

"INVEST IN YOU"

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Trading Involves the potential for both profit & loss.

FOR MICHELLE

My favourite investment...

INTRODUCTION:

In 2003 I had a great apartment, a high paying job, a great partner of six years, and I was studying for a technology diploma at night school. I should have been happy, but something in my gut was telling me that there was a better path. Foolishly, I ignored the feeling.

Less than twelve months later; my partner had left me; I lost my job and a sudden illness resulted in me being on life support in intensive care.

Everything I "valued" was gone. It felt as if my life was over.

Then came a dawning realisation; an epiphany if you like. This is MY LIFE. It was TIME to make some choices...

As I sat in hospital feeling sorry for myself I was suddenly blessed by an incredible feeling of peace and light. I'm not "Unlucky". I'm incredibly lucky! I felt a huge tide of gratitude and energy pour in to my body and with it a sense of absolute clarity.

I saw myself and my life from above. I saw all the interactions and attachments I had to everything else around me clearly mapped out. The things I had once thought were important faded to insignificance, and my family and friends leapt into sharp focus. With this sudden clarity also came a sense of urgency and a sense that time had started to move faster. Two absolute truths became fixed in my mind:

- You can never "make" money by selling your time and "working" for a living. The only way to personal and financial freedom is to INVEST! Invest in YOU so you can invest in OTHERS!

- Don't try to "make" time or "find" time because it isn't lost! However, in your physical form, in this lifetime you only have limited time in which to make the most of your life. Whether that means spiritual investment, emotional investment, or financial investment it is YOUR choice; and that time starts NOW...

FOREWORD:

This book is written from the heart. I've made every effort to use a chatty and friendly narrative to offer some straight forward tips that anyone can use. It's NOT advice, but experience that I feel compelled to share. In the following pages you will find some investment tips, some ideas to motivate you and help manage your time, as well as loads of positive thought. I wish I had learned some of this when I was 15 rather than 35, but it's never too late to start! Some of the text is taken from books I've read and stories I've heard as well as my own experience. I hope that at least one piece of information in this book can bring about positive change in your life. I wish you every success.

Chris Norriss
Sydney - 2006

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1. INVEST IN FOREIGN EXCHANGE

Towards the end of 2004, I met a woman with incredible energy who had taken full control of her life.

Fed up with working full time, Sandra had decided to take a course to learn how to invest in the stock market. Finding it far too involved, she contacted one of her friends whose husband had begun to make good returns from trading foreign currency using a trading program he had designed and developed.

Sandra decided to take the plunge and was determined to learn the program for herself. She was a mother of several adult children and not particularly computer literate. She had no financial markets experience, yet less than two years later she was making a significant income from buying and selling currency!

How did she do it? I decided to investigate...

Most of us have had some exposure to foreign exchange whenever we've traveled overseas. I remember my first FX transaction. I was appalled to receive only 10 British pounds (GBP) after handing over more than 35 New Zealand dollars! In basic terms, foreign exchange is the buying of one currency and the selling of another, always achieved in pairs – US dollar (USD) versus the Japanese Yen (JPY) for example.

There is generally little trading activity over weekends, but the foreign exchange ("FX" or "Forex") market is in operation 24 hours a day, seven days a week from sunrise in New Zealand to Tokyo, London, New York and Chicago to sunset in Los Angeles and Hawaii. The market is decentralized with no physical trading floor.

The U.K. is in effect the geographic centre with America a distant second and Japan in third place with 84% of the world's FX business executed in these cities. Zurich, Frankfurt, Singapore and Sydney follow.

The Forex market is so large and is composed of so many participants, that no one player, even the government central banks, can control the market. The market is huge, and has grown in excess of 2 trillion US Dollars daily.

About 80% of FX trades are done against the US dollar. The dollar plays such a large role as it is used as an investment currency throughout the world and as a reserve currency by many central banks. The EURO / USD is the most traded currency pair, followed by USD/JPY and GBP/USD.

So when did foreign exchange trading really start, and why are more and more people playing the markets for themselves these days?

History:

People have always bartered in order to sell finished products for money, to buy and sell commodities, or simply to profit from a transaction. It was the introduction of paper money that allowed the development of international commerce as we now know it. Foreign exchange is the medium through which international debt is valued and settled and it is also a means of evaluating one country's worth in terms of another's.

As the British Empire expanded during the 19th century, there was a greater need for international money transfers. Instead of transporting huge amounts of gold and coins, the "bill of exchange" and the cheque began to be used. London eventually became a centre for negotiation of financial instruments including foreign-drawn bills of exchange.

Gold was made the standard value in England in the nineteenth century and the value of paper money was tied directly to gold reserves in America. Exchange rates were fixed in relation to gold. A country with a deficit in its balance of payments had to surrender gold, reducing the volume of currency in the country, leading to inflation. The opposite of course applied with a balance of payments surplus. The "Gold Standard" survived until the outbreak of World War I, after which foreign exchange as we know it today really began.

After the Great Depression of the 1930s the major powers left the Gold Standard. As the world headed into a second war, foreign exchange markets virtually ceased to exist. It wasn't until post-war reconstruction began that a system of convertible currencies, fixed rates, and free trade was devised. The International Monetary Fund and the World Bank were born. As recovery began, trade expanded and foreign exchange dealings returned. Although the amount of gold held in the American reserves stayed the same, the supply of dollar currency grew. By the 1960s, the gold reserves in America were being drained and international markets were becoming increasingly unstable. In 1967 the British pound was devalued as a result of high inflation. France underwent severe civil disorder and in 1969 unilaterally devalued the franc. As the American balance of payments worsened, money continued to flow into Germany. In April 1971, the German Central Bank intervened and the Deutschmark was revalued upwards against the dollar. Other currencies quickly followed. This brought the end of dollar convertibility into gold and the dollar was later devalued. Currencies began to float more freely.

The European Monetary System (EMS) and European Rate Mechanism (ERM) were established in 1979. The Maastricht treaty in 1991 proposed that a single European Central Bank be established and the Treaty of the European Union meant that fifteen countries signed for a single currency – the euro. The dollar reached its all-time low against the yen in 1995, resulting in a loss of competitiveness of Japanese products and a severe recession in Japan. Banks failed, real estate was sold off, and there were drastic changes in economic policies.

In 1998, the Asian financial crisis and the overvalued yen caused the yen to tumble against the dollar and other major currencies. On 1st January 1999, the exchange rates of participating EMU currencies were irrevocably set and the euro was introduced as legal tender.

After the terrorist attacks on New York and Washington in 2001 money flowed out of the dollar into safe havens such as the Swiss franc, and for the first time, the euro.

The introduction of the single currency in Europe forms one corner of the new triangular world of the dollar, the yen, and the euro.

Now, we live in a world of freely floating exchange rates. The explosion in the growth of the internet and the speed of international communication means that the market is available to anyone with the relevant knowledge and experience.

Now that I had a bit of background on the history of the market, I wanted to find out more about internet trading. I knew I needed some software to help me make my trading decisions and I needed to get the market prices from the internet or a pager. But I still needed to know more. I couldn't imagine myself phoning brokers and dealing that way, so I wanted to trade electronically. But how did I start?

Banks used to be the only providers of market price information, but now even relatively inexperienced people trading foreign currency from home are becoming quite sophisticated; they know exactly where the market is and what commission to expect to pay when dealing.

(Actually, the word commission here is misleading. The FOREX does not charge commissions as such. The cost of a trade is represented in a Bid/Ask spread established by the broker - usually 4 or 5 "pips" or points. For example if you were to buy a currency at 1.7555, you would actually be given a worse price of 1.7560)

There are many high quality easy to use trading systems available to anyone. Price feeds can be downloaded directly into spreadsheets and up-to-the-minute political and economic developments are widely available through various news sources. It is becoming very cheap to trade, so that trading is no longer just in the realm of big banks and wealthy investors.

All you need is a computer, a mouse and an Internet connection to trade foreign exchange literally 24 hours a day, 7 days a week!

It's common for internet trading platforms to offer 100-to-1 leverage, enabling trading of \$100,000 worth of foreign currency with only \$1,000 cash in the account.

In other words, each "lot" is approximately 100,000 U.S. dollars worth of a foreign currency. To trade on the FX market, a "margin account" must be established with a currency broker. This is, in effect, a bank account into which profits may be deposited and losses may be deducted. These deposits and deductions are made instantly upon exiting a position.

HOWEVER! Trading currencies is not easy (if it was, everyone would be a millionaire.) Trading takes time to master and there are absolutely no short cuts.

Just because one "lot" (\$100,000) of currency requires only \$1000 as a minimum margin deposit, it does not mean that a trader with \$10,000 in his account should easily be able to trade 10 lots or even 5 lots. One lot is \$100,000 and should be treated as a \$100,000 investment and not the \$1000 put up as margin.

There is a safer way to learn to trade foreign exchange electronically, and that is with a mini account. A "mini" trades in smaller contract sizes of 10,000 units, 1/10th the size of the standard account. Generally, traders with account starting balances less than \$10,000 should trade a mini account. The smaller trade size gives traders the opportunity to trade live with less overall risk or exposure to the market.

OK, so now I knew where foreign exchange originated, and that I could trade it electronically from home, but HOW? I buried my head in some FX books and did some research on the internet. Do I just download a piece of software from the internet and start clicking away? Is it just as simple as choosing what currency I want to buy and hoping the market goes in my direction? How do I place orders on the internet?

THERE ARE SEVERAL TYPES OF ORDERS USED ON INTERNET PLATFORMS:

Market orders – enables you to execute a transaction at the best available price immediately. Timing is critical as you are trying to establish or get out of a position as quickly as possible.

Stop orders – used to protect yourself against sudden price movements. Used to limit losses or protect profits on previously established positions, or to initiate new positions when market moves occur. They are contingent orders and are only executed when the stop price has traded or is touched. A buy stop is placed above the market price; a sell stop is placed below the market. A good trader never trades without a protective stop order.

Limit Orders - given to buy or sell currency lots at a certain price or better. They are generally used to acquire a specific price.

Cancel & Replace Order – for example, buy the pound at 1.810. Your protective stop loss order is 1.790. The market moves in your direction as projected. You now want to reduce your potential loss, so you cancel your stop order at 1.790 and replace it at 1.810 where you got in. You are now in a trade with no risk. As the market moves further upwards in your direction, you now want to lock in more profit. You cancel your stop loss order at 1.810 and replace it with a new 1.840 stop loss order so that you have locked in 30 pips in profit. Keep canceling and replacing your stop until you are finally stopped out.

But how do you KNOW when to buy and when to sell a particular currency? What happens if there's a big market move against you? Does it matter if the US cuts interest rates or Japan has high unemployment? Or, do the currencies just move in predictable waves? There are two main forms of market analysis: FUNDAMENTAL and TECHNICAL.

Foreign Exchange prices represent a comparison of an economy's performance – for example, unemployment, inflation, wage performance, and budget balance.

The fundamental approach concerns currency forecasters looking at economic factors such as balance of payments, short-and long-term capital flows, level of reserves, overall economic performance, and gross domestic product. Industrial production, personal income, and retail sales are also important. Forecasters believe that the higher a country's inflation rate relative to others, the faster that country's currency will depreciate.

However, there are political events that cannot be foreseen such as the invasion of Kuwait in 1990, or the World Trade Center attack in 2001. In these cases traders will initially respond in "flight to quality" which usually means a move into the dollar, Swiss franc, or gold.

The technical approach comprises charting and technical analysis. Charts are analyzed for moving averages, reversal formations, and trend lines. Technical analysis is the study and interpretation of price movements to determine future trends.

It is Technical analysis that is used by currency speculators and traders as the basis for determining when to buy or sell.

Technical analysis examines the past price and volume data to forecast future price movements. It is based on three assumptions; that all publicly available information about a tradable currency is already in its price, prices move in trends or patterns, and history repeats itself.

Technicians look at charts to identify patterns or trends. They have found that currency prices do not fluctuate randomly, but instead follow distinct patterns, like the crests and peaks of waves.

Traditionally, if a country raises its interest rates, the currency of that country will strengthen in relation to other countries as investors shift assets to that country to gain a higher return. Hikes in interest rates, however, are generally bad news for stock markets. Some investors will transfer money out of a country's stock market when interest rates are hiked, believing that higher borrowing costs will affect the balance sheet negatively and result in devalued stock, causing the country's currency to weaken.

The trade balance shows the net difference over a period of time between a nation's exports and imports. When a country imports more than it exports, the trade balance will show a deficit, which is generally considered unfavourable. If the deficit is greater than market expectations then it will trigger a negative price movement.

So, what should I do in order to help me make my trading decisions? I couldn't imagine myself being glued to the financial news to find out which country was expected to raise interest rates, or which country had poor industrial output. The relation between each of these factors was just too involved for me to even think about. Also, I couldn't imagine myself looking at lots of price charts and trying to determine trends, moving averages and reversal formations. It sounded like far too much work. I had enough trouble balancing my chequebook most of the time!

So how had my friend Sandra done it? Was she just lucky, was she following the stars? What was the software she was using? Was it some wonderful new internet trading platform? I asked to see her when she was next in Sydney...

So, I finally got to see the missing piece of the puzzle. Sandra was using a "decision support system."

In other words, the software she was using helped her become an effective trader without being tied to a computer screen all day. She could be flexible and didn't have to be up all night watching the markets.

Finally I saw the potential in trading FX myself! The software is a tool that ties together the three most vital components a good trader must consider:

1 – Surveillance. The program takes the latest closing prices in a specific currency pair and records the price each minute. It deals with real time technical analysis. Tens of thousands of mathematical formulae calculate when a currency is leaving a particular trend. When a reversal occurs, the program plays an audio alarm to alert the user so that he or she can make a trading decision. A trader can even set up the program to call a mobile phone if they are not in the vicinity of their computer.

2 – Growth. One of the most common errors new traders make is to using too much or too little of their capital when taking on trading positions. The software enables the trader to theoretically secure a percentage of their available funds. The software considers the entry point of a new move and calculates the number of contracts a trader should buy or sell. The program cuts the number of contracts to be traded during a downturn, and maximises the contracts during a growth period in order to maximise growth in the secured portion of funds.

3 – Risk management. Most importantly, the software assists the trader in determining where to place their protective stop loss in order to minimise losses caused by any unexpected market moves.

I was very impressed, but because this was all new to me, I wanted to study a bit more to make sure I understood the key concepts. So the program dealt with TECHNICAL ANALYSIS. I didn't need to bury myself in financial data. I didn't need to be an expert or vastly experienced trader. The mathematics in the software does most of the hard work for the trader in identifying waves, trends and reversal formations in the prices of the various currency pairs. It

wasn't until I heard a simple explanation of the theory behind the concept that everything fell into place...

IN A NUTSHELL: The price of one currency against another rises and falls in a wave formation. There are distinct patterns, peaks and troughs. For example, from a low point, the price of a currency will move in an upwards direction until a move is confirmed. The number of points or "pips" from the low point until the confirmation of a move is known as your entry "stop." The movement will continue to a high point above this price before moving back as downwards pressure eventually takes over. The currency will move a certain number of points downwards before a move in the opposite direction is confirmed.

A specific example:

The low point of the pound against the dollar may be 174.19. The price moves 25 pips upwards to 174.44 at which point an upwards move is confirmed. If the trader were to choose to enter the move at this price they would buy the pound at around 174.44. The currency continues an upwards move and reaches a high of 175.40 after which the price returns to 175.05. A reversal is identified at 175.05 at which point a trader may choose to exit the trade and sell the currency. The profit realised at this point is 61 points.

It's not a difficult concept to understand, but I found the analogy of surfing the easiest way to explain it. Imagine you're on your surf board out past the breakers at Bondi. You can see a wave forming 25 meters ahead of you and decide to catch it. You enter the wave at the right point and it carries you a certain way before it runs out of momentum and flattens. If you did not identify a wave was forming until it was perhaps 80 meters in front of you, it would probably be too late to catch the wave and it would lose momentum before you could ride it.

In trading terms, the distance you are from the wave is your entry stop price. If the stop is too far away from the high or low point of the market, you are best not to enter the move.

The beauty of trading from home

Even if you could see in to the future, and knew all the high and low points of a certain currency, only a few traders would make any money. The greatest value in using a foreign currency trading system is knowing not only when to buy or sell, but how much to trade. You also need to have effective methodology and be very aware of risk management.

I have seen several systems, but I honestly believe the one I've chosen to use is unique in that it offers all three of the components vital in successful trading.

The best part of all is the freedom you can get from letting the program do most of the hard work for you. You can continue on with the important things in your life, safe in the knowledge that you are building significant wealth.

In the time I've been trading, I have seen the program return results far better than I could ever achieved alone. The management within the software builds on each successful trade in the same way that compound interest

builds on itself. The returns generated in even the first few months on a small starting deposit have outperformed any investment I've ever made, and I'm finally generating an income without the need to "work" – the money is working for me instead of the other way around.

Best of all, I didn't need to go to university for five years to learn the skills I needed to start trading, in fact I had relatively little experience. All the support I need is only an e-mail away and there is a whole community of traders doing the same as me.

I don't pretend that learning foreign exchange trading doesn't take patience and discipline, but the best part of all is that it's fun.

A final note

Success depends on creating a trading plan, and maintaining the discipline to trade the plan!

A trader must be committed to continued education and make logical decisions devoid of emotion while trading. Competent traders trade with control over their emotional distractions, utilizing proper methodology, equity management and achieving financial return.

Each individual currency has its own "personality," and each offers a unique historical pattern of trends, providing diversified trading opportunities.

Be sure that you have a plan before you start to trade. The plan must include stop and limit levels for the trade, as your analysis should encompass the expected downside as well as the expected upside. Stops are there to be hit, and to stop you from losing more than a predetermined amount! If you can get 3 out of 6 trades to be profitable then you are doing well. Allow your profits on the winners to run and make sure that your losses are minimal. One of the most common mistakes that traders make is leveraging their account too high by trading much larger sizes than their account should prudently trade.

For More Information

Contact details are on our website:

<http://www.crystalclearconsulting.com.au/>

Trading foreign currency not your cup of tea? Then read further. The boom of the 1990s may be over, but there is still a way to achieve the great Aussie dream...

2. INVEST IN PROPERTY

In 1991 I gave up my first job after only four years and decided to spend my meagre life savings on a trip around Europe. The money went very quickly and I found myself in London, at the end of the post eighties boom. The UK was in the grip of a severe recession and it was difficult to find work that paid more than a few pounds an hour. On top of that, I had no idea how to market myself. I eventually found a job with Barings Bank in the futures division that paid me about £3 per hour. I was basically the odd job boy and had no idea what financial futures were. I hated the job and the people that worked there were very unhappy. I remember coming in one morning to find that some of the operations staff had been working all night trying to reconcile the trader's positions. Of course, Barings was the bank that later collapsed in spectacular fashion after Nick Leeson "The Rogue Trader" covered up millions in losing trades.

I quit the job after only two weeks and decided to try my hand selling art work door to door. A bad choice. I failed miserably and quit after two days. I had no money, had been paying rent on my credit card, and had 20 pence left in my pocket. I walked to Hyde Park and sat and watched the squirrels gather nuts for the oncoming winter. I was cold, miserable, and was dreading the task of asking my parents if they could lend me my airfare home. As I sat on a park bench, a beggar came up to me. "Could you spare 20p for a cuppa tea?" He asked in a strong Irish accent. How could I refuse? I gave him my last coin and he was gone.

Back at my flat, I lifted the phone to place a call to my parents and noticed there was a message on the answer machine. It was from an employment agency that I had registered with weeks ago but had given up calling. "There's a job at JPMorgan's back office in Stratford. Can you start tomorrow morning? The assignment is for two weeks."

I was with JPMorgan for nearly 14 years and eventually left as a Vice President in the Sydney office.

OK, I admit the leprechaun story is a very tenuous connection for an introduction to a chapter on property, but here's the rest of it: After being so broke and living on virtually nothing, I saved my few pounds an hour and eventually saved a small amount. I thought to myself, "What am I going to do with this?" Should I travel again and have nothing left to show for it, or should I invest it? I was sick of paying rent, and the living expenses in London were high. One of my mates at work was in the same position, so we went and checked out how much we could borrow to buy a flat. At that stage, the London property market was almost at rock bottom. We worked out that we could actually SAVE money by borrowing and buying. Within weeks, we each had ourselves a flat in an Edwardian conversion in Streatham. I only stayed there 18 months. I had had enough of the London winters and managed to convince my bosses that I'd be much more useful to them in Sydney office. I rented the flat out and headed to Australia.

A few years later, I made enquiries about selling my London flat. I had bought it for £62,000 using a £3000 deposit. It sold in 2002 for £145,000. My £3000 deposit had made me £83,000 in seven years!

Unfortunately for me, in the time I'd been in Sydney, the property boom had also taken off. I had checked out prices in the Eastern suburbs in 1997. A small two bedroom terrace was over \$400,000. Too expensive I thought. By the time I wanted to buy in 2002, the same place was nearly one million dollars!

How was I to get in to the Sydney market without an astronomical mortgage? I still wanted to keep some of the cash I got from London, and didn't want to put all my eggs in the property basket so to speak.

In 2005 I found the answer...

There are a few reasons for buying property; for you to live in yourself, for income (rent), or for capital growth.

If you're looking to build wealth, focus on capital growth. Don't buy a property just because you like it. The residential property market in Australia is worth well over \$25,000,000,000 per year.

The single most important factor for capital growth is land. Land appreciates in value. Buildings do not! If the house goes up by 10%, the land will generally go up by 20%.

The only reason you would lose money in real estate is because of greed or not doing your homework. It is the buyer's responsibility to make sure that they find out how much marketing and commission fees the vendor is paying. Their interests are to get the highest possible price for a property. It is also the buyer's responsibility to make sure that the bank's valuation of the property is reasonable. It is not always the same as the purchase price.

It's no secret that income by itself does not make you wealthy. You will never save yourself to wealth. On the other hand, capital is material wealth which can be used to produce more wealth. There is nothing wrong with borrowing to get an asset that appreciates in value and generates income.

To build your wealth, you need to establish a structure or system to manage your cash flow, acquire assets, and let capital growth increase the value of your investment over time.

So why real estate – why not invest in shares?

Residential property has historically doubled in value every eight or ten years. It also offers the security of bricks and mortar as opposed to the fluctuations of the share market.

Your returns depend on your investment strategy – where you buy, what you buy, the land content, and how you finance.

Most importantly – leverage. Residential real estate represents security or collateral for loans. Most banks will lend up to 90% of the property's value. Leverage means gearing your investment so that the proportion of capital you invest is low in relation to what you borrow.

Wealth Building

Residential property is one of the most affordable and sound investments available to you.

In choosing a property that will give you capital growth you need to consider carefully where you will buy, the sort of property, and the method you will use to utilise your cash resources most efficiently. Just one property won't make you wealthy, but you can easily build a portfolio of several properties over a few years.

The method or structure you use is made up of a number of elements:

- land and buildings
- loans and equity
- tax and benefits
- rental income and outlays
- time.

The mix of these elements is vital if you are to get the best returns in the shortest possible time.

The land is your vehicle for achieving capital growth, and the building on the land enables you to generate an income. You need to select the right property in the right location. How you finance your property becomes fuel for your investment.

If you optimise the rental income and maximise the available tax benefits you can offset your outlays – the interest on the loan, maintenance, rates, and more. If you cover your costs correctly you have nothing to lose and a lot to gain.

Over time, the value of the property increases but, since your debt remains the same, your equity (the value of your asset minus the debt) also increases. Once you have a 10 to 20% increase in value you can use the extra equity to purchase a second property. Once you have a few properties you may choose to sell one to minimise the loan on your portfolio. If you have deposited only 10% of the property's value and the property grows by 10% in one year you have made a 100% return on your investment. With good cash flow management (rental income + tax benefits – outlays) you can start with as little as \$25,000 in cash or equity.

In a nutshell: Buy property that will return capital growth, optimise your income, maximise your tax benefits, manage your time, and think big!

Choosing the right land

Remember – Land appreciates, while buildings depreciate in value. Land is in limited supply and the demand for it grows while the population increases. Land value increases in value by twice as much as the value of the building on it. However, there is little point in buying land unless you can generate an income (rental property) to service any debt. To achieve significant capital growth you need to have at least 30% land content. Units with little or no land content are generally not good investments.

The best performing residential properties are in areas with high population growth and good opportunities for employment where housing is still relatively affordable. A good example is Western Sydney. Although it seems like a good idea at the time, buying an investment property just because it is close to where you live is not a smart idea. If your potential property is within 45 minutes drive of a capital city you may be on to a good thing.

Rental income

The number of renters is increasing as the Australian population ages and property prices rise above what most younger people can afford.

The best part about gearing and leveraging an investment is that you can begin with little capital. Residential property has the potential to generate rental income so that you can offset your cash outlays.

The market for rental income is generally made up of people on lower incomes. It is important to buy a property that can be rented out at an affordable percentage of the average income. As a rule, anything over 30% of the average income is too high. You do not have to charge the highest rent, but you can ensure that your investment property remains attractive and affordable and maintains constant rental. Consider setting your desired rental a little below the going rate, but don't forget to keep in line with inflation. This will generally attract good, loyal tenants and gives you discretion when choosing the best people to occupy your property. Good tenants will not mind being asked about their past history.

For most people, it is important that where they rent is safe, close to shops and public transport, near schools, and is in proximity to employment and recreational facilities. When choosing a property, make sure that most of these needs are met.

Make sure that the rental vacancy factor in the area you want to buy in is not over 3 or 4%. You can find this out by asking a few of the local agents.

Don't forget to cover your losses. You can insure yourself against damage to the building by fire and damage as well as loss of income in the event of the tenant defaulting on rent. Landlord protection insurance is recommended. It is also a good idea to keep aside a small contingency fund.

Managing your investment property can seem like hard work, but if you are willing to pay a good agent, they will take care of advertising, selection of tenants, maintenance and so on.

Tax Breaks

Gearing is borrowing money for the purposes of investment. Negative gearing is the tax benefit that accrues when the income from an investment fails to cover the outlays on that investment. For example, an investment property is negatively geared if the interest on the loan and other items exceed the income from rental. The difference between your outlays and your income is tax deductible. It can be offset against your salary and other income to reduce your taxable income.

You can claim deductions such as interest on the loan, insurance premiums, fees, rates, upkeep, and other expenses.

If you have ever claimed depreciation on an investment or assets you will know that it can be significant. The biggest item you can claim for in the case of property investment is the building. Depreciation on newer buildings (built after the late nineteen-eighties) can bring significant benefits and you can also write off the fittings over the first five years. Other perks available to you include being able to pay up to 10% of the total rental income to someone else as a fee for managing the books of your rental property. You can also travel to inspect the property twice a year and claim a night's accommodation.

Negatively geared rental property is one of the most tax efficient vehicles you can choose.

Finance

You must make a basic assessment of the value of a property in order to make sure you are paying a fair price.

One way of doing this is to divide the value of your investment in to the land value component and the replacement cost of the building.

Ask the real estate agent what the land component is and try to get a forecast of future development and projected land values.

The replacement cost can be calculated by multiplying the total size of the house by the building rate per square metre (usually about \$850 per square metre.)

The value used by your lender should be the same as the purchase price or greater. If the bank's valuation is much lower than the purchase price (by 5% or more) the bank may lower the security value of the property. Consider taking out a separate loan with a different bank that has your home loan to avoid this.

Make sure that any valuers you use yourself are acceptable to your bank.

Valuer's calculations are not an exact science so do your homework and compare the valuation of the home you are using as security to recent local sales.

In choosing who you are going to use to provide your loan remember that you need to make sure the bank knows that your intentions are to build an investment portfolio. Ensure that the bank will lend up to 90% of the valuation price – some banks don't lend this much.

Banks will also want to make sure that your ability to maintain repayment on the loan is not greater than a percentage of your gross income, so make sure that at least 80% of the projected rental income from the investment property is included in your income.

Don't forget to check for any hidden fees, administration charges or penalties for paying the loan out early. Make sure the bank is comfortable with revising the valuation on the property every twelve months and that they are prepared to disclose their appraisal of the security value of the property (to be compared with the purchase price.)

Don't be afraid to negotiate the best interest rate and shop around. The smaller banks will often have the best deals. A finance broker may be able to do the shopping around for you and often has the negotiating power you need.

Finance options include zero-cost financing (using the equity in your existing home as collateral instead of having to pay a cash deposit.)

Interest only loans are good for attracting maximum tax deductions.

Don't be afraid to lock in the best rate you can find for as long as you can.

The best deal

There will always be upturn and downturn cycles, just as there are in foreign exchange and the share market. Affordability is the key. As long as the mortgage repayment is not above 35% percent of the average wage then the investment is reasonably affordable. The lower end of the market is less prone to the boom and bust cycle and therefore often the safest investment. Most people can afford a property of around \$250,000, but after this level it becomes affordable to only around 5% of the market.

The longer term view

The key is to buy, keep buying, and to hold on to the property if you can. If you can establish the discipline and commitment to acquire several properties over a few years you will reap the benefits. With average property growth, you will have opportunities to use your increased equity to build on your portfolio.

Keep in mind that the times to keep out of the market are when the market is out of step with the average income and beyond the affordability level. Try not to buy when everyone else is buying, and buy when everyone else is selling! Hold on to your property if you possibly can.

Take one step at a time, manage your resources and have faith that there are always options available to you.

For More Information

I've experienced the benefits of property growth, but I know it can be a daunting task to enter in to your first investment. If you have any questions, contact details are on our website:

<http://www.crystalclearconsulting.com.au/>

Disclaimer: In this book I've focussed on the two areas that have generated returns for me personally; foreign exchange and property. I choose not to invest in shares directly although I do have managed funds for long-term investment.

So, maybe you're not keen on being a trader and you don't fancy the property thing either. Maybe you're like most of us; trying to balance our time between family, jobs, and personal commitments. Then read on...

3. TIME MANAGEMENT AND GOAL SETTING

Do you have a five year plan? A one year plan? Do you know what you need to get done this month or this week? What is important to do today? Where do you want to be this time in three years? Still at the same job? In the same house? Does it feel as if you're always fighting fires?

I felt like that for most of my earlier working life. Always rushing to and from work, neglecting family and friends because I had to be "somewhere else."

Before long, often without realising it, things get out of balance. Our working days get longer and the pressure can feel overwhelming. When we are stressed and overwhelmed we begin to get frustrated and bad tempered. Our frustration over the lack of control we feel can spill over into our relationships and personal life.

The key to taking control is to have a values-based time management system. Time management is life management.

We have to ensure that our personal values are being met and we must tie them to our goals.

PERSONAL VALUES are tied to LONG-RANGE GOALS which are in turn tied to INTERMEDIATE GOALS and finally to IMMEDIATE GOALS.

What are Goals?

Goals help us to focus on the really important things. They help us to improve our lifestyle; they help us to improve our self-esteem. They help us to make important decisions. They give us a sense of direction.

"If you don't know where you're going, every road will get you nowhere."

Some personal goals might include – to earn the goodwill of others, to believe in people, to have personal integrity, to grow intellectually.

Setting goals is fundamental to all success plans. With goals we create our future in advance! They must be compelling. Those who have written goals and steps to achieve them attain much more.

You MUST set goals and have plans. Believe and have faith. Massive change is possible!

Take your desires and define them with precision. Get clear WHY you want each goal. Purpose is stronger than outcome.

Who do you want to BE and CREATE? Reasons come first – don't worry about the how! With desire comes the ability to achieve. Where you are right now is not where you want to be. We have to have pressure inside us to get the drive to achieve. "Pressure turns coal in to diamonds!"

Link pleasure to meeting your goals and pain to not meeting them.

Make your goals so REAL that you feel that you have already achieved them.

Before you read any further, you must spend some time to decide what you really want. I did a great Anthony Robbins workshop a while back where he detailed just a few simple steps.

1. Think of everything you would like to be or create on the personal development front. Think like a kid before Christmas – you can ask for anything!

- Who would you like to become?
- What would you like to do?
- Where would you like to go?
- What would you like to create?
- What skills, attributes, and character traits would you like?
- What about your career?
- Spiritual?

Put a timeline on each. Rank each goal as achievable in 1, 3, 5, 10 or 20 years. Select your top three 1 year goals and write a paragraph beside each as to WHY you are COMMITTED to achieving them.

2. Repeat the process for things goals. You can be materialistic. Think of anything you want to have, do, and create. Rank them, select the top three 1 year goals, and write a paragraph.

3. Do the same for your ultimate financial goals in the next 1 to 20 years.

- Business
- Earnings
- Donations
- Investments
- Net Worth
- Retirement

Rank them, select the top three 1 year goals, and write a paragraph.

How would you FEEL if all 9 of your top 1 year goals were accomplished in the coming year? Put the 9 goals and their reasons in front of you each day. Never leave the scene without taking at least one piece of action now. If you want a new car, get the brochure today. Start the diet. Book an appointment now.

Imagine you are 85 years old and looking back on your life. What did you miss out on? How good did it feel to DO it?

Time Management

Time is Money! If you're lucky, your vocation may also be your vacation. A passion even – fulfilling several of your priorities at once.

Focusing on what is important will allow you to spend less time on the trivial things that grate on your nerves. Put things into perspective. If it's not in the big picture, it's not worth stressing about.

Time management isn't about maximizing the number of items you can check off in a day or a lifetime. It's about living fully and joyfully on your terms.

Time management or self management is the act of controlling relevant events by maximizing time and talents to achieve worthwhile goals based on a sound values system.

The people who live the longest are those that have control over things, and therefore have lower stress levels.

Uncontrollable events: Weather, traffic jams, acts of God. (But, you can adapt to the situation.)

Events over which we have indirect control: Telephone ringing, interruptions. (You can influence other people's behavior – be assertive.)

Events over which we have direct control: Doing things when they need to be done, being more assertive. (You are responsible for your own behaviour.)

Most 80 year olds, when asked what they would do again if they had their time over, respond by saying they wish they had spent more time with friends and family – not earning more money.

Important tasks to consider when trying to achieve balance in your life:

- set clearly defined goals
- take steps to achieve your goals
- understand your values
- have access to the information you need instantly and accurately
- keep note of your useful ideas
- communicate effectively

Establishing your relationship with time is an essential part of learning to use your time wisely.

If you are to reach your highest level of time management, it must be tailored to you individually.

Your strengths, weaknesses, commitments, lifestyle, and responsibilities all play a role in the conception of a time management strategy.

Organisational systems, goals, and priorities will vary according to your personal tastes and mind-set.

Your INTERNAL sense of time changes. It's foundation lies in your thoughts, feelings, and actions; therefore, you do have control over this type of time. It is in the realm of internal time that you are the most productive and creative. Nothing matters but what you are working on – "goals," "priorities," and "standards" as conscious factors fall by the wayside. Involvement is the secret. As timelessness alleviates the pressure, the overall quality of your work will improve, relationships will be stronger, and you will find greater peace in your life.

EXTERNAL time is concrete. External time is beyond your control.

Do not allow external time to govern your actions. Scheduling, or over-scheduling, creates tension, anxiety, worry, and frustration.

The past is behind you, forever gone. The present is now, and all you have to work with at a given moment. The future represents possibility.

There are several attitudes you can take towards time. You can regard it as your enemy (so take the blame for your ineffectual time management; then take control.)

Some people abuse their leisure time (but the same principles you use at work can be applied to your leisure time.)

Some people fear their work time (so analyze what enables you to make the most of your leisure time and apply that to your time of work.)

Some people are perpetually late, which shows disrespect for other people (plan to be at your destination 15 minutes before you are expected, or try scheduling at least 10 minutes of downtime between activities.)

Don't obsess about time, but recognize its effects on you and take control.

The secret lies in the balance between the two types of perceptual time. You must discover how you relate to time, then learn and apply new skills to achieve the best possible time management system.

Ask yourself objectively:

- Do you try to fit a double workload into a single day?
- Do you have difficulty saying no?
- Are your goals and aspirations unrealistic?
- Do you procrastinate?
- Do you daydream?
- Do you own a personal organizer?
- Do you take pleasure in your work?
- Is your day filled with urgent matters?
- Are you a perfectionist?
- Are you swimming in "Post It" notes?
- Do you rush while everyone seems relaxed?
- Do you often have more than two things going on at once?
- Do you lose things?
- Do you start projects but struggle to complete them?

Look at the important activities that you never seem to get to. Why have you chosen to put them aside? What stands in the way of accomplishing the important tasks?

Once you discover the areas of your life that need the most attention, you will be able to work efficiently on your time management skills. It may take a little time up front, but it will eventually reduce stress and enable you to accomplish more.

To be successful in time management, you must first take a look at how you presently use the time you have.

A useful exercise is to start by keeping a log of each activity within a 24 hour period. (Show beginning time, activity, end time, and whether it was

completed or not.) Be specific, taking note of exactly what each task is, noting interruptions, distractions and breaks.

Then, group your findings (Interruptions, breaks, family time, work time, waste of time etc.) Pay special attention to areas that are in desperate need of attention as well as what you're doing right.

Make a habit of keeping a log at least once a month.

Be realistic and flexible in your schedule by allowing for interruptions and emergencies. There are always things you can't anticipate.

Remember to set your priorities. What do you need, what do you want, where do you want to be?

Once your list is compiled, pull out your top ten items that have the most significance for you. Refer to this list often. Unless you have a list of priorities, you will never be able to assess how well you have progressed.

The 80/20 rule can be assigned to your value scale.

80% of the value is in 20% of the time spent. 80% of your interruptions come from 20% of the people you deal with. 80% of your sales come from 20% of your clients. 20% of your clothes are worn 80% of the time. 20% of companies within an industry will do 80% of the business.

Rank each activity recorded on your activity log according to its place on your value scale.

If you can bring yourself to lower your standards for the should-do items, you can then raise your standards for the valued items.

Your ultimate goal is to spend more time on those activities that bring you the most satisfaction.

Create a healthy TO-DO list.

- Don't Jam your list
- Air it out – allow extra time
- List possibilities, not imperatives
- Be flexible
- Vary the pace – alternate difficult with easy tasks
- Break the big tasks into small pieces
- Schedule breaks, time-outs and rewards
- Set short and long-range goals
- Re-write the list when your priorities change

Make a list of the things you no longer want to do, and cut out the tasks that are just bad habits, customs, or could be done by someone else!

Start by:

- Write down the urgencies
- Rank each item by precedence
- Don't rank everything number 1!
- Keep the list accessible at all times
- Make the distinction between important and urgent

Urgent and Important – your core values.
Important but not urgent – regular exercise.
Urgent but not important – another new e-mail.
Not urgent or important – office gossip.

Take conscious control of your decision making!

Always remember to ask yourself:
“Is this what I want or need to be doing right now?”

Time management isn't always a matter of time at all. You have to uncover the real cause of your failure to act, then choose to act despite your fear or reluctance.

You'll never find or make time. It isn't lost. You have to decide what's important, and take time away from one activity and give it to another.

REVIEW YOUR GOALS DAILY! If a goal is no longer compelling, remove it from your list. If you're not making progress on a particular goal, review your action plan to see what additional steps you can take in order to achieve it. What's holding you back? Is it your old beliefs? Do you need to bring a resource into your life? **DON'T PROCRASTINATE!** Remember that just moving an item to another day achieves nothing!

Your “to do” list should be your PRIORITISED DAILY ACTION LIST. It should be in front of you all the time. It must be specific and achievable.

Evaluate the relative importance of things you need to get done, establish priorities, record your plan of action, and stick to it.

Questions for preparing a manageable daily action list:

- Of my long-range and intermediate high-priority goals, which should I work on today?
- What will help me reach these long-range and intermediate high-priority goals today?
- Which projects will give me the highest return on my investment?
- Is there a deadline to work to?
- Which project will be the greatest threat to my survival if I don't do it?
- Which project will be the greatest threat to my company if I don't do it?
- What project does the boss want me to do?
- What wasn't completed yesterday that needs to be done today?
- What do my personal values suggest I should be doing?
- Is there anything else that may yield long-term results?
- What will happen if I don't do it?

Questions to help PRIORITISE the daily action list:

- What will give the greatest long-term results?
- Which item will give the highest payoff?
- On a long-term basis which items will make me feel best to accomplish?
- Will it help me to reach my potential?
- Does it require other people to assist me?
- Is it a directive from someone I can't ignore?
- Which project does the boss consider most vital?
- Is it important to someone I really care about?
- Will it really matter a year from now?
- What will happen if I don't do it at all?

It's easy to develop a list of things to do, but it's only the successful people who have the ability to focus on the really important items.

To help prioritizing your list; ask what is vital?

Mark the vital activities with an "A".

Ask what else is important, but not as important as the A items?

Mark those items with a "B"

The A and B items will generally make up 20 % of your list to start with.

Then ask what else, if I did it today, would have some value for me?

Mark those items with a "C." Anything else should be marked with a "D"

Prioritise all the As, Bs, and Cs (A1, A2, B1, B2 etc)

Delete all the D items!

Start working on the highest A priority, or move on to the next A if you can't start it.

A = VITAL

B = IMPORTANT

C = SOME VALUE

D = DON'T DO IT!

* = URGENT

Lastly, it's important to CONTROL THE PAPER PILE – control, reduce, and eliminate paper. There is nothing worse than having mountains of paper on your desk or around your house. Here are a few tips.

- Keep a notebook with you all the time to capture insights and write reminders.
- Manage your desktops – both tangible and virtual. Get organized so you know where everything is.
- Touch it once only. Reroute, respond, read, or recycle.
- For everything you want to keep – have three folders – DO, READ and FILE.
- Get rid of the junk – do you really need to be on all those mailing lists, or to have that subscription?
- RSVP ASAP!
- File and forget? – do you really need this document for your records?
- Strip, clip, and flip. Tear out the material you need, and toss the rest.

- Vary your reading – Skim for main ideas, scan for specific information, and speed read the rest.
- Set time aside each week to review the papers in your to-be-filed folder.
- Note meeting and appointment times on your calendar and get rid of the original invitation.

“Plan for the future, because that’s where you’re going to spend the rest of your life.”

That’s probably more than you’ll need to know on time management! I’ve found getting serious about time management is about the most important thing I’ve ever done. I set my goals, prioritise them, and most importantly SCHEDULE them in my diary, breaking the big items into chunks of 20 minutes to an hour. I also print off a copy of my diary each week and put it into my journal as a reminder of what I’ve achieved.

Here are a last few tips and pearls of wisdom in case you need any more motivation:

- ✓ Planning is to identify future events and bring them into the present so that we can do something about them now.
- ✓ Seize the day. Imagine there is a bank that credits your account each morning with \$86,400 (seconds) and deletes whatever part of the previous day’s balance you didn’t use each night.
- ✓ Yesterday is history, tomorrow is mystery. Today is a gift. That’s why it’s called the present.
- ✓ Time is a period of space to get things done. Time is life.
- ✓ If you don’t know what is expected of you, you could be working on the wrong issues.
- ✓ We don’t stop playing because we are old; we grow old because we stop playing.
- ✓ Work out what your time is worth per minute. (Yearly salary / 52 weeks / 40 hours or more / 60 minutes.) It serves as a reminder next time you’re feeling as if your time is being wasted!
- ✓ Spend at least 11 to 20 minutes of each day in high quality planning.
- ✓ Consider a monthly plan; e.g. first week – new clients, second week visit regular clients, third week for billing, new proposals, processing etc.
- ✓ In a typical day, we spend 8 hours sleeping, 2 hours eating, 1 hour on dressing and hygiene, 9 hours of work & travel. That only leaves 4 hours to do what you want. Are you going to spend it watching TV?
- ✓ Try running a time log for 2 weeks to see where your time is really being wasted.

- ✓ The average person is interrupted every 15 to 20 minutes in the workplace, and it can take 5 minutes to regain your focus, so break items in to chunks of no more than 20 minutes.
- ✓ Most people can plan for only 40% of their workday – 60% is often “putting out fires.”
- ✓ Try putting some time frames against your action items. Allow for unplanned interruptions and don't over commit yourself.
- ✓ Review your action list at the end of each day and apply the 4 Ds; DO it, DEFER it, DELEGATE it, or DELETE it.
- ✓ Outgoing phone calls are best made around 11:30am to 12:00 noon, and 4:00 to 5:00 in the afternoon.
- ✓ Keep track of important conversations that have happened during the day and note any quotations.
- ✓ Use bullet points to note any “To Do” items relating to any meetings or conversations.
- ✓ Use post-it-notes to break projects in to smaller tasks before re-arranging them in to a suitable sequence.

I hope you picked up some tips from this chapter.
Modern life puts a lot of stress and strain on us and it seems there is very little time for everything we need to do.
But...what if you were the boss?

4. WORKING FOR YOURSELF

OK, I'm on my soap box now and I'm fired up! One of my biggest gripes about the education system that most of us went through is this:

It's all very well to learn how to spell, read, write, and do the math, but

unless you have very astute parents we are never taught how to LIVE!

We are indoctrinated from birth that you need to get "educated", get a job, go in to debt, spend your working life paying off the debt, and retire....with the hope that you've paid off your debt and left something to leave to whoever's left when you go.

IT DOESN'T HAVE TO BE THAT HARD!

We all have skills and life experience. Everyone has something that they're good at. Something they're passionate about...and yet self-doubt tells us that we need to rely on the corporate machine to give us food and shelter.

Why not have faith in yourself?

After fourteen years at the same company, I was nearly institutionalised. I got my paycheque every month, in return for a number of hours per day and per week. I'm not saying I didn't learn anything while I was working for a big corporation, but at the end of the day, what did I have?

8 hours a day soon turns in to 12, plus extra projects, conference calls, time away from friends and family. All in the name of what? For the shareholders, for the bosses at the top end, and in the name of competing against your colleagues.

Why compete? Why not buy shares in YOU?

After the changes that I had been through, I found myself mentally and physically unable to work for a while. Eventually, the need to keep myself occupied and continue learning drove me to consider what I could do to start earning again. My life coach encouraged me to draw up a skills audit of all the experience I had, and then rank each skill two ways. Firstly, on how much I enjoyed it, and secondly on my aptitude. Just by doing that simple task I gained a clearer picture of what I would be best suited to.

My main love is working with people and teaching – especially one-on-one. I had plenty of banking and finance experience, so I thought wouldn't it be great if I could combine the two. I didn't want to tie myself to one company and I wanted to distance myself from office politics for a while.

The idea came to me at 3am one morning. I'll do my own thing and set up business myself! I leapt out of bed and started my research.

Consultants and contractors have the benefit of choosing their working conditions, such as who they work for, and where and when they want to do this work. Consulting in Australia has grown around 16% to 18% in the past 10 years. There has been decreasing dominance by large firms, decentralization, increase in home-based consultancy businesses, increasing specialization, and a trend for clients to expect better service from small firms.

The service industry is one of the business sectors that has potential for strong growth. As technology advances, and permanent staff numbers are reduced, the need for specialist skills "as required" will likely increase. Some

popular consulting fields are training, communications, computers, data processing, IT, organizational change, quality assurance, records management, and quality management.

When a client employs a consultant they are buying time, knowledge, and experience. Clients hire consultants to obtain specialist skills and knowledge, as an alternative to hiring full time employees, or to gain new perspectives. Consultants allow clients to obtain objective assessment, overcome internal politics, and assist in making business decisions and forward planning as well as staff selection and training.

Thousands of people across Australia are being paid as much as \$150 an hour or more for their expert knowledge in a particular area. Full-time consultants gross from \$400 to \$500 per day.

Personalised consulting services have largely developed through clever delivery and marketing to the increasingly busy working person. Consultants provide services that add value to their clients' lives.

Training, for example, has become a major growth area as more and more companies introduce major training programs to improve the skill levels amongst their staff.

Some reasons for the increasing demand for consultants include rapidly advancing technology and difficulty in finding qualified professionals.

On average, consultants charge out 14 working days per month. The level of profit depends on how efficiently time is managed.

It can be tempting to skimp on market research when starting as a consultant, but your business' existence will depend on your ability to provide specialised services to your customers. It is important to know that there is a real demand for your services and that this will be sufficient to provide the income you need.

Market research involves intelligence gathering. You are putting together information about what is happening in your particular field; what occurred in the past; what is currently happening and future trends. You should also find out which similar businesses are successful, which have failed, and which are struggling (and why.) You need to uncover information about:

- The appeal of your service
- Your potential customers
- Your competitors
- The type of market that exists for you
- The size of the market
- Realistic pricing details
- The characteristics of your typical customer
- What they actually want, as opposed to what you think they want
- The nature of your competition
- Current and future market trends
- How well is your chosen area supplied? Can you identify any gaps in supply, and is there any factor you can introduce to increase your chance of success?

Rates

When starting a consulting business you need to pay careful attention to your fee structure. Decide on whether you should charge for work as a whole or on an hourly basis. Hourly rates are normally in the range of \$60 to \$120.

Charges are normally structures in three categories: Time, Secretarial, and Out-of-pocket expenses. Calculate how much of your stock (time) you can sell each year (for example 52 weeks minus 4 weeks holiday, 2 weeks public holidays, 2 weeks sick leave, 2 weeks training.) At 40 hours per week you are left with around 1,700 hours. You can only generally aim for 70% productivity because you need time for marketing and administration, so this is rounded out to 1,200 hours.

You need to consider whether the hourly rate you charge will cover operating costs, and give you a reasonable salary (at least what you can earn full-time with your skills and experience.) it should provide a return on investment, and produce a profit over and above the salary (15% to 25%)

Divide the operating cost figure based on 1,200 hours to get your hourly overhead expense component. Divide the salary you require by 1,200. Divide the interest on the amount of capital invested by 1,200 to get your ROI component. Finally, divide the required profit by 1,200. You may also need to add 10% GST.

Once you have arrived at your standard hourly rate, it should be tested against your competitor's fees, and the range acceptable in the marketplace. Variations to the standard rates can be increased if you have specialized skills or discounted for weekly rates (say 10%.)

You should regard your standard hourly rate as the minimum. Consider a minimum time charge of 15 minutes and a minimum of 10 minutes for incoming/outgoing phone calls. For retainer work, quote a monthly fee plus any secretarial time. Be wary of speculative work (payment only in a successful outcome), performance-based fees, tenders and lump-sum quotes, and "value for service" fees.

Secretarial charges cover word-processing, photocopying and such. Most small firms charge \$25 to \$40 per hour for typing, and 10 to 20 cents per A4 copy.

Out-of-pocket expenses include travel and accommodation (+10% for time involved in making arrangements.) It is usual to charge at least 50% of your standard hourly rate for time at airports and traveling. Phone, fax and e-mail charges (charge your time as well as the cost.) Report production costs and courier services are also charged.

Fees and charges should be reviewed annually, but only raise fees substantially when demand for your time exceeds supply.

While cost is a driving force behind a client's decision to use your services, so is the value, reliability and quality of service they will receive. Never under-sell yourself.

If it costs you more to do your own administrative work than paying someone else to do it, then look at alternatives. Several consultants may join forces to develop a service company. If you decide to hire a graduate or

student to assist, ensure that at least 60 percent of their time is billable to clients.

Knowing how your business operations will run on a day-to-day basis is just as important as planning its creation. Make sure you have a good accountant so that you are sure you have the right business structure and minimize your tax obligations. Don't forget to get your ABN and look in to patents, copyright and trade marks. You should have a network of professional people you can consult for legal or financial advice, and you must have a good lawyer.

It will not matter how much working capital you have, how many financial forecasts or budgets you have created or how popular your service is, if you cannot successfully manage your business' operational and administrative duties.

Once you have found a client, you must retain them, and keep them happy with the service you provide.

Your administrative duties should include anything to do with your business' daily finances, such as banking and record keeping. Your operational duties involve interacting with your clients, customer service, and marketing.

Once you have defined your day-to-day business duties, you can implement systems to meet these demands and balance the roles and responsibilities you face as part of your daily business activities.

It is equally important to know how to sell and promote your expertise to prospective clients. Successful consultants spend around 25% of their time marketing their services and making new contacts.

Initially, much of your time will be spent simply telling people you are available for work. Think of advertising and promotion in terms of an overall campaign rather than individual promotions such as a classified advertisement or a direct mail-out. Promoting yourself is your primary means of presenting your talents to prospective clients.

Setting up your own consulting business or any small business can seem a little overwhelming at first. Most importantly, it's all about timing, timing, and timing! You need to be alert for changes to your industry that may affect its viability, keep abreast of tax reform, interest rates, and recessions. You need to have a unique blend of imagination, cautiousness, optimism, and common sense. Remember to put money aside when things are going well.

In a niche business, you can start off on a small scale. This means low risk, and low expense. A great way to promote a niche business is often through Web advertising. Established businesses or entrepreneur type businesses carry different risks. Capitalize on your natural abilities and your previous experience. Starting your own business is cheaper because you don't have to pay for goodwill, you can capitalize on your own ideas and creativity, and you can get off to a fresh start and build up slowly.

A good place to start your research is the Australian Bureau of Statistics at www.abs.gov.au to study your area's demographics and research financial benchmarks for industries similar to your own.

Search the Yellow Pages and the Web to get a feeling of who your competitors are and what they're doing. Pretend to be a prospective customer and find out their rates. Phone or visit some competitors and try to find out how long they have been around.

You need to incorporate a bit of strategy, plenty of marketing, and some sensible budgeting into your plan. The three main elements of your business plan are the mission statement, the business profile, and an outline of your goals and objectives.

Encapsulate your mission statement in a few well-chosen words while keeping the bigger picture in mind. If it is more than two sentences long, ditch it and begin again. Put your mission statement on your website, make it part of your advertising, or include it on all your business documents.

Your business profile should include how long your business has been running, the kind of service you provide, the kind of industry you belong to, and your key strengths or focus. Your goal should be what you want to achieve, and your objectives are the way you intend to achieve your goals. Include objectives on profits, sales, service, products, and marketing. Don't forget to do a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis. Look up "SWOT" on Google for a starting point. Different ways to promote your business include direct mail advertising, web site promotion, leaflet drops, press releases, radio advertising, seminars and Yellow Pages. Your business plan should also include a Profit & Loss projection for each month, and up to three years forward.

If you are a sole trader, you have to register a business name with the relevant department in your state. If you incorporate as a company you have to register a company name with ASIC. If you want your business name as part of a web site address you need to register a domain name at www.ausregistry.com.au Remember to check that the name you want is available at www.search.asic.gov.au, there aren't any conflicting trademarks at www.ipaustralia.gov.au, and to register it in every state you intend to operate. Don't make the mistake of designing your logo or putting your business name on any cards or stationery before you have done this!

Apply for an ABN electronically at www.business.gov.au

As a sole trader, it means that the business is an extension of you. If you intend your turnover will be more than \$50,000 a year, you also need to register for GST.

A private company has limited liability and can help minimize tax. If you have a personal services business, you also need to determine if your business is a business or an entity. Talk to your accountant. www.smallbiz.nsw.gov.au is a great resource and www.business.gov.au also has good information.

Marketing: Five questions you need to answer in order to sell something:

- ? What's the product?
- ? What's the market?
- ? What's your message?
- ? What does advertising cost?
- ? What's the most effective way to advertise?

What is it YOU sell? Think about what customers want, and then how YOU can give it to them. Analyze the market for your product or service. You need to have a USP – a Unique Selling Point.

Ask for feedback from existing customers, but remember you have to be prepared to listen!

TIP – take 15 minutes a day to make FOUR contacts, either by phone, by mail, or in person by giving someone your business card.

Expand your customer base by working with other professionals in related industries such as yours, and suggest that you refer clients to one another. Offer introduce a friend discounts, and be active in the community. Sell by asking questions. For example, if someone contacts you asking what you charge, say "My rates vary, depending on what kind of assistance you require. Tell me a little about what you're looking for..." Be genuine in your interest in your customers, and remember their details.

Marketing isn't just about generating new customers – it's about keeping the ones you've got.

In advertising, consider local papers (affordable and good for a niche market), national newspapers (more costly and less effective), Magazines (have a longer shelf life), Internet, and Yellow pages, or even a press release. In newspapers and magazines, it's best to book ads on the right-hand page. Remember, anything you write must comply with the Fair Trading Act. See The Office of Fair Trading in your state if you have any doubts.

Personally, I've found you get some great contacts simply by word of mouth. I was in a café a few months back and started chatting to someone who eventually became a valued customer. Sometimes, all it takes to get business is to just enjoy chatting to people and be passionate about what you do!

Don't forget to ask new customers how they heard about your business so you know how effective your advertising strategies are.

Other public relations examples include sending Christmas cards to key customers and suppliers, providing some free information about your products and their benefits, remembering key customer's birthdays, sponsoring events, or business lunches, or offering free presentations.

Set realistic goals for your business by being specific, comparing budgets to actual returns from previous periods, and building up gradually.

Start every day with a to-do list, be realistic, manage distractions, and set goals.

Your support network

Two key players in your business are your accountant and your lawyer or business advisor. In choosing an accountant, ask friends for recommendations. Try to find a practice that has small business as its focus. Ask about rates and fees, what accounting software they support. Make sure they focus on financial management and that they have small business experience.

Before dealing with lawyers, get a costs agreement, compare hourly rates, get an estimate of time, do some legwork yourself by drafting agreements in plain English, and prepare a list of questions before a consultation.

Choosing a good business coach or consultant means that you do what you should be doing – working on your business, not in your business.

Networking is about building relationships, sharing and listening to people – not about doing the hard sell. Remember to have the attitude “what can I give?”

Customer Service

Customer service is about listening to your customers: about finding out what they expect, what they long for, what they experience. When you look after customers well, they remember. If your service is superior to your competition, you can earn loyal customers who will stick by you for years.

Excellent customer service means always doing the right things, in the way customers want it done. Figure out what's important to your customers and deliver it. Only when you understand what customers want from their relationship with you can you move forward. Aim to be the first choice, second time around.

Think of ways to make your customers feel special and important. Over-deliver on your promises and pay attention to small details.

If you do receive a complaint, take it seriously. Listen, show understanding, respect, and suggest a practical solution for immediate action.

Receipts and Records

Don't forget to record all the dollars that come in to your business and remember your GST obligations. Keep receipts for all your spending and a practical filing system for bank statements and expenditure.

If you use your car for business keep a log book of all travel.

You don't have to have a complicated system to keep your records but it's important to make sure you get paid on time. Be organized with your paperwork and methodical about how you write things down or record entries in accounting software such as MYOB.

For my records, I simply keep a manual record of all outgoings and incomings of cash into my business accounts as well as a log of all invoices I send out.

Make sure that the receipts you keep have enough information and include the words “Tax Invoice” at the top. An expense for less than \$10 can just be noted in an expense diary or log book. If you claim an expense in your tax, you must be able to substantiate it with receipts, detailed calculations or log

books. Even if something is a legitimate tax deduction, you will still only get back up to the top tax rate.

When claiming vehicle expense, the 55 cents per kilometer method is the most simple if you keep a log book and do less than 5,000 kilometers per year. You can also claim repairs, maintenance, registration and insurance, as well as up to 22.5% depreciation per year.

You can claim a home office if you have at least one room exclusively devoted to your business. Get your accountant to check your home office calculations. A portion of council rates, water, power, telephone, repairs etc can also be claimed, as can depreciation on office furniture.

In personal tax, don't forget to pay yourself at least the minimum, budget ahead, ask your accountant for help, get private hospital cover, superannuation, and consider negative gearing. You may consider setting up your own super fund if you are self employed

Some common sense technology stuff

PCs are getting cheaper and faster every year. You can generally expect to retire the average PC within two years of purchase. It is vital that you get a good guarantee with great after-sales service and support. If you are working for yourself from home, you won't have access to your own IT help desk. Before I left full time employment I did an IT course which has come in very handy on many occasions!

Don't forget to back up your documents weekly. Schedule it in your diary. I backup all my work each week on to CD and keep it somewhere safe. I also occasionally send documents to my external e-mail server just to make sure. A hard drive may represent thousands of hours work. It's a really good idea to keep a book with handwritten records of all important serial numbers, registration numbers, IP addresses, and passwords just in case something goes wrong.

Don't forget to use a good firewall to protect against viruses and spyware.

Your own Web Site

Having a Web site that you can publish at the bottom of e-mails, business cards and stationery creates a good impression. It gives potential clients a great source of reference for finding more information about your business. Consider whether you want to employ a designer or do it yourself. If employing a designer, shop around and look for someone who has good programming skills, an excellent sense of design, and some understanding of the nature of your business. Make sure you own the copyright of the design. Look at the websites of companies offering similar services to your own, and communicate why your products are better. Consider creating a page of customer testimonials.

Sketch a map of the layout of your site, considering which information you want to put where, and what links to include. Consider who your audience is going to be and what they should know about your business.

Plan the text you want to appear on each page. Be specific about colours and image. Start small and build up from there. Stick to your plan. Offer simple e-commerce facilities rather than shopping carts.

I started to design my own site, but finally left it up to a professional who gave me a very good deal.

Consider how you're going to manage the content of your site. It needs to be fast and clear, so keep the file size of images small and low resolution (JPEG for images, GIF files for graphics.) Don't include sound – it can be annoying.

You can locate your site with your ISP, or consider using a service that specialises in hosting web sites. Offer freebies such as a PDF document of tips. Ask for feedback and make yourself easy to contact. Make it easy for people to find their way around. Write important info near the top of the page, avoid more than a few images per page. Don't put too much text on one page, and keep your design consistent.

Getting your website to rank high on the main search engines is an involved and ever-changing process. Search engines search for special tags attached to each page (meta tags.) Your meta tag displays the web site description, keywords, and revisit frequency.

One method to increase your rankings is to add links on your site to other sites and get these sites to link back to you. You could even consider banner ads and get some referral business.

Keep adding new info and updating your website to keep it interesting and new. To see who has been visiting your site, subscribe to a web site tracking service, or ask your web host.

Other ways to market yourself include;

Brochures, using your existing contacts, building a mailing list, regular newsletters, advertising in local papers and the yellow pages, media releases, trade shows, exhibitions and so on.

Lastly and most importantly, we all need time to grow, evolve, and be who we want to be. I think the following chapter is the most important. I hope you gain something from it...

5. INVEST IN YOU

As I mentioned in the introduction to this book, by 2004, my life had taken a turn for the worse. I had been lucky to do loads of traveling, and had met the person of my dreams. I was living in one of the most beautiful cities on the planet, my investments were doing well, and I had been promoted several times in a few years.

Somewhere along the line, things started to go wrong. I was working long hours and couldn't sleep properly. Even when I wasn't at work, I was thinking about what I needed to do the next day. I was studying at night and in the weekends. When I wasn't studying or working I was partying. Hard. Cracks started to show in my relationship. I fell out with some close friends. The pressures of work that I had thrived on earlier were beginning to terrify me. I began to feel sick on Sunday afternoons - dreading going back in to the office. I felt out of control. Everything that went wrong seemed to be my fault. I was angry and frustrated. I didn't like myself so I began to hurt myself by drinking and partying.

After a particularly big weekend I started to feel rough. A sore throat turned in to night sweats. Night sweats meant I couldn't sleep. The lack of sleep and the frustration inside me drained my energy so I couldn't do anything at all. I finally went to the doctor because I felt so bad I wanted to die. A chest x-ray showed that only 10% of one of my lungs was working. Between the time of the x-ray and my admission to St Vincent's hospital, the aggressive pneumonia - Legionnaire's Disease had caused complete failure of my lungs. It all happened so fast.

My ex-partner and my brothers were called. My chance of survival was less than 1%. There was a chance of a lung transplant if I could be stabilised but my blood gasses were bad and there was likelihood of brain damage and heart failure. Of course, I knew none of this was going on. I was in a deep coma. There was a slim chance that I could be moved to a machine that would oxygenate my blood for me, but the procedure could kill me. My brothers said their last farewells but my ex-partner knew me well enough to know that if there was a remote chance of survival, I would want to take it.

They made the right decision because I have loads more life to live yet. Thanks to the strength of my family and friends, the professionalism of St Vincent's Hospital and perhaps some stronger force, I awoke three weeks later with a whole new perspective on life.

If I had to choose three words to sum up the lesson I learned, they would be: GRATITUDE, LOVE and BALANCE.

Once I had begun my recovery, I decided to employ a life coach to get me back on track. I had lost all my confidence. My job was gone, I was lonely, and my physical and mental strength was drained. How was one person going to help me get back on track? I had a lot to learn, and I hope to share some of that with you...

The words "Life Coach" have been over-used in the last few years; in fact the industry has grown at an incredible rate. However, I can't stress enough how valuable it is to have someone to talk to and motivate you when you feel you're having difficulty coping with change.

Sometimes we all get "stuck in a rut" where we feel we can't see where to turn next. I was at an all time low when a friend put me in touch with someone that had helped and coached him. I made contact with Shane, who was to become my coach, and we had a coffee in Hyde Park. I was still shaken by my close call with death and by the end of my relationship. I said to Shane that I doubted this was a good time to talk because I didn't know if I had a job and I didn't know which direction I was going in. He said he believed it was the perfect time!

Over the next few weeks we talked a lot and I did a lot of thinking and reading. He encouraged me to keep a journal to record my thoughts and feelings as we went through the coaching process. He also suggested that I used the journal as a source of focus, and in to it put my "wish-list" and pictures of things that made me feel good and motivated me. It was one of the best pieces of advice I've ever received. I often pick up my old journals now and they serve to remind me of what I've learned and how far I've come since the start of my journey. In the first few days my thoughts and feelings were very dark; a reflection of the mental state I was in. As I read and learned, I began to fill the pages of my journal with pictures of beautiful places, inspirational writings, and things I had learned.

Just by the simple act of keeping my journal and taking action, my focus changed and more and more positive things started happening in my life. I became hungry for knowledge. I read all the books I could afford to buy or get my hands on, and searched the internet for inspiration.

One of the first little gems I came upon was a book called "The Science of getting Rich." It seems to sum up things beautifully. The full version is available on the internet, but it's summarised in a page below. I refer to it every week and it never fails to inspire me.

There is a thinking stuff from which all things are made, and which, in its original state, permeates, penetrates, and fills the interspaces of the universe.

A thought in this substance produces the thing that is imaged by the thought.

A person can form things in his thought, and by impressing his thought upon formless substance can cause the thing he thinks about to be created.

In order to do this, a person must pass from the competitive to the creative mind. Otherwise he cannot be in harmony with formless intelligence, which is always creative and never competitive in spirit.

A person may come into full harmony with the formless substance by entertaining a lively and sincere gratitude for the blessings it bestows upon him. Gratitude unifies the minds of individuals with the intelligence of substance, so that a person's thoughts are received by the formless.

A person can remain upon the creative plane only by uniting himself with the formless intelligence through a deep and continuous feeling of gratitude.

A person must form a clear and definite mental image of the things he wishes to have, to do, or to become, and he must hold this mental image in his thoughts, while being deeply grateful to the supreme that all his desires are granted to him. The person who wishes to get rich must spend his leisure hours in contemplating his vision, and in earnest thanksgiving that the reality is being given to him. Too much stress cannot be laid on the importance of frequent contemplation of the mental image, coupled with unwavering faith and devout gratitude. This is the process by which the impression is given to the formless and the creative forces set in motion.

The creative energy works through the established channels of natural growth, and of the industrial and social order. All that is included in his mental image will surely be brought to the person who follows the instructions given above, and whose faith does not waver. What he wants will come to him through the ways of established trade and commerce.

In order to receive his own when it is ready to come to him, a person must be in action in a way that causes him to more than fill his present place. He must keep in mind the purpose to get rich through realization of his mental image. And he must do, everyday, all that can be done that day, taking care to do each act in a successful manner.

He must give to every person a use value in excess of the cash value he receives, so that each transaction makes for more life, and he must hold the advancing thought so that the impression of increase will be communicated to all with whom he comes into contact.

The men and women who practice the foregoing instructions will certainly get rich, and the riches they receive will be in exact proportion to the definiteness of their vision, the fixity of their purpose, the steadiness of their faith, and the depth of their gratitude.

Over several years, I've read many books on emotions and positive thought. The same themes seem to come through. But I believe if we take in enough "good stuff" over the years, then good stuff starts to come out of us! Ultimately, it's about what we can MAKE of ourselves that counts. We need to become the best we can possibly become in order to GIVE to others.

One of the most important exercises that my life coach took me through was to discover what my core beliefs are. What really motivates us? What is our LIFE PURPOSE? Is there a "mission statement" we can adopt that sums up why we're here? It's a huge question, and one that seems daunting at first. Here are some of my own core beliefs and personal values:

Calm, Peace, Accuracy, Communication, Achievement, Success, Concern for others, Aspiration, Honesty, Cleanliness, Orderliness, Integrity, Commitment, Justice, Community, Positive attitude, Delight, Joy, Trust, Equality, Personal Growth, Efficiency, Health, Family, Fairness, Freedom, Generosity, Loyalty, Use of time, Punctuality, Reliability, Respect for the individual, Risk, Service, Sincerity, Tranquillity, Truth.

I can't remember when I first heard his name, but I found myself listening to the "father" of the life coaching industry. This guy is an absolute legend. I have bought and listened to scores of his motivational CDs and DVDs. What he has to say has got me so excited and moved. I've literally been brought to tears by some of the things he has to say. It's all so true! As far as I'm concerned, the guy is a total genius. ANTHONY ROBBINS.

Being the materialistic Taurean that I am, the first of his CDs that I listened to was on Financial Abundance. The tips he shares tie in quite nicely to what I'd already learned from "The Science of Getting Rich."

I remember listening to the first few minutes of this CD and it really struck a chord with me:

"When you are abundant you can focus on how you can contribute. The only way to become truly wealthy is to add value to other people's lives. Psychology is the secret to wealth."

I like his philosophy, but he also has straight forward common sense advice. I remember reading something similar in Robert Kiyosaki's "Rich Dad Poor Dad" and it is totally true:

You must invest a minimum of 10% of what you earn and invest and re-invest without touching it. Your goals can be easily achieved within 15 years. Pay yourself first and don't let yourself touch it. Spend less than you earn and invest the difference!

Whatever you truly understand you should invest in, be that property, foreign exchange, your own business or shares. You can start small. Everyone makes mistakes. You can be wrong half of the time, but you must have the right asset mix.

Depending on your risk profile, you could have 60% of your investment in your "growth" bucket and 40% in your "security" bucket. Put some of the profit from your growth bucket in your "dream" bucket. The growth bucket holds things such as shares, managed funds and the like. Asset allocation is the key.

Into your dream bucket put some of the profit from your growth bucket in order to reward yourself.

That has to be good common sense, right? I know from my own personal experience that we expect to be wealthy or "comfortably off" sometime in our lives. Well, unless you make it happen that "sometime" never arrives!

According to Anthony Robbins there are 12 reasons why people fail to be wealthy:

- They don't define what wealth means to them.
- They are always moving the targets.
- They make it impossible to achieve.
- They start too late.
- They never make it a MUST to be wealthy.
- They never have a realistic plan.
- They don't follow the plan.
- They lack responsibility for success.
- They give up when facing challenges.
- They don't run their life like a business.
- They allow others to affect their positivity.
- They never get good coaching.

I love his last comment at the end of this particular CD:

"The ultimate measure of wealth is gratitude!"

When I start my exercise each day, I make a point of simply being grateful for every event that has got me to this point.

Here's one of my favourite quotes, and I've heard this from Anthony Robbins as well as Dr Wayne Dyer:

"Whether you believe you can or you believe you can't you're probably right! You'll see it when you believe it!"

And another pearl of wisdom:

"There is only one success – to be able to spend your life in your own way."
(Christopher Morley)

So what does being "successful" mean?

Before you set out to be successful you've got to decide what success is for you. Areas you might like to concentrate on include health, relationships, personal development (developing love, compassion and care for others), contribution to the community, and financial success and freedom. You can adjust your "success thermostat" to any level you desire. Age is irrelevant unless you make it relevant.

Well, where DO you start?

- Study the success of others
- Eliminate the clutter and frenzy from your life
- Find something to improve on everyday
- Embrace change with a positive attitude
- Monitor and analyse your activities and outcomes weekly

Your beliefs create your reality, so forming positive beliefs is the first step towards achieving positive outcomes.

Catch yourself saying things that are negative, sceptical or cynical, and one by one eradicate them from your inner and outer dialogue.

You can change virtually anything that's not working in your life within months, not years, if you develop an effective set of beliefs.

- Be totally clear about what you want
- Know that anything is possible
- Surround yourself with great people and big thinkers
- Set high standards for yourself and others and don't expect anything less
- Focus on what matters and what you can control
- Take action now – momentum leads to greatness
- Keep doing whatever it takes until you achieve your outcome

The greatest competitor you'll ever come up against is self-doubt!

So, what do you want to achieve?

What would you do right now if you knew you couldn't fail?

Developing a clear vision of the life you want to lead is the first step on the road to success.

Are you living in the place where you belong, with the people you love, doing the right work, on purpose?

Are your current skills, habits and actions what you need to achieve the goals you have set yourself? Do you need to adjust or refine your methods, time management or work environment? Do you have the right support around you to achieve big goals? What do you need to leave behind to clear your path forward? What distractions do you need to deal with to allow you to travel lighter and faster?

"The greatest danger for most of us is not that our aim is too high and we miss it, but that it is too low and we reach it." (Michelangelo)

Achieving success is largely about changing to newer and better habits. It's a few simple disciplines repeated daily over an extended period. Once they become routine, it's easy!

You can't stop bad things happening to you. What you CAN control is your reaction to them. At any given moment in your life, you choose the mood you're in. In the middle of any turbulent thoughts, stop, take a deep breath and say "I need to change my dialogue. I will get through this. It will not destroy me but it will make me stronger."

Once you've made a commitment to be the best you can be, it changes the way you look at things. Change your decisions and you change your actions. Change your actions and you change your results. Instead of "I can't!" say "Why not?"

"The only thing in the world you can truly control is yourself."

“It’s what you learn after you know it all that will set you apart.”

It’s not the things you DO in a day that tires you; it’s the things you leave UNDONE.

Are you really tired, or are you just lacking something to get excited about?

Let’s talk about Karma!

You invest the energy in being good to people and that good energy is returned to you with interest. As a result, you have more good energy to give out, and even more good energy returns to you. Never underestimate the cumulative effect of lots of little acts of kindness. Be selective about what you read, listen to and watch. Be selective about who you spend time with. Put positive thoughts into your mind each day.

Health, Energy & Body

As well as surrounding yourself with positive thought, you need to look after your machinery. You can’t run a business or succeed in your work life without good health. Make exercise one of your habits. At least three times a week for 45 to 60 minutes. The best is a mix of aerobics, strength, and flexibility. You don’t have to diet, or miss out on the foods you love, but consider maintaining a healthy diet during the working week. Once you’ve reached that goal, you won’t feel so bad about the occasional bit of junk food at the weekend. We need to break loose sometimes!

Another great habit to get in to is meditation. It’s not difficult, it just takes practice. It’s wonderful to be able to sit and clear your subconscious of anything that’s no longer useful to it. If you can get in to a daily habit and clear a space in your diary and make sure you won’t be disturbed, the benefits are amazing.

Make regular exercise, meditation and a good diet one of your goals. It’s a great stress reliever.

Remember to keep a balance. Not just in your health and emotions, but in your work and personal life. Workaholics are boring!

I’ve always found it a real effort to exercise. I feel fantastic once I do it, but just getting the momentum can be the hard part. I started to make small changes to my diet. Instead of the third or fourth glass of wine with dinner, just having two – or heaven forbid – an alcohol free day! The more fresh food I ate, the less I craved junk food. I had more energy when I tried to exercise, and gradually the wobbly bits got less wobbly, and I started to change shape.

It’s an old cliché, but as they say, when the student is ready the teacher appears. The next Anthony Robbins seminar I listened to was all about diet and balance.

“Disease is lifestyle driven. But we always treat the symptoms rather than the cause. Disease is imbalance. The body is driven by the mind and spirit. Excess food and alcohol causes a build up of excess acid in our bodies. Combined with other environmental factors it causes decay and disease.”

"Your body runs on electrical power – a chemical balance of acid and alkaline. Acid is created by anger, frustration and resistance. Our bodies need to be at a balance oh PH 7.36 to run well. With an acid environment blood cells lose their ability to function. The body's alkaline reserve tries to break down and remove the acid by moving it away from the vital organs and storing it as fat. The acid will attack your genetic weak spots. Acidity will also weaken bones as they are a store of alkaline. To protect arteries, fatty cholesterol gets deposited. Acidic addictions such as drinking and smoking are fed by a lack of sugar as the body cleanses itself and the blood becomes acidic."

For some reason, what he says makes a lot of sense. It sounds a bit "out there" at first, but I gave it a go. I actually gave myself four days of no alcohol, fat, oil, bread, yeast, meat or fish. I ate only raw vegetables and salad, drank loads of water, and snacked on fruit and nuts. It wasn't easy, but by the end of the fourth day, I felt like the Duracell Bunny!

I now make cleansing a standard part of my diet. The healthier I get, the better I feel. The better I feel, the more I want to watch what I eat.

One of the best pieces of advice I got was to make exercise fun. I found myself a gym buddy. Not only do we make ourselves accountable to each other, we also spend a lot of time laughing. I also made a small investment in myself and bought a running machine. On the days I'm not at the gym, I do at least five to eight kilometers on the machine. I listening to my favourite house music and sing along while I'm running. It drives anyone else crazy, but I'm having a great time!

Slowly and surely, my body is turning from an ashtray and bottle-recycling plant into the temple it should be.

Taking Action to Achieve Results

Have you ever wondered why some people seem to have it all, and others just never seem to make anything of themselves?

I've always been a professional procrastinator. My "to do" list seemed to get longer and longer, and sometimes I couldn't see where to start. It wasn't until I had a sharp kick in the behind that I realised how finite our time here is. My excuses were always things such as lack of confidence, lack of time, doing the fun stuff instead of the important stuff, and fear of failure.

What excuses do you give yourself not to follow through? Don't lie to yourself – you deserve the truth!

There are patterns of success and failure. It's not just luck.

All it takes to change is to raise your standards.

Get "in state" by just starting something. Chunk it down to ten minutes, but build momentum. Just START IT!

ANTHONY ROBBINS TALKS ABOUT SEVEN STEPS TO ACHIEVE RESULTS:

1 – Get Disturbed. Whether it's your weight or your finances, or your career, there has to be a point where you say "enough!" make a REAL decision.

2 – What Do You Want? Focus on the areas of your life you're not fulfilled in. Be specific. For example: I want to lose 5 kilograms by the end of November.

3 – Create a REAL plan. Get RPM – Result, Purpose, and create a MAP (a Massive Action Plan.) What do you want and why do you want it. Make it specific and measurable. Get clarity. Know the reason for your plan. Get a plan buddy to help you follow through.

Remember there will always be opponents to your plan – external, intimate or internal.

4 – Know Your Limiting Beliefs – Whether you believe you can or you believe you can't, you're right! Be Certain. Ask yourself "What would I have to believe in order to feel a certain way?" Take control.

Believe when there's no reason to believe – have faith!

What is not fulfilling you? Get a desire to change. Stop thinking about what you don't have, and think about what you do have (special skills, talents and such.) Make a list of your skills. A balance sheet of your life as such. Don't listen to the negative belief "recording" in your head.

The negative thoughts might be: "I'll get to it tomorrow. Just one more cigarette. I might get rejected if I try. I might fail. I'm too shy. I don't know enough yet."

Try this instead for example: "I must believe in myself and make time for me. I am worth it. I must believe in myself and achieving success. I believe I am calm and strong. Life is fun. My body is a temple and I am grateful it has served me. It is a reflection of my life."

5 – Set the Game Up to Win – Make it fun. It doesn't have to be perfect. Make the process enjoyable. Add music, change things, and add variety.

Measure your progress and how you feel along the way. What can you do for fun while you're achieving your goal?

6 – Take Massive Action Now – Never set a goal without taking the first step. Get in state. Repeat your new beliefs as incantations.

7 – Create and Environment to Success – Most people's lives are a direct reflection of the expectations of their peer group. Whoever you spend time with is who you become.

Do you ever have days where you just seem to get everything done? Do you have days where you just can't seem to get started? The things we need to do just seem to sit in front of us like huge immovable boulders. The truth is we can do anything if we put our minds to it. We really can! We just need to learn to use some tools to get things started and be aware of ways to program our minds.

I was sitting and reading a 200 page operations manual for a piece of software a while back. I eventually got through it all, even though I doubt I've retained more than 5% of its contents.

I found myself wishing that my parents could have given me a user's guide for my brain. I realise I've been only using it in low gear. If only I'd learned the tricks early on, I might have saved myself loads of hassle!

Listening to and reading all these self-help guides made me understand one thing. If our minds are convinced something is true, then that's all we need! If we program the software enough times (and with the write code) then the machinery operates perfectly. We can literally achieve the impossible just by telling our mind it's already been achieved.

Somewhere along the line, little bits of bad code get added, and the machine starts to doubt its ability. Sometimes even the most able people can run out of motivation.

So What Drives Us?

Well, according to what I've learned, it couldn't be more simple. The two most basic of forces drive our actions; pleasure and pain. The need to avoid pain and the desire to gain pleasure is the basis for all the decisions we make. We procrastinate because we think taking action would be more painful than doing nothing. We need to change what we link pleasure and pain to. For example, do we choose the pain of rejection over starting a relationship ... or the pleasure of chocolate over the pain of dieting? Our lives are often in reaction rather than control. The balance of pleasure and pain affects every aspect of our lives; health, business, relationships and personal life. We will do more to avoid pain than achieve pleasure. Use pain and pleasure instead of having them control you.

At any moment in time, what we focus on is most real to us. We may link having more money to the pain we must endure in earning it, so we choose not to have the pleasure.

Our "neuro-associations" determine our behaviour. The meaning we associate to a situation controls our behavior in a given situation. We need to condition our responses.

Every single action we take has an effect on our life. Every step sets us in a direction towards our destiny. The time to design the next 20 years starts NOW.

Whenever we are highly emotional we "anchor" whatever is happening around us to the emotion we experience. Sometimes our neuro-associations have nothing to do with reality...remember Pavlov's dog?

So are we all crazy? Do we need to seek help? Not necessarily! Therapies work, but only when the meaning we associate to what has happened to us changes. The association with an event has to be changed in your mind. For example, stopping smoking may mean giving up or losing something, but it should mean freeing yourself of an addiction. A relationship could be associated with restriction or pleasure. We have to constantly re-program / recondition ourselves in order to create lasting change.

I know this is true! After my relationship ended I felt a huge sense of loss. I felt as if a huge part of my life had been wasted and that I had failed. After a few counseling sessions I began to see that what I thought was the end of something was in fact a new beginning. Change is good! Nobody said life was supposed to be easy. I learned to associate the pain of change with excitement of the unknown.

Anthony Robbins says there are three fundamentals to getting lasting change:

- Get leverage. Believe you **MUST** and **CAN** change. Change = pleasure.
- Interrupt the pattern. Interrupt phobias, anxieties or addictions by taking your mind off track.
- Choose a new empowering association.

One of the most empowering of the Anthony Robbins seminars I heard was about the basic human needs:

Certainty / comfort. We need to know we can avoid pain and get pleasure. Certainty = survival. Be certain to apply some faith. We all have different ways to meet our need for certainty (food, control, or a need for order for example.)

Believe that you are guided and here for a reason. You can have certainty in knowing that as a GIVER you will receive. With Karma, what you give comes back 10-fold. When you get totally certain you have comfort, but too much certainty = boredom!

Uncertainty / variety. We need surprises and challenges. Life is movement. Sometimes, if we're not fulfilled, we violate our values to meet our needs. We need entertainment to give us surprise.

We need to find a new way to give us variety instead of alcohol, drugs and destructive habits. How do you choose to get certainty / uncertainty in your life?

Significance. A need to be needed. To feel important, unique, have a purpose. Some of the vehicles people use to gain significance can be violence, attention seeking, or tearing down others. Some people find it by learning, education, spirituality, achieving, skills, or money. What makes you feel significant?

Connection / Love. Can be found in gangs, communities, church, spirituality, sexuality, getting close to nature, connecting with yourself or having pets.

Self-sacrifice. Giving. "Give what you wish to receive."

Growth / Contribution. Everything must grow or die. You must perform random acts of kindness.

If you have a strategy to enjoy something while you're doing it, you can meet all of the above needs. Be aware of what's driving you!

Time for YOU

If at all possible, exercise in the morning in order to turn on your metabolism and your emotions. Start with breath-walking; Four sharp in breaths through your nose followed by four short out breaths through your mouth. I do this for at least five minutes on my running machine while listening to music or a motivational CD.

Anthony Robbins calls this the "Hour of Power!" Next, get grateful – be grateful for your health, friends, family. Do this for at least 10 minutes. Next, visualise. For ten minutes, focus on everything you want as if it's already achieved. Focus on what you want instead of what you fear. Visualise the success you will achieve today. Finally, ten minutes of incantations, preferable out loud with certainty and intensity. "Everyday in everyway, I'm getting better and better!" Don't ask for things, say THANK YOU because they have already been achieved!

Just this simple act of moving, being grateful, and envisioning success makes all the difference in your day. You must make some time for yourself each day. Without a little time set aside you can't be the best that you can be.

Your LIFE PURPOSE and achieving happiness

One of the most important steps I discussed with my life coach when I first started with him, was to discover my "life purpose." That sounds like a massive ask – especially when first starting the process, but just thinking about what you want to be and achieve can be incredibly empowering. It doesn't have to be an all-encompassing mission statement. I started thinking about what I wanted to be, achieve and create.

Discovering your purpose will give you immense fulfillment and certainty. Change happens so fast in the modern world, but your purpose will guide you and fulfill you. We each need a sense of meaning. We are all unique, different and special. There are no mistakes. Everything you do has a consequence. Where your focus goes depends on what you contribute. Determine your meaning. We expand and develop when we are challenged. We can't control events, but we can control what they mean to us.

Three decisions can shape our lives:

- What we focus on.
- What meaning we associate with an event?
- What we DO when something happens?

Everything worth doing requires faith and trust.

Some people (like me) don't discover the life's meaning until they have a life-threatening illness or their life is nearly over. Don't wait for the pain to discover the meaning. Use your life's experience to become more than you are.

Whatever you want to do, do it now. There are only so many tomorrows.

Your purpose in life is up to you. Make it simple so that you can live it everyday. Enjoy the process along the way.

Are you being efficient or are you being effective in your life?

“Efficient means doing things right. Effective means doing the right thing!”
(Anthony Robbins)

Are you doing the things that will give you the most joy in your life? What is most important?

Hold yourself to a high standard. How are you going to contribute?

If you don't know the purpose of the game of life, how are you going to win it?

Everyone has different rules so don't set rules for other people in life, and make sure YOUR rules don't conflict with each other.

A loss can become a gain if you ask “what can I learn from this?”

Anthony Robbins talks about the seven strategies used by winners:

- Decide what the purpose of the game is (for now at least.) Get a mission statement for your life.
- Have fewer rules.
- Make the rules constant. Eliminate any conflicts.
- Give yourself pleasure when you win (don't wait for others.)
- When you screw up, remind yourself you could have done better.
- Don't forget everyone has different rules and musts.
- Don't take yourself and life too seriously!

If you're ever feeling in a rut:

Go back to a time when you were a child and imagine what you wanted to be when you grew up. What were the feelings you wanted to get from that? Did you want to be an archeologist and discover things? A fireman and save people? Maybe you can't be exactly what you originally envisioned, but you might find a better way.

When did you feel really great and proud and in control? Maybe you taught someone to understand something and got excited about it? Maybe you love meeting and helping people, serving and contributing.

I tried writing some trial “life purposes” until they felt right. I love teaching and training people. I enjoy working one-on-one, meeting new people, and learning new things. So I came up with a few possibilities:

For example – “The purpose of my life is to help others become happier and more successful!” Or “To help people find more time for their friends and family.” Or “To help people learn a better way.”

I have my life purpose stuck to my PC so that I see it everyday. If ever I get confused as to what I should be doing I ask myself: "Is what I'm doing now helping me to reach my life's purpose?"

Sometimes not getting your dream helps you to discover your destiny. If what you've tried so far doesn't work today, maybe you could get prepared for even more.

Whether you want to have a billion dollars, make a difference in other people's lives, or to sail around the world, the ultimate goal is happiness! It is your "natural state!"

Nothing on the outside will make us happy on the inside in the long-term.

What has to happen to you personally to be "drunk with joy?"

It is inside you already, but you set the rules! Enjoy the process along the way to achieving your goals.

The purpose of life is to be happy!

Ask yourself "What can I do right now that will create more joy?"

We get whatever we focus on. Life is balance.

What if your goal was to not just achieve, but to be happy?

Finally, Anthony Robbins mentions 8 points for achieving happiness:

1. Happiness – you already have it. It does not depend on another person or event. Happiness is not a reward. The reward is life itself. Claim your own happiness now by smiling!
2. Change your focus. Don't focus on what you've lost or missed out on. Focus on ecstasy. Remember a time when you felt totally happy or loved.
3. Ask happy / empowering questions. Don't ask "why does this always happen to me?" Ask "What does this mean?" or even better "How can I use this?" "What can I learn from this?" "What's wonderful in my life?" "What's really working?" "What can I get excited about?" "What's funny about this situation?"
4. Learn to perceive rather than judge. Reserve judgment until you know more. In hindsight often your worst experiences can be the start of great changes in your life. Choose a meaning in each situation that makes you happier.
5. The principle of contrast. We have a tendency to compare ourselves to others and make ourselves feel bad. Use contrast to your advantage. It's not how you start out, but where you end up that matters most.
6. Soften your rules. Why does "X" have to happen before you're happy? We tend to make our rules impossible to meet. We tend to focus on the one thing that's wrong when everything else is right. Look at the things that are right now.
7. Use happy words. Develop a habitual vocabulary. Use words such as enjoyment, euphoria, well-being, content, ease, comfort, satisfaction, luxury, sweetness, gladness, joy, delight, cheer, rapture, thrilled,

radiant. Instead of saying "good" or "OK" when someone asks after you, say "brilliant" instead!

8. Hold yourself to a new standard. Believe that not to be happy is to be a failure. We **MUST** be happy. You **CAN** be happy. Don't forget the joy that is around you everyday. Be cheerful. Be happy on the outside so others enjoy being around you. Take control of your mind to master your happiness.

"ACHIEVEMENT is a science. FULFILMENT is an art."

After reading and absorbing all this good stuff, I came up with a little paragraph that I keep in my wallet. I refer to it whenever I feel challenged.

"I am happy because I've been given a second chance in life. I have wonderful friends and family. My health is great. I am growing stronger everyday. I have freedom and space to myself. I have wonderful opportunities for emotional and material success. I am experienced, intelligent and capable. Problems and happiness are not linked. Challenge is necessary. Problems are a sign of life."

Lastly, I found this quote in a book somewhere. I can't remember the whole thing, but I remember the main gist of it. Wouldn't this be a great place to be? You can be there now if you put your mind to it...

"I'm at a stage in my life where I no longer have to prove anything. I'm just doing what I really want to do. It's a great place to be. I'm working, but I'm having such a good time. My goals are no longer just about money or success. Now it's about life. Now I'm living!"

Thanks for taking the time to read this. I hope something in these pages has given you a little inspiration.
I wish you peace, happiness, and fulfilment.

Chris Norriss

APPENDICES & OTHER STUFF:

If you would like further information such as:

Sample Business Budgets

Business Start-up Costs

Sample Personal Budgets

Inspirational Quotes

Quotes from Business Leaders

Recommended Reading

Please contact me at:

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