

# 5 Rules You Must Follow If You Want to Be Wealthy

Modified from Dr. Kevin Hogan's Newsletter "Coffee With Kevin"

## Rule #1: Set Up Your Mind

**You are going to be what you want to be.**

If you set your mind to work for somebody as an employee, you will look for a job and you will become comfortable with and familiar with working as an employee. However, if you set your mind properly to attain financial freedom, in due time you will find means of getting wealthy without the challenges of working for someone else.

I've never considered salespeople "employees". Salespeople are revenue generators. Without them the company dies. And, a lot of salespeople working for lots of different companies have become wealthy, very wealthy. How? Salespeople determine their own income.

Therefore when I talk about running your own business, or being at risk, I'm talking about salespeople in that mix as well.

Now, before we get rocking, let's get clear on a couple of things. First, there is nothing wrong with working for someone else. It takes a lot of stress off of a person to have to only do one set of tasks each day. And it provides a place where you get paid to learn about business.



Very few people can get out of high school or college or anywhere and build wealth with their own business. Schools simply can't teach you everything it takes to be successful in a business of your own.

Education can and will teach you an aspect or aspects of achieving wealth.

But think about it:

- Marketing
- Advertising
- Selling
- Accounting and Taxes (Yuk)
- Administrative
- Product Development
- Product Research
- Investment

Those are a few of the things you're going to need to be competent at when you start your own business.

The best way to learn a lot of these things is to get your feet wet in as many aspects of a company as you can. By watching how the people who have money at risk in a company make decisions, you see what it takes to succeed or fail. You get to see what works and doesn't, up close and personal, for free.

Watching a CEO is somewhat interesting, but really you want to watch marketing, advertising and talk to your sales people at the company you work for. Those are the skills you do NOT learn in traditional education (even if you took classes that had those names attached to them).

Thus, you learn while you earn. And while you're doing so, be a huge asset to your company. Make it so that when you leave your company they will have a very hard time replacing you for the same money.

The mindset of the person who is going to eventually bridge from employment to build wealth is to create as much success for the company they are at and then take those skills and knowledge into their own adventures.

(When they write your biography it will read a lot better if you were loyal to your company, helped a division grow, trained the awesome sales team and so forth...)

It's difficult to create wealth as an employee.

Impossible?

Of course not.

Sam Walton and Bill Gates created a lot of millionaires who were willing to work for stock and cash instead of just cash. Those people gambled on their company's business plan, and won big.

The reality is that most people in a corporation outside of sales and upper management will not become wealthy. And of course most in sales and upper management won't either...

Building Wealth Requires a Very Specific Mind Set.

The mindset of people who are employees is one of being pre-occupied with a "job" so much so that they forget or unintentionally fail to cross the line at some point in life... to

see how they can create real wealth. Just like a coin, they never bothered to turn it over and find out what it looks like on the other side.

*Example:* Who is on the face of a \$100 bill in the USA?

Of course. Ben Franklin.

Now, what's on the back of the \$100 bill?

Exactly...no one ever turns anything over to see what anything is really about in life. It's why people "don't get life."

You don't carry hundreds?

OK.

Who's on the front of the \$5 bill?

Of course. Abraham Lincoln

And what's on the back?

The Lincoln Memorial.

Don't worry, no one else gets it, either.

Oh, the \$100 bill.

The back has a nice engraving of Independence Hall.

People are so used to viewing life through one very specific lens that they fail to see entire pictures. And this isn't just some people, it's everyone.



Problem is, when it comes to wealth, you really want to know what is on the reverse side of that \$100 bill.

It's an interesting coincidence that INDEPENDENCE Hall is on the back of the \$100 bill, the largest note used in circulation in the USA.

Independence. Being wealthy....

Now, back to the office...

One more time.

Do not misunderstand:

Working for someone else is a GOOD THING.

The Person at Risk is Most Likely to Have Wealth  
Employers provide jobs and that's a GIFT.

A job means someone takes 100% risk on you and you take zero risk in return. That is a gift.

When you go into business, you eventually become an employer yourself. You take YOUR MONEY and GIVE it to someone else in exchange for someone performing some set of duties or projects. If people don't "get that" they will not succeed and build wealth. The person writing the check is the person who is at risk. And it's a fascinating paradox that being at risk is the only way to build wealth.

And if you're going to put yourself at risk it's going to require skills in the knowledge areas I touched on above.

Palms facing up is receiving, reminiscent of begging. Palms facing down is giving. Employees receive. Employers give. Where do you want your palms' position to ultimately be?

## Technique #1: Think And Act Rich

Always keep in mind that **you can pretty much bring into your life as much money as you desire...** by knowing that it is all in the mind. If you are willing to forego some things in life, (read as tradeoffs)... and are very focused, you can work on building an 8-figure bank account if you want that.

I don't know what your definition of "rich" is.

You Need More in Your Nest Egg Than You Think

I can tell you that you DO want in excess of \$1,000,000 in your bank account when you are 65 just in case you live to age 85. (If you are going to die young, it's much less important to accumulate wealth.)



Some people tell you that you will need about 70% of your current income in retirement. That is a statement made by people who are broke and will stay broke.

Taxes will be higher when you retire. Inflation will be next to astronomical when you retire and it will erode your nest egg.

The cost of major purchases like homes, automobiles and so forth is likely to soak up most or all of someone's money. You will need about 150% of your current income in retirement. Imagining that you live those 20 years, the dollar you have at the beginning

of the 20 years will be worth about 15 cents in that last year...if there is very minimal inflation. Now do the math again.

Fortunately, for most people in most free countries, your income is pretty much self determined. There's always unexpected variables, but the fact is, it's your choice what you want to earn and you will earn pretty much what you want to earn. You'll decide what is enough and what isn't.

It is what you choose to think, and act upon, that produces the wealth you want. When you stop acting upon producing wealth then you stop building wealth. What you think will be...pretty much...will be.

## **Technique #2: Feel Wealthy and Be Grateful**

What I am about to show you is a simple yet very powerful way of creating and experiencing prosperity in your life.

### An Exercise in Being "Wealthy"

First, imagine what life would be like if you were wealthy. Don't just see it. Feel it as if you're already experiencing the luxuries and lifestyle of the rich and famous. Instead of going to a few dinners next month, go to dinner ONCE and take a limo.

I get in the limo now and I think, "Oh this is a nice one, the dude has bottled water" or, "Doesn't have the tunes cranked" or, "He doesn't expect me to entertain him".

I used to get in the limo and think, "Man, this is wild....what the heck am I doing in this 24 foot vehicle?". "This is extravagant." "This is wasteful."

Today, I deserve it. I worked good-n-plenty hard for the right to travel first class, period.

I'm not big on visualizing "stuff" because I generally don't care about "stuff." I don't have a lot of stuff. Part of this simply goes back to childhood. You grow up and live 20 years without "stuff" and you wonder what the heck you would buy with money if you have it.

Well, I can tell you that I have books, CD's, a guitar and after all these years I broke down and got a TV on steroids. But I never visualized any of those things. I never visualized having a lot of stuff.

It might be nice. We'll see as I "grow up" if stuff becomes more important. (I confess I'm in the process of purchasing one of Elvis Presley's rings he wore on stage. Now that is a piece of stuff...now ask me what I'm going to DO with it, once I have it...I don't KNOW! I don't wear jewelry but if you see me wearing something that looks really dated on my right hand, you'll be right when you guess.)

For me, I do like a nice hotel room and a nice house. I like the context...my environment to be spacious. Clean. (Really clean and really spacious.)

Start Making Inroads in The Brain

Now, play along with me for just a second...

Go ahead and **visualize** a house that might be cool to have as your own. How many rooms does it have? Take a relaxing soak in the bath tub. Smell the food aroma coming out from the large kitchen.... Maybe play sports in your own private gym. (Come on I'm trying, go with me. I have a pool





table...isn't that the same as a gym?) Visualize that home theater you always wanted to build.

The important thing here is to essentially see yourself as living the life without having to spend the money (yet).

Feel good?

It is kind of cool.

By doing this exercise, **you are coding into your unconscious mind a bit of a direction**... and directing it to move you in the direction you're dreaming of...

Be Grateful, Not Blessed

And then continue to be grateful.

If you feel "blessed", you put yourself above other people. (You're blessed and the poor person down the street is not?)

Screw that.

You AREN'T above other people.

Be grateful. Grateful, Americans, you were born in a free country. Grateful that you can DREAM a DREAM that can become reality when so many can't even do that.

By being grateful, you are confirming that you are graciously accepting your life experience.

If you earned it, you deserve it.

Be grateful you did the right things to get you where you are.

It's OK to be grateful for your good decisions!

I used to have a daily mental exercise (you might call it self-hypnosis) where I saw myself in the surroundings that I wanted... to be with the kind of people I wanted to be with. I can tell you that today those pictures often mirror the imaging that took place many years ago.

You may be astounded by the results.

## **Technique #2: Be Generous**

Many people think that rich people are selfish, that's why they have lots of money at hand. Right?

Nope.

While this may be true in some cases; there are a lot more individuals who are wealthy because they know how to give. And I'm not just talking about charitable acts.

### The Wealthy ARE the Tax Base

Wealthy people pay for everyone to survive in the United States and in fact, most countries. 1% of the people pay 43% of the taxes in the USA. 2% of the people pay way more than half of all the expenses it costs to run the United States. (That and the loans the Chinese and Japanese give us every year.)

And then the wealthy go further.

It would take tens of thousands of people to match what Bill Gates has given to millions of starving people over the years. Wealthy people are generous by nature.

When you give something from your heart without expecting anything in return, you open the door to a powerful mind set that will trigger your mind to act as if you are capable of performing that behavior again...and again.

(All for another day.)

Whenever possible, be generous with others. You will notice that what you receive emotionally (spiritually), will be "worth" more than what you give. Don't get into a habit of thinking of reciprocation when you give...or you are destined for resentment and anger.

Give freely from your heart. (Do give wisely. I used to make a lot of bad decisions about where my gift money went to...I don't do that anymore!)

To put it in the most spiritual way possible: The act of giving can summon the spirit of joy to come into your heart.

How will you feel when you've given something to others who are less fortunate? Let me tell you that nothing could brighten up a day more than hearing them express their most heartfelt gratitude and seeing their smile extend from ear to ear. Yeah, it's kind of selfish....

When I was a kid, every other year, Monroe Abels would take me to the Cubs' opening day at Wrigley Field in Chicago. I was a huge Cubs fan and that was like a dream for me.

He'd pull strings in the Cubs organization to get us seats right above the dugout when he could.

One year, he had most of the Cubs players sign a scorecard which was given to me at Wrigley Field on April 8, 1972.

I've never had the scorecard appraised. I still have it, of course. I don't care if it's worth \$10 or \$10,000. The deal is that it reminds me how good it felt...how special and important I felt to have that experience...



Two years later, Monroe took me to Opening Day, and in the second inning we went for a walk at the park...a long walk...all the way up to the Cubs WGN broadcasting booth. I got to meet one of my idols, Jack Brickhouse, who was the Cubs announcer.

This was particularly special because of the timing. My step dad was dying and would only live five more months. Each day was like living in hell...except this one. One of my dreams came true. When you can do something like this for someone, their life changes...and so does yours.

And every now and then, you want to give those things to other people in life.

### Make a Difference

At Christmas this year, I got an email from a friend in Poland. They told me what they were doing for some very poor children in southern Poland. Within 24 hours they got a money gram from Western Union on Christmas Eve morning, allowing 4 times as many kids to have Christmas as they had planned.

Nothing feels cooler than making a difference.

Nothing.

And, what you give doesn't necessarily have to be something material. It can also be time, effort, talent, service, or even an affectionate feeling.

For five of the last seven years, *Coffee with Kevin Hogan* Readers have helped raise money for one of UNICEF's many projects around the world. We've raised money for children to have food, coats and immunizations in Rwanda, Iraq, Afghanistan, and a couple of other countries. We'll do the same again this year. (I match the sum of what is donated by our readers. This obviously isn't a fortune but it makes the world a little bit better place.)

And I mention UNICEF because they do such good work and are always in need of more money to help more kids in ways that tear your heart out. And they aren't the only group out there doing good...but they are a darned good one.

But a lot of times you don't say ANYTHING when you give.

You are Santa Claus.

You do it in secret.

And dang it's fun to do that. People get all this stuff and they are like..."Wow...maybe there is..."

And that's some of the best feelings inside you'll ever experience.

DO THIS. Just once and you'll be forever addicted....

You'll need to take my word because there aren't any formal research studies on this: When you give secretly, you feel a true and good "power" inside. You have a strength to help, to care for, ...you believe in yourself more. You have more self-confidence...and you know that your behaviors match your words and beliefs....

### **Technique #3: Don't Be Afraid To Lose**

Winners are not afraid to lose, **because failure is a BIG part of the process of success.** People who are afraid to fail, lose success.

When I fail I get irritated.

Last week I forgot to put a link to an article out of *Coffee with Kevin Hogan*.

STUPID.

So 1000's less people are going to read a really cool article because there is no link.

STUPID.

But it's not feared.

In the scope of life what does this failure to use my brain mean? Not much. (OK it means it was stupid...)

Who CARES if you fail.



If you really care that you fail, your ego is waaaaaaaayyyyy too big.

People who are afraid to lose or fail, essentially have zero chance for success.

## **Rule #2: Think like wealthy people and put your thinking into action.**

### **Stop!**

A lot of people think that means to interview a rich guy and do what he does.

That MIGHT be good advice. But you don't know. Because if you interview a poor guy and find out he thinks the same things, you'd be pretty startled.

Fortunately, for this article, wealthy people tend to get wealthy using similar thinking processes; and so do poor people.

Wealth is **not** wired in to your genes.

I remember seeing a program entitled, "You Were Born Rich". Phht. Yes. This and other flawed thinking can really mess with the average person's mind.

From a genetic standpoint, you are born with advantages and limitations. Some are born with severe limitations like disease. Some are born with strong advantages like intelligence, disposition, emotional stability, strength and attractiveness.

There is one certain fact: You aren't born rich.



I would argue that you are born with the right to be rich, and for most people in most free countries, you are born with the POTENTIAL to be rich.

People who believe that they are "born rich" are by and large...broke.

Now, let's get to "thinking."

**Conscious thought is a potentially powerful driver of specific behavior.**

**Unconscious motives are VERY POWERFUL drivers of MOST behavior.**

The vast majority of people predisposed to being overweight and obese will stay that way because in most people  $U > C$ .

(Unconscious motives are greater than Conscious Thought.)

It's that simple.

The title of the program should be, "You Were Born Fat".

What happened?

The unconscious drives are so strong that it takes a PLANNED, DETERMINED and DRIVEN STRONG DESIRE at the conscious level to OVERCOME your unconscious feelings and emotions.

Once the drives are altered, THEN they become drivers toward the desired behaviors.

But, as anyone who's lost 500 pounds (over the years) will tell you, it is TOUGH to overcome the unconscious mind.

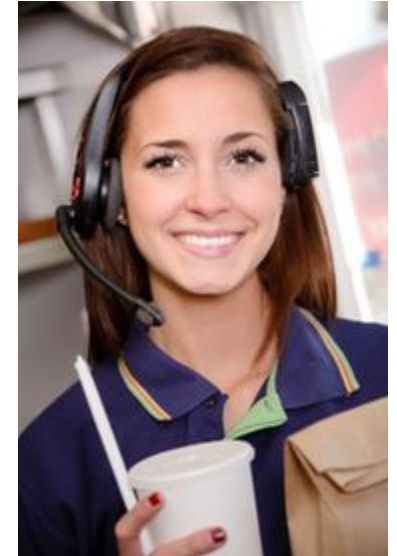


You can go all day being a "good boy" or "good girl" then pig out before bed time, screwing up an entire day of true Will Power... unfortunately to beat the unconscious/nonconscious mind, you can NEVER let your guard down until your dominant drives have been changed.

People are **not** predisposed to wealth.

People ARE predisposed to:

- CONSUME NOW.
- To eat now.
- To drink now.
- To feel good now.
- To want to be calm. NOW
- To want to be out of pain, NOW.
- To want to be secure, NOW.
- To want to relax and be comfortable...NOW



There is very little genetic predisposition toward anything that would lead you to wealth.

### Wealth and Evolution

You are biologically driven to... mate, make babies, make sure the babies live (particularly for females), kill anyone who goes near your mate (particularly for males), protect the babies (both male and female for a short while, then particularly females), protect and provide for the mate until they have no further value (typically the male) ...and repeat for the male. For the female... well listen, I didn't make this world, I just report the news...

That's the biology. That's evolution. And there is nothing there that breeds wealth.

However, all of it does engender SURVIVAL and THAT is worth something. (Better than nothing.)

Now, let's say you don't "believe" in evolution and genes and biology. Maybe you're a Christian. Then what?

No problem. Very little is written in the *New Testament* about wealth, but Jesus had at least two things to say about money that are recorded in the New Testament (paraphrased, of course):

1. When you give it away, don't make it part of your daily conversation.
2. No matter how much you start with, you better bust your butt to make it grow (a LOT) or there are severe consequences. (I mean really severe.)

Jesus was a pretty sharp guy...

Back to wealth building...

- There is no "save for a rainy day" gene..
- There is no "men be a responsible Dad" gene...
- There is no "Money consciousness" gene.

All this stuff is about CONSCIOUS MIND DECISIONS overcoming very hardwired programming. Programming that only 1/10 ever conquer.

...thus bringing us to our third rule of building wealth...

## Rule #3: Enhance Your Money "Consciousness"

- 1. Barring Black Swans (unpredictable events), no one else will have more impact on your future from this point forward than you do.** You'll slowly sink or learn to float, tread water and swim. This decision and its follow through are all charted and recorded in the brain. The effect of your thoughts eventually affects your life...if you let them (and even sometimes when you don't).
- 2. If you're broke, that doesn't mean you're out of the game.** Not by a long shot. The dollar amount in your debt column is not fixed. The income you have is not fixed. You decide what direction you're going to go over the next few years. Like everyone who is wealthy, it will start on decisions that you reinforce daily to overcome natural drives. These aren't the "21 day habits" you read about. These are biological drives. Big difference.
- 3. Take failure as a chance to get smarter and stronger, by learning from it.** *Don't ever let failure defeat you.* Seriously. What is failure? It's nothing. Get motivated and inspired by it and eventually, you will turn up to be a winner. Remember how many publishers it took for me to get *The Psychology of Persuasion* published? How many YEARS? Failure causes you to get tougher. And when you persevere, you WILL WIN.
- 4. It's easier to change oneself than to expect others to change.** If we develop self-control, this will work. Sometimes, we want others to change their attitudes but we haven't got much control over them.
- 5. Be creative and open to new ideas.** Sometimes, we are so used to doing what the majority are doing that we completely close our minds to new ideas. No one knows that Independence Hall is on the back of the \$100 bill. People see the same thing every day. They do the same thing every day. The person who can create AND



implement will win. If you need another reason to be different from the majority, let it be for the sake of financial success and security.

Which brings us to our next rule...

## Rule #4: Tap Your Potentials

**Most people have tremendous potentials and talents** like courage and brilliance. We must learn to tap into them... to put them to good use.

Like it or not, we also have a lot of negative traits in common. Again, it all depends on us, which side of us we will allow to prevail.

Now, I want to talk about **doubt** for a minute.

***Without doubt, you will FAIL. Doubt is the birthing place of careful, concerned and critical thinking.***

- You must doubt your plan.
- You must doubt yourself.
- You must doubt those around you.
- You must doubt the vehicle you are taking to achieve.
- You must doubt the entire process.



Then go through each piece...analyze and become crystal clear on what is going to happen when things go wrong.

But don't doubt your ABILITY to overcome difficulty. Don't think about it. Don't wonder about it.

***Every time you even have a hint of your ABILITY to overcome, IMMEDIATELY get to WORK on the project.*** Train your brain to respond to ability-doubt with instant, valuable action.

In the world of money, being smart is not enough. You've got to be a LITTLE bold or daring. You have to actualize or manifest what is in your mind. That means go from thought to working model and final product.

It is understandable that we feel apprehensive when it comes to change. Most people fear change, but you must walk THROUGH that fire. You must consider change, even at bad times, as an opportunity to improve your life.

To be financially secure, you need to be creative and to take calculated risks. To take risks without knowing HOW to make the calculations is INSANE.

A friend told me she bought \$10,000 worth of vitamins and minerals as part of STARTING a network marketing "business".

Well, how stupid is that?

Before she had sold \$500 worth of vitamins, she had bought \$10,000 worth.

Another friend created 500 gorgeously produced Self-Hypnosis programs to be sold from a chain store...before he knew the programs would sell...before he knew the stores all agreed to sell the product. Total out of pocket and lost \$7500.

The first friend told me that "someone else" she met had succeeded in the business and she went to a meeting....you know the rest of the story.

I can hear it now..."But Michael Jordan practiced every day and he became a successful basketball player...I don't understand why I didn't make it..."

Because you are 5' 6"....

Great opportunities are often visible to the mind, not to the eyes. Learn to recognize an opportunity by being aware of your environment and others around you. Shut your mouth and open your ears... Once you do, within the right time and available finances, it can make you wealthy.

**Always remember that for almost all people, your mind is the single most powerful tool or asset you possess to gain financial security.** Just like our body that takes nutrients from food and water, our mind must be continually energized with creative ideas and financial strategy to create and keep wealth.

There are, of course, problems....

Most people work for the SOLE PURPOSE of making money.

Yuck.

That is a hamster wheel. It will need to be changed. (and that we'll talk about another day...as well.)

And that brings us to our 5th Rule...

## Rule #5: Control Your Fears

Different people have different kinds of fear. Fear of speaking in public, fear of heights, fear of enclosed places, fear of being alone, fear of dark places, fear of being in a doctor's or dental office, fear of spiders and other insects - we can enumerate countless more.

### **Fear is the biggest deterrent to financial success.**

Suppress fear and your money-making mind turns into a gold mine. Learn to manage and control fear.

Many people who have money problems fear losing money so much that they are actually aggravating their problems by concentrating too much on them. They can't think of any solution to their dilemmas because their thoughts are pre-occupied with the terror of paying insurmountable bills.

Instead of worrying about their problem, they should shift their focus to a different perspective, even for just a few minutes. They should take some time to relax and re-energize their brains so they can be more capable of finding the right solution. They should set their problems aside for even just a few minutes each day, in order to allow their minds to come up with possible solutions.

**Fear also has its good side.** Fear sometimes prevents us from getting hurt, physically and emotionally. That little fear that is inherent in us is actually good for us in some, but not all, situations. It prevents us from being too aggressive. It makes us think before we act. Action after thinking is definitely better than action without thinking.



This little fear is similar to fats in our body. Too much fat in our body is not good for our health. A little fat helps to keep us warm in cold weather, especially here in Minnesota come February...

We kept emphasizing "little" in fear and we must keep it that way because once it starts to get big, we're in real trouble.

## **Managing Fear**

So how do we control fear from getting big without totally losing it? How do we keep fear within manageable and usable level so we have control over it instead of the other way around?

To an average employee, fear of losing a job makes him/her get up every morning to go to work. This is fear controlling the person. It's the person's Titanic. (Big boat that sinks)

To the poor and middle class, the fear of losing money makes them cringe to take risks, even calculated risks which the rich usually take. Sometimes, they never realize that they already lost the moment they backed out from an opportunity. And if this keeps on going, they'll never be secure.

## **Fear leads to poverty.**

It prevents financial creativity in our minds to the point that ignorance sets in. When creativity (be it financial or not) does not occupy the mind, the mind is in a state of emptiness. It doesn't remain empty for long, so ignorance sets in. And when ignorance sets in, bigger problems start to set in as well because our mind is in disarray.

Unconsciously, we become greedier.



If you will notice, most, if not all, of the negative traits and emotions in humans can lead us into trouble and financial distress, if their level is higher than our level of thinking. If we keep them from dominating our mind, we are in good hands. And to make this possible, we need to gather enough courage or fortitude within us, which will be the basis or backbone of our action towards financial security. Practice in small ways and gradually improve to bigger activities.

**To suppress the fear of losing money, the excitement of winning must prevail.**  
And winning is addictive.

I don't recommend gambling for any more than a very small percentage of your annual income. But I've played cards with some of the wealthier people on the planet. Gambling provides "safe risk" for wealthy people who prefer not to get into cars and race at 200 MPH around a race track. For this group of people, it's about winning. You don't see wealthy people at the blackjack table, "trying to get rich".



That's for the middle and lower class who don't understand risk and money...and they will lose their money.

We must have the burning desire and the passion to make it happen. To bring up that burning desire, we must think of the great benefits that money will bring. *"What will I do or what can I do when I become wealthy?"*

Start by recalling and making a picture in your mind of the things you would like to do if you have the money for it. Concentrate first on the good things it will bring to you and your loved ones, perhaps helping a brother or sister finish college, going on a cruise in the Caribbean if you love to travel (traveling is educational), or giving a motorized wheel chair for a poor crippled uncle. Acts of care and concern, not only for oneself and family,

but to others as well, ignites passion and desire. It puts your creative mind to work. Put your thoughts into action by making big but realistic and detailed step-by-step plans.

THEN you might be surprised at how fast things happen...

The End ... or is it just the Beginning?

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If you enjoy this type of learning, may I recommend any of Kevin Hogan's books (sold in Barnes&Noble), or his newsletter, Coffee With Kevin.

To learn more about Kevin Hogan, or to sign up for his newsletter, go to [www.kevinhogan.com](http://www.kevinhogan.com)