and your ears to all the different opportunities you can take advantage. You need not look too far.

When you start regularly earning on the side, even just a percentage of your monthly salary, you'll be able to accelerate the rate of growth of your wealth.

Those who are determined to accumulate wealth understand that everything in this world was and is designed to take their money from them. Consumers have already been brainwashed.

People who have learned how to successfully manage their finances carefully analyze each and every purchase they make. This, along with three other principles, is what sets them apart.

Consider these four ways of thinking and learn how to become a successful wealth accumulator and builder:

• The Millionaire Mentality carefully considers each expenditure.

Deciding to be wealthy doesn't mean that you have to stop buying whatever you want and only what you need. You can still buy whatever your heart desires—but only if you have the money and if you're definite that you'll still want it after having to pay for it months or even years after.
If you've made a purchase, however, and managed to bargain for a lower price, put away the difference and add it to your nest egg. This will give you the incentive not to settle for the initial price, especially when you know that you can get it cheaper.

Here are three guide questions you can ask yourself before buying something: (1) Is this expenditure really necessary? Or is it possible to get the same personal effect without using money or using less of it? (2) Is this expenditure contributing to my wealth or taking away from it? (3) Is this an impulse purchase or a planned purchase? Am I being pressured to make an expenditure I’m not certain about?

Once you've asked yourself all three questions, then you can make a more informed and well-thought purchase decision.

• The Millionaire Mentality believes that freedom and power are better than momentary pleasure.

Will Smith once said, “Too many people spend money they haven’t earned, to buy things they don’t want, to impress people they don’t like.”

Most people have now adopted the “buy now, pay later” attitude, which instead of benefiting them is actually working the other way around. The banks and credit card companies are the ones reaping the fruits of America’s labor. And that’s just the beginning. Because of financial woes, even marriages, families, and personal health, to name a few, are suffering.

The only way to really avoid such is to delay gratification. Though you have to keep in mind that this doesn’t translate to depriving yourself. Delaying gratification merely implies that each of the principles you learn about managing your finances should be practiced properly so as to avoid crises.

• The Millionaire Mentality does not equate spending with happiness.

Any material object can never give you true happiness. No matter what you buy, how much of it you get, or how long you enjoy it, you can never be truly happy. Once you start equating spending with happiness, then you might as well kiss your financial stability goodbye.

Keep in mind that almost always, the simple things in life are what bring you the greatest joys. And don’t forget, more often than not, the simple things in life are free. When you start enjoying and being grateful for the simple things in life, then you’re on the path to becoming wealthy not only financially but in all other aspects as well.

• The Millionaire Mentality protects the nest egg.

As much as it is important to keep your nest egg growing, protecting it should also be a main concern. Acquiring the proper insurance policies may be beneficial, freeing you from any worries. However, make sure that whoever you’re entrusting your money and investments with is someone you can trust and is someone who is skillful enough to manage your finances.
Also, be especially cautious when dealing with money with your family. Just because you’re related by consanguinity or affinity doesn’t mean that they won’t take advantage of you. Oftentimes, the true color of people shows once money is in the picture.

Lesson Five: Give Back

Andrew Carnegie, the great philanthropist, once said that there were only three possible means by which a man of great wealth could dispose of his fortune: (1) he could leave it to his family; (2) he could bequeath it in his will for public purposes; (3) he could share it during his lifetime for the public benefit.

Giving back to society is one principle that dates back to Biblical times. Tithing has been practiced since then and until now. However, people nowadays aren’t as committed to it as before. The amount of 10 percent seems too much for them, when oftentimes they spend that much money on things they’ll forget about in a week.

It’s ironic but sometimes, the only way to protect ourselves from our own money, the only way to protect our wealth, and the only way to make it grow, is by sharing it freely and wholeheartedly to other people.

Remember that money is so powerful that it can be your best friend or your worst enemy, depending on who is controlling what. Once you let money be the center of your life, then you’ve ceased to live and started merely existing.

Money isn’t the only thing in this world that you should be living for. In fact, you should never live for the sake of money. There are a lot of things to be grateful for in your life—your family and friends, your blossoming career, and your great health, to name a few. And when you start sharing your blessings with the less-fortunate ones around you, you’ll then realize how much more will be showered your way because you know how to be grateful for them and how to share them.

The success of a person doesn’t depend on his financial status. The measure of success in life depends on how you lived it, the status of all the different aspects of your life, if you’re indeed wealthy financially, physically, spiritually, emotionally, and psychologically, among others.

You always get what you give. That’s why it’s important to always keep in mind the Golden Rule and apply it to your everyday life. When you share these opportunities to others, most especially to those who are in need, then you are sharing your wealth as well, which is also your personal responsibility as a citizen of the world.

Conclusion: Is It Ever Too Late to Start?

It is NEVER too late.

Though the only regret you may ever feel is not embarking on this journey earlier in your life, it’s not too late to begin the first few steps to becoming wealthy, applying the principles you’ve learned in your life, sharing them with other people, and enjoying the fruits of your labor.
Never forget that life is never about money. It’s about your relationship with God, with your family, and with your friends. It’s about love and honesty. It’s about sharing. And when you open yourself up, you will find the true meaning of success.

Resources: Winning in the Margins with Extra Income

More often than not, wealth-accumulating opportunities are already within your reach, as long as you pay close attention to your surroundings. Listed are some possible ways for you to make extra income:

- Turn your hobbies into money-making projects. Make jewelry and accessories and sell them at local bazaars. Bake pastries and goodies and sell them during the holidays. Teach cooking and baking classes, how to play musical instruments, or tutor young children.
- Offer to baby-sit friends' and relatives’ children. They’d be more than willing to leave their kids with someone they trust. At the same time, you can offer to house-sit for them when they’re on a family vacation.
- Check online and other job postings for freelance work, which you can do at home and in your own time. Check for part-time jobs as well, which you can do a few hours a day or even on the weekends.
- If you’re into animals, learn how to breed them and help each find a new home. You can also learn gardening and how to arrange flowers.
- If you know how to do minor home and automobile repairs, offer your services to your neighbors, friends, and family. Charge a minimal fee so they’ll pick you over a mechanic or repairman.

For a free online report on how you can increase your earning ability, visit www.winninginthemargins.com and enter win when asked for your passkey.

Resources: Winning in the Margins with Savings

Another way to increase the rate of growth of your nest egg is by saving more and spending less. Besides keeping in mind all the principles mentioned, don’t forget to religiously fill out your Cash Flow Form, so you can keep track of your money and know where you can cut down. Here are some tips on how to cut back on your expenditures and put away more:

- When renting out a place, get one from a private party, as this will come out cheaper. Also, it would be best if you could get a roommate so everything will be split in half. Make sure that your rent is, at maximum, 25 percent of your gross monthly income. Always shop for the lowest rate, most especially when getting a loan, and check all the other fees involved.
- When grocery shopping, always bring a list and never shop on an empty stomach. Be on the lookout for sales and specials. Always compare prices and, as much as possible, join a wholesale store because bulk purchases always come out cheaper. When going out, try not to order drinks as restaurants charge way more than usual. Try bringing lunch to the office at least twice a week. When shopping for clothes, schedule it during clearance sales, as prices are at least 50 percent off their tag. Visit thrift stores or consignment outlets. As much as possible, your clothes should be hand-washable and can be ironed. Stick with classic styles and don't always change your wardrobe to suit current fashion trends. And most importantly, shop for only a few hours at a time.
• At home, turn down your heat by five degrees and wear a sweater. Install a water-flow regulator in showerheads and toilet bowls. Replace bulbs with energy-saving ones and install dimmers in living areas. Turn off and unplug appliances when not in use. Fix leaky faucets. Use high-energy appliances on off-peak hours.