

## The Art of Saving: Nine Saving Principles

In the early 90s, while searching for myself, I came across a book “The Essence of Success” by Earl Nightingale. What makes this period of my life so interesting is the fact that I no longer wanted to be who I was, or to be in the situation I found myself living. I was 26 yrs old and determined to change my life for the better. My money was funny and my change was strange. I never met a dollar that I liked, for it seemed as soon as money came into my pocket, it went out even faster. I recall going to the bank one day, asking to get a \$ 400 loan against the title of my car that was already paid off. The branch manager met with me that day. She had taken the liberty of pulling up my account and said she noticed that I had made over \$36,000 in deposits and withdrawals that year (and the year wasn’t over yet). However, she noticed that I had never set up a savings account. We discussed that without a savings account, one of the primary principles of money management had not been established. She said I was typical of most people who start a new job. I was making good money but didn’t really have anything to show for it.

Over the course of the last 30 yrs, I’ve noticed several reoccurring principles that I have followed throughout my life. I thank God for both hearing and answering my prayers. I will share with you the various principles that brought me from financial lack to where I am today. I have traveled the road of ‘less than enough’, crossed the bridge of ‘just enough’, and now I’m happy to say I live on the mountain of ‘more than enough’. If you incorporate just one of these principles into your life and truly live it, not just with academic understanding but through the pursuit of helping yourself while helping others, you will indeed understand the bounty that is ‘more than enough’.

- Saving Principle #1: *It’s not how much you make, it’s how much you keep.* I’ve often been asked why ELE Wealth Management specializes in retirement. The simple answer is most people retire once in their lifetime and the monies associated with retirement have to last the rest of a person’s life, which is always an unknown. So, we have to plan for the future while still supporting the client’s desire to live in the present.
- Saving Principle #2: *Ten percent to charity, ten percent to you (paradigm shift).* You don’t go back to the charity and ask for that which you’ve given, so you shouldn’t go back to your account and take that which you’ve deposited. I am referring to a legacy account, it can be used for leverage (to borrow against) but the funds in this account can not be compromised. Just think how much would be in your legacy account today if you had saved ten percent of everything you earned. Once you have conquered your ability to give to a charity and yourself, it becomes contagious.
- Saving Principle #3: *The Power Of Persistency.* In the book, “The Richest Man in Babylon” by George S. Clason, we are introduced to a fictional character who figured out how to save and became the richest man in Babylon. Just like many of us, saving was not instinctive. With billions of dollars spent on advertisements each day, it’s no wonder it’s hard to keep your money in your pocket. Embrace your current situation so that you can build for tomorrow. My challenge to you is to commit to saving something every day. If you can only save your change each day, you would be surprised at how quickly it adds up. For those of you who have the potential to earn a greater income, here is my challenge to you. There are 365 days in most years. For each day, save an amount of money equivalent to that day. On day 1, save \$1, on day 56, save \$56, on day 267, save \$267, etc. On the 365<sup>th</sup> day, I would like you to call me so I can personally congratulate you on saving \$66,795.

- Saving Principle #4: *Always have Goals.* The strangest secret in life is that if you have no goals, you have already accomplished them. In the book, “The Essence of Success” Earl Nightingale talks about the principles of goal setting, the importance of having goals and visiting them on a daily basis. You may not accomplish every goal that you set, but I will assure you that you will accomplish more in life by having goals than by not having them.
- Saving Principle #5: *Moving on is not failing.* If you are willing to sacrifice today in a way that others aren’t, you will live tomorrow in a way that others can’t. Each of us at some point has set aside money and declared it was for “emergencies only”. Then we had, at the time, what seemed like a major emergency. So we borrowed money from ourselves and never paid it back. Today is the start of the rest of your life. Start over and move on. Financially speaking it’s never too late, there’s still time for you to become great.
- Saving Principle #6: *Creating your own reality.* Life happens if you let it or you can choose to direct it. Imagine coaching you, 20 yrs ago. Your choices would have been oh so different. You probably would have saved more, spent less, exercised more, possibly chosen a different career path or even married someone different. Whatever your past choices were, they created your current reality. So use your current choices to create your future reality.
- Saving Principle #7: *The advantage of keeping calm.* In Rudyard Kipling’s poem “If...”, there are a few stanzas that stand out to me. “If you can keep your head when all about you are losing theirs and blaming it on you, If you can trust yourself when all men doubt you, But make allowance for their doubting too;... If you can dream and not make dreams your master; If you can think and not make thoughts your aim; If you can meet with Triumph and Disaster and treat those two impostors just the same... If you can fill the unforgiving minute with sixty seconds' worth of distance run -Yours is the Earth and everything that's in it, And - which is more - you'll be a Man my son!” This poem embodies the essence of keeping calm.
- Saving Principle #8: *The importance of self-motivation.* I was once told by a client that she was calling my voice mail just to hear a positive voice. When I answered, she was somewhat unprepared. I said “Hello”, she said “Oh Mr. Liddell, I was trying to get your voice mail”. So I replied, “I can say beep if you would like”. She laughed and shared with me why she was calling. In life, we all have to find something that is our source. Having balance in your life is normally the key. Once you discover what keeps you going, that is the true essence of staying motivated.
- Saving Principle #9: *Celebrate your success daily.* When you hear the words: joy, happiness, excitement, celebration, and money, these words should put a smile on your face. For this last principle you must celebrate life and the power that is life. We are often amazed at those people who somehow seem to live a consistently exciting life. The truth of the matter is that we all do, it’s just that some celebrate more than others. Celebrate your life and share your story.

If I knew 30 yrs ago what I know now, I would have *book* knowledge, but I would not have *life* knowledge. I can truly say, if I had it to do all over again, I wouldn't change a thing. I have used my failures as stepping stones to establish various savings principles that have led me to where I am today. For those who didn't set goals and feel you don't have much to celebrate, it's never too late to start with the first step, which is to share this article with others. For those who agree with my philosophy of not changing a thing, you too can help by sharing this article with a friend or child whose life can forever be changed because these nine principles gave them a path to a mountain called More Than Enough.

In closing, I want to leave you with a parable. There was this little boy who had a favorite tree. He would be out all day long, climb up the tree, fall asleep in the tree, he loved this particular tree and the tree loved him back. She would extend her branches to make it easy for him to climb, she would open her branches to make it easy for him to go to sleep. One day after graduating from college, he was sitting in the tree when he saw a beautiful young lady walking down the street. He said to the tree, please lower me so I can go and meet her and the tree obeyed. After some time had passed, he decided she was the one. He told the tree he wanted to get engaged but didn't have the money to buy a ring. The tree responded, "Cut my branches and buy her a ring". As the wedding day approached, he told the tree they really needed a place to stay. The tree responded, "Cut me down and use my wood to build your home". A year later, while sitting on the tree stump, he told the tree they were going to have their first child to which the tree responded "I love you but I have got nothing left to give".

The moral of the story is that you can keep asking those who love you to keep taking care of you or you can develop a plan to take care of yourself. At ELE Wealth Management, we offer classes in The Art of Saving. To join our next class, please log onto [www.elewealth.com](http://www.elewealth.com) or call the office at 248-356-6555 to sign up for 'The Art of Saving'.

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