

MINDSET & KNOW-HOW FOR WEALTH BUILDING

NOTES BY KRISTA INOCHOVSKY from my live presentation.

Intro

- Commit this time to yourself to be fully present. Put phones away. The best gift you can learn to give yourself is the being present - in the moment. Multi-tasking is great for mindless activities. But this a time to be MINDFUL & present. I have found that developing a mindfulness practice including meditation (or quit time) and positive mindset training to be highly beneficial from both personal experience, client experience and scientific research.
- **MONEY IS...** get out paper. 90 seconds to brainstorm.
- **WHERE DO YOU STAND?** Everyone has a relationship with money. And that looks and feels different to everyone. You can't tell from looking at someone.
- How much they have, earn, spend, save, inherited, what extra expenses one might have... you just don't know. Don't judge or compare your possessions nor spending habits to others.

KRISTA INOCHOVSKY

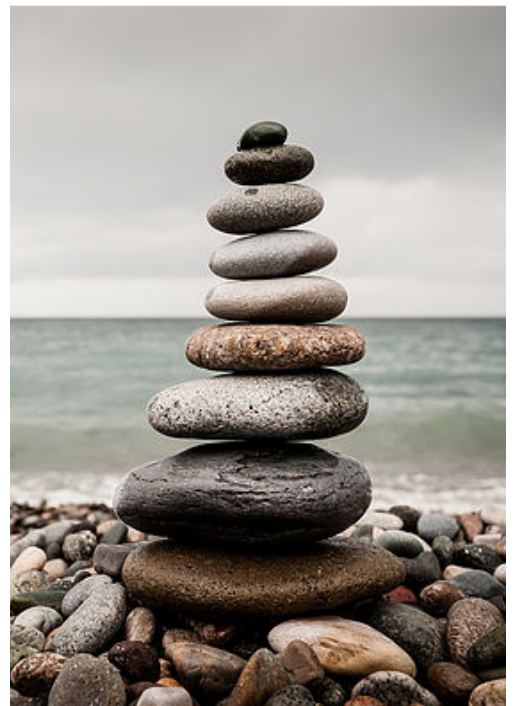


**MINDSET & KNOW-HOW
FOR BUILDING WEALTH**

- In the room we have many different stories with money, many different rules, emotions, knowledge, habits, perceptions, etc.
- **SCALE OF 1-5**
 1. **Knowledge:** basics... investing... where is you get the info? How do you know that you know? Is it correct?
 2. **Action:** How well do you do (take action) what you know?
 3. **Mindset:** What is your self-worth? Are you “good” with money? Does money come easily? Do you have to work hard for money? What rules about money, wealth & rich people where you taught? Do you believe and follow those rules?
 4. **Security:** your job security and your spouses
 5. **Debt:** having debt to being debt free
 6. **Possibility:** do you have faith and belief that financial security & freedom is possible of YOUR future?
- NO JUDGEMENT ZONE

Budget

- It's time to set some serious goals. If you want to make lasting changes and take control of your finances, the take notes and take action. Whether you choose to do just a few of them or you are ready to tackle all of them, you can start making changes. You are the only one that can change yourself and it is important to have a plan to make your stick to it.
- This may seem like a simple goal, but writing a spending plan each month is the first step in getting **control of your finances**. If you can write out your budget each month, and put every dollar you earn in a specific place you will begin to win financially. This helps you realize just where you are each month. It allows you to decide how you want to spend your money instead of just letting it drift away.



- Mastering budgeting should be your most important financial goal. After you have been budgeting for several months or years you need to continue to evaluate your budget and set goals for your budget. Looking at your annual budget can help you recognize larger spending problems and makes it easier to assess your current priorities.
- Compare: what do you THINK you are spending each month? Write it out and then find the actual numbers.
- **MINDSET for Budgeting: How to talk to your self?**
 - *Don't say, "It's not in the budget. Or I can't afford it."*
 - *Do say. "I choose my purchases carefully and this is not a priority right now. or I'm choosing XYZ over this item today."*

DEBT

- Once you have decided that you want to get out of debt you need to set up a debt payment plan. It is important to realize that by applying your extra money to one debt at a time, you will significantly speed up the debt repayment process. If you work hard you will be surprised at how quickly you can pay off your debt.
- Follow these steps:
 - **1. Make a List of Your Debts**
 - You need to make a list of all the debt that you have.
 - Your list should include the minimum payment amount, the interest rate and how much you owe. This list should include all of your debt from credit cards and personal loans to student loans and your mortgage. If you owe money to family and friends you should also include this on your list.
 - **2. Rank Your Debts**
 - You will need to rank your debts in the order that you want to pay them off. Some experts recommend going from smallest to largest since this helps to get the momentum going. Others recommend listing the debts from the highest to the lowest interest rate since this will save you the most money. The order you choose is up to you, but the important thing is to stick to the list once you make it.
 - **3. Find Extra Money to Pay on Your Debts**

- You will need to decide how much extra money you have a month to pay towards your debt. You may need to cut back spending in other areas so that you have the money to put towards your debt payment plan.
- You may also decide to take on a part-time job or to pick up overtime hours. You can also sell items to earn extra money for your debt payment plan. Additionally, you may want to apply all the money you receive from gifts, bonuses or tax returns to your debt. In order to find extra money, a good solid budget will make a big difference in freeing up money so that you can pay off the debt.
- **MINDSET regarding Debt:** *How to talk to your self?*
- *Beating your self up about HOW you got into debt will to help nor will BLAMING another person you feel is responsible for the debt.*
- *Instead, practice FORGIVENESS. Forgive yourself and others to release blame and shame around the debt.*
- *Learn from your mistakes and then focus your energy on the PLAN will get you OUT of debt. Ask for help. Commit to the plan.*

SAVING

Saving vs. Investing

Many new investors don't understand that saving money and investing money are entirely different things. They have different purposes, and play different roles, in your financial strategy and your balance sheet. Making sure you are clear on this before you begin your journey to building wealth and finding financial independence is vital because it can save you from a lot of heartache and stress.

1. Short term: emergency fund
2. Long term: longer than 12 months. It takes time to sell the investment and it might not be the "right time" to sell = lose money
3. Alternatives: higher risk, higher possible reward



- *MINDSET for Saving*
- *You may be finding it difficult to “save” each month when you somehow the money has been spent... poof... gone! Examine WHY you spend and on what. Do you have an emotional attachment to spending? Are shopping or pampering stress relievers?*
- *We’re trained to think that there are a limited amount of resources. That’s called a **scarcity mindset**. It relies on guilt and fear to help you reach your goals.*
- *Get into the habit of thinking that you can learn to grow wealthier.*
- *This is what’s called a **growth mindset**. It’s the idea that intelligence and skills can be developed. This means that we’re not limited by the situations we’re born into and qualities we possess. We can become smarter and more skilled if we commit to learning.*

PROTECTION

- Protect your loved ones and your assets with insurance.
- Understand the difference between TERM & PERMANENT Life Insurance

BUILDING WEALTH

- All of the above are steps to building wealth.
- Awareness: be aware of your budget, spending, debt and savings.
- Work with a financial specialist to carefully select the protection plans and investments that match your needs, desires and risk tolerance.
- Be consistent.
- Have a mindset of ABUNDANCE.

MINDSET

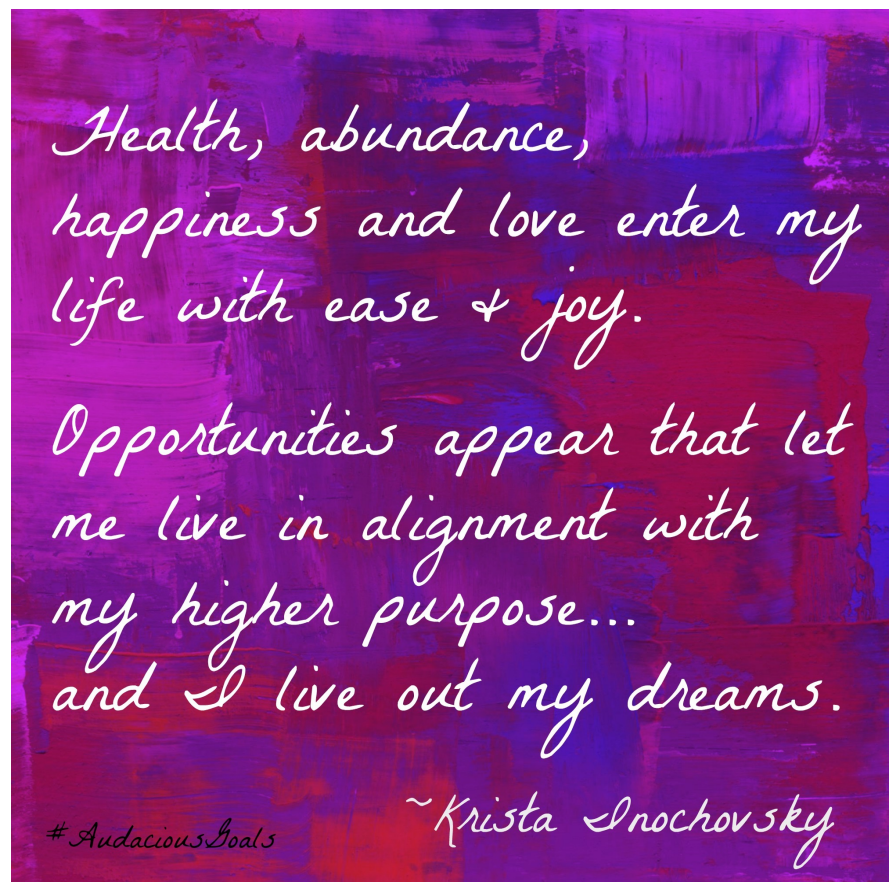
Money is connected **deeply to self-worth, scarcity, abundance, be greedy, a fear of other people's opinions, having too much, not having enough, and the list goes on.**

These are deeply imbedded beliefs that come from what we were taught and experienced early in life.

Action Items: **Developing a Growth Mindset**

- Monitor your thoughts and habits. Notice when you slip into limiting thoughts and habits. This includes avoiding seemingly-difficult tasks, blaming others for failure, or stressing over your progress in comparison to others. Here are some thoughts that should be red flags to you:

- "I'm going to find a way to mess this up. I can't do this."
- "It's so easy for him because he had more resources growing up."
- "This economy is terrible! Interest rates are low, there aren't any job openings... It's no wonder I can't save any money!"
- Adjust your thoughts and habits. Once you get good at noticing your negative thoughts and habits, it's time to replace them with growth-minded ones.



When you're **crystal clear** about what matters to you and what doesn't, what you're willing to spend money on and what you're not, it becomes really hard to separate you from your money. You become a smarter consumer who spends discerningly and saves more.

So, let's recap. When you adopt **positive money mindsets**, you know to make goals and build systems to manage your finances. You understand your impulse spending and develop techniques to avoid placing too much importance on having the best and most stuff.

Your money is a tool. You work too hard not to get the most out of it that you can.

Live full-out,

Krista

Are you ready to take action to BUILD WEALTH?

Learn more about developing a MINDSET FOR SUCCESS and learning how joining a MASTERMIND group can elevate your personal growth & development, connect with Krista:

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