FINANCIAL FREEDOM | PERSONAL GROWTH | PROFESSIONAL DEVELOPMENT

Financial Freedom Can Be Yours-No Matter How Much Money You Make In Your Business!

"Contrary to most people's beliefs, …it does not require that you make more money."

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Since the focus of this article (and issue) is financial freedom, it seems that a great way to begin would be to look up the word "freedom" in the dictionary. While there are many definitions, the ones I want to focus on with you are these. **Freedom is…**

- The state of being free;
- Exemption from external control and the absence of or release from ties and obligations;
- The power to determine action without restraint;
- Personal liberty as opposed to bondage or slavery.

These are the definitions that best apply to the idea of financial freedom as well as what becoming financially free does and does not require.

First, what it does not require. Contrary to most people's beliefs, especially those with network marketing businesses, it does not automatically require that you make more money. It DEFINITELY does not require you to make a LOT more money. You do not have to make thousands of dollars a month in your business.

You do not have to create a huge organization or reach the highest level in

your company's compensation plan to become financially free.

Don't get me wrong — there's nothing wrong with making that much money. One of the greatest gifts network marketing offers is the potential for people to make more money – even a LOT more money. That being said, one of my greatest concerns is that, for too many individuals who start a network marketing business, all of their energy (and training) is focused only on MAKING money. Few and far between is the conversation and training of how to use the money they make in ways that create real and lasting financial freedom.

That's because making money – even lots of it – is not the same as financial freedom. Even if you have a huge organization and have a 5-figure passive income each month, you are not necessarily financially free.

Consider the story of a network marketing couple I worked with nearly 20 years ago. I'll call them Bruce and Sally Jones. When they began their network marketing business about six years before they first called me, they both worked at jobs and had a combined income of about $42,000 a year for a net monthly income of about $2,800. They also had credit card debt, two car loans and a mortgage on their "starter home". Their monthly debt payments added up to nearly $1250 – which left them with only $1550 a month to pay for everything else they wanted or needed in their lives.

That's why they started their business – to make a little more money. And they did! Five years after they began, they had both quit their jobs to do their business full-time. Along the way, what with travel and growing their business, they had accumulated a little more credit card debt. They also had two new car loans on much nicer cars. And they had just built their dream home and had a brand new mortgage. All total, five years later, their annual income has increased to nearly $96,000, which easily paid them

$6,000 each month after taxes. But their minimum payment on all their debts had also increased – to more than $3800. So, while they had more than DOUBLED their income, the actual money they had to live on, after debt, was only $2400 – not nearly as much of an increase.

Bruce and Sally, however, were not worried. They knew their income would increase as they continued to grow their businesses. That is, until one day, one of the products they represented got some really BAD press. Their company was now in the news – but not in a good way. Sales dropped. Their team members started to get anxious and stopped recruiting. Many started to leave the company.

That's what was happening for them when they called me. Their income had dropped to less than $4,500 each month (after taxes). They were in a panic. What Bruce and Sally had discovered — the hard way — is that making lots of money is not the same as financial freedom. Because they had so much debt, they were not free.

More than 200 years ago, Benjamin Franklin understood this when he said, "Think what you do when you run into debt. You give to another power over your liberty."

That's because debt – even what you may consider to be "good debt" – is a claim on your future income. And as long as you have that claim, you are not free. You have to keep making money. If your debt increases, you may have to keep making more money. You do not have the freedom to do something else you enjoy if it pays you less. This is what Bruce and Sally discovered. Sure – as long as they kept growing their business and their income kept growing, they thought they were fine. Given that much of their income was residual income from their team, they had thought they were financially free. They discovered how wrong they had been.

What they learned from the work they did with me is this. When they began their business, had they focused as much attention on becoming financially free as they did on making money, they could have used the first $500 they made each month to

become debt-FREE (mortgage and all!) in less than seven years. By doing so, they would have saved nearly $64,000 in interest.

But financial freedom is about more than simply becoming and remaining debt-FREE. It's about no longer has to exchange your time and energy to make money. Creating a passive income from your business is one way to do so. But to depend on only one source of passive income does not support freedom —then your company or team (and what *they* do and do not do) impacts what *you* can and cannot do. And, as much as we hate to imagine it, people quit. Leaders leave. Companies can and do go out of business.

The most powerful thing that Bruce and Sally learned was that, once they had become debt-FREE, they could have invested the money that had been going to debt to create investments of more than $700,000 in 15 years! Those investments would then pay them a residual income, before taxes, of more than $6,000 a month! And NONE of that income would have a "claim" on it to pay off debt!

(Think about it. If you had absolutely zero debt, how nice of a lifestyle can you have with a monthly income of $6000 or more each month – especially when that income is passive and doesn't require you to exchange your time and energy to make it?)

So financial freedom not only requires you develop the mindset and discipline to become debt-FREE, it also requires that you be open to and learn how to use the money you make, to make money for you. As I learned from author Robert Kiyosaki, the difference between the rich and the poor/middle class boils down to this. The poor and middle class work to make money – and use the money they make to pay for their lifestyle. Which means they have to keep working to keep up the lifestyle they want. The rich, on the other hand, work to make money and they use their money to

create assets. And they use the income from their assets (not their work) to pay for the lifestyle they want. Work becomes optional. They are financially free.

I recently came upon a quote by an unknown source that says, “Your financial growth can only reach as far as your financial foundation can support.” Far too often, network marketers are trying to grow their businesses and their incomes on a “foundation” that doesn’t support them because they haven’t learned how to use the money they make in ways that create financial prosperity and freedom. And if you don’t know how to use the money you already have in empowered, healthy and prosperous ways – you won’t know how to do it when and if you make more money. In truth, this might even be blocking you from making the money you want to make in your business because, at some level, you know you don’t know how to handle it — or if you can.

Becoming financially free is not simply a function of making more money. It’s about learning to use the money you already have in ways that truly support freedom. By becoming debt-FREE.

By living within your means. By not HAVING to make more money and by using some of the money you make to make money for you; And by making a point of having more than one source of income. When you have done that, then you are FREE. And, ironically, you’ll discover that the freer you are, i.e., the less you NEED to make more money, the more your business (and income) will grow because that’s how abundance works!

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