

Three Common Money Myths

Contributed by Steve Gillman
Monday, 13 October 2008

Do you believe in these three money myths? If so, they may get in the way of your success.

{mosbotwordcount}

There are many money myths that can get in the way of your success. Here are three that you may have bought into. If so, it's time to learn some better ideas.

Money Myth - You Need Money To Make Money

{bot_wrgoogle}Like most money myths, this one is pulled out as an excuse when a person doesn't want to do what is needed to succeed. In reality there are dozens of businesses that can be started for almost nothing and grown large enough to provide a great income. These include small service businesses (window cleaning, dog walking, yard care, etc), as well as internet businesses. Our own internet business was started with less than \$600.

But it isn't just these types of business that can be started with little of your own money. Both businesses and investments that require large start-up capital can be started as a good idea you have. Make that idea into a decent plan and it can be shown to the right people to attract all the funding necessary. This is especially common in real estate, where an offer on a home is made with a small deposit and then (if it is a true opportunity) the contract is sold to another investor for thousands of dollars. In other businesses and investments, one of several partners can invest time and management skills in place of money.

Yes, it is perhaps easier to make money if you have some to start. And it is true that the examples above require a little bit of money. But many people have become wealthy starting from more difficult circumstances than you, and the amounts needed for the above examples could be obtained from a credit card cash advance or a loan from a friend.

Money Myth - If You Want It Done Right Do It Yourself

This is what a busy owner says as he struggles with his small business. It has to be small, because if it was large it would mean he had gotten beyond this idea. You have to let others take over many responsibilities if you want to grow your business substantially larger.

Here's a better idea: If you want it done right, find someone who knows how to do it right. Of course, you want to hire those who are better than you at the job. But even if you are the best window cleaner in your janitorial business, you need to eventually let someone else clean the windows while you round up new clients. Imagine a man investing in fixer-upper homes. If he is doing the plumbing repairs and laying carpet for six months, how does he have time to find the next great property?

It is better to concentrate your efforts where you create the most value, and pay to have less valuable jobs done - even if you could do them well yourself. Delegation is not easy for some of us, but you know Bill Gates doesn't build or even design windows programs, right? That's part of why he is where he is.

Money Myth - Retirement Is A Worthy Goal

I just read an article reporting on death rates among those who retire. It seems that those who retire early are far more likely to die early than those who keep working. People need some meaning and structure in their lives. It certainly doesn't have to be from a job, but the idea of just retiring from an active life at some designated age makes no logical sense.

Now, getting to the point financially where you don't have to work because your money is working for you - that's a goal worth aiming for. But that just means you are freer than ever to work at exactly what you enjoy. There is no reason to

stop being productive at a certain age regardless of our physical and mental abilities, is there? Withdrawing from an active life, as the current concept of retirement suggests you should, is a recipe for unhappiness.

In fact, the whole concept of retirement is largely invented and doesn't fit the modern world. A bricklayer certainly shouldn't continue to abuse his body as he grows old, but there are many ways to be productive and therefore happier at any age. This is now a world where if you can move one finger you can educate millions of people, write wonderful stories, and make money - all from a laptop computer.

Take a look at your subtle beliefs about money. Do you think business is somehow "dirty?" Or that it's too risky? Or that you need to work so hard to succeed that you couldn't enjoy it? These are all common money myths, and if you've been struggling to make money or keep it, you may need to change your thinking.

Copyright Steve Gillman. Go see if you're making two common Money Mistakes, and get the free "Unusual Ways (To Make And Save Money) Newsletter," at: <http://www.UnusualWaysToMakeMoney.com/money-mistakes.html>