

The Game of Life & Money – Are you PLAYING TO WIN?

By Keshelle Kerr
Column: The Money Game

My new year started off with lots of practical fun! This past Saturday, I held my first financial workshop for 2010 with, “The Money Game;” and yes, it’s the same name of my bi-weekly column. Over 45 teens, young adults and their parents filed into the Hilton hotel to learn how to become financially free. What a great time we had!

Afterwards, a teen said came up to me to say, “It was creative. I especially enjoyed collecting passive income, learning to strategize and making wise money decisions. I feel empowered now!” 16-year old Hashaun Adderley said, “It opened my mind about financial freedom and how to obtain it. It made me more aware of the many financial possibilities.”

During the workshop, youth and parents are introduced to key financial terms, practical principles and concepts everyone should know—but typically don’t, even as adults. The goal of this game is to ensure that everyone wins by becoming financially free.

What I love about this workshop is that it is fully taught in the form of a game – one where the participants are the pieces.

Imagine being told your monthly salary is only \$1,000 with NO RAISES and your monthly expenses are \$900—which leaves only \$100 left to spare! What a bummer, right? WRONG! In this game, attendees **learn how to turn \$100 of Earned Income (money you work for) each month into over \$1,000 in Passive income (money that works for you)**—thus making them financially free!

It’s definitely possible, IF you follow the rules!

No one wants to live paycheck to paycheck. The mission of my company is to ensure that EVERY youth in this country receives the basic financial knowledge to avoid money mistakes most of us have experienced. But how many of us actually know what it takes to escape spending traps in order to generate financial freedom?

This made me create, “Rules to the Money Game Bi-Weekly Series.” In my Money Game, workshop participants learn several Creative Wealth Principles that, if properly applied, will ensue winning results. In other words, Creative Wealth Principles are simply Rules to the Money Game. **In my programs, there are a total of 24 rules.**

Here's the first rule in the series of 6 columns I'll be sharing with you. If you want to win the game, you have to know and play by the money rules.

Here's where it all starts.

Rule No.1: Pay Yourself First

We spend most of our lives working for others—making sure they have enough money for their needs, making sure their houses are paid for and making sure they have food on the table.

However, wealthy people ALWAYS pay themselves first, before paying anyone.

Other people, though, do it the other way round by declaring, "I'll put some money away if there's any left over."

This is the general attempt at saving money for the future. The only problem is ... there's rarely any money left over.

This is also called, "Not Having A Plan Method" of financial planning. The end result is, you end up at age 60 without a "pot to pee in"(as some would say), wondering wild-eyed, what the heck went wrong?!

So, it's time to switch your attitude! Pay Yourself First. It's THE MOST IMPORTANT wealth principle you can learn and the most important money habit you **have** to learn—right behind the principle of, Financial Freedom is Your Choice (which we'll get to later).

Paying Yourself First means that every time a dollar bill flows through your hands from an outside source, you take a little piece of it and put it away wisely. Putting it away means: Saving it, Investing it and Buying assets. Anything that creates income streams for you when you no longer wish to work at a J.O.B.

Paying Yourself First means that before you pay your rent or mortgage, buy food for the table, pay for the cell phone and/or the car, you take some out and pay yourself.

Consider this good habit as a bill due from your future self.

Consider this, too. I am sure you are aware that everyone ages. Have you considered that this older version of yourself is counting on you to prepare for his or her future right now?

Stop for a moment and close your eyes (after reading this paragraph, of course). Picture in your mind your "older self"; details such as: what you look like, where you're living, how you're living, how good your health is, the color of your hair and your pets. Are you living alone or with a partner?

Just let whatever you see sink in. Now, ask your older self what he or she would have you do NOW—to prepare for that future date. Listen and hear what they suggest. (Now you can close your eyes:-).

Paying yourself first is one of the most important habits you can establish with your money. Start teaching this to your children, too. You'll be amazed that every adult who has been clueless about this important lifestyle strategy at a young age says they wish that they had.

Paying yourself first means ...

- You're establishing yourself as *the* top priority. You know you're the only one responsible for your future and you're willing to do whatever it takes to make sure that older version of you is well provided for.
- You're establishing the oldest, most time-tested financial habit on the face of the planet. In George Clason's 1926 classic, *The Richest Man in Babylon*, the main idea is to take a few dollars to invest wisely for the future. That's how the wealthy get to enrich their lives, and to stay that way.

Brian Tracy advises, "If you cannot save money, then the seeds of greatness is not in you."

Once you've paid yourself sufficiently, you can then use that money to invest in assets that will work for you—instead of you working for your money. This is what you learn in my Money Game.

While these principles apply to adults, I want you to also accept that these principles **MUST** be taught as early as possible! Therefore, **as you read the principles in each article, I challenge you to share each rule with your children or young people you know! The sooner they learn, the better!**

HOW you can help your children to pay themselves first...

Every time you get paid, let your kids know that you're taking a portion of that paycheck and depositing it into a savings account. Some of that savings may get invested later, but, for now, let your children know that after you get paid by your employer, you pay yourself first, before spending any money. Children learn what they see, not what you say!

- Have a portion deducted from money your kids receive, no matter how small the amount. Let them place the money into a savings account so they get to watch the amount grow. To add value to their savings, tie them to special goals they're aiming for in life.
- Start an IRA (Individual Retirement Account). It's one of the smartest things to do, especially for a young person. If you have a teen, get one started for them. There is one advantage they have over adults and that is TIME. Starting early

means the power of compound growth has a longer time to impact the account—and in making a million dollar difference when your child reaches his or her “older self”!

Although many young people may not have a salary to save, get them in the habit of taking something immediately with any source of income they receive (birthday gift cash, odd job, etc.). It's IMPERATIVE that kids learn and understand this BEFORE working for their first official salary! The more often they put away now, the quicker and earlier they can become financially free.

Remember, Paying Yourself First is the most important bill you pay each and every month. Do It Now—while you still have the time and energy to do so!

Remember, both you and your child's older self is waiting...

Stay tuned for Rule No.2!

Want to learn what it takes to become financially free firsthand? If you do, please consider attending the new Money Game Evening Seminar this coming February. It's open to teens, young adults and families. To register, please contact me for more details.

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**For financial education,**

Keshelle Kerr, a Certified Youth Financial Educator, is the CEO and Founder of Creative Wealth Training, an organization that teaches young people the meaning of money and the beauty of business through hands-on programs, educational products and events. For more information: [www.creativewealthbahamas.com](http://www.creativewealthbahamas.com). Please email your comments and questions to [keshelle@creativewealthbahamas.com](mailto:keshelle@creativewealthbahamas.com). For a customized program or talk for special events, contact her at (242)376-9449.