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## FAILURE DUE TO LACK OF PLANNING

**DISCLAIMER - I am not a Financial Advisor and do not work for any Brokerage Firm. The opinions given are my own and are not to be used as professional advice. These are my findings and can hopefully help you to make informed decisions on investing. Consult a Broker or Lawyer before making any investment.**

**When it comes to investing, there is no substitute for having a clear and concise plan. A plan followed by actionable steps leads to success. In life, we have so many reasons to delay our starting to invest. We may think that we simply do not have any extra money to invest. There are always unexpected expenses that will give you an excuse to wait until next week or next month. Thinking like this is a sure way to never get started.**

**“He who fails to plan is planning to fail” according to Winston Churchill.**

Even a minimal plan with minor amounts of savings is a plan to get off to a good start. The number one regret I hear from investors is that they wish they had started investing sooner. I know that is true in my own life. I started investing in my 20's but failed to be consistent year after year. And then life happened. We raised three kids, and it wasn't until I was in my 50's that I got a serious plan of action in place. Since then, I have consistently invested monthly.

In his book Personal Finance, Matthew Collins states that "A plan without action is just a dream." Action is required on your part. And your first action is to get started. Maybe just \$10 a month, but start and be consistent. Once you see some returns, you will find a way to increase your investing amount.

Investing is not all easy. Andrew Carnegie once said "Anything worth having in life is worth working for. "

So we must make up our minds to get started, and then come up with a reasonable Investment Plan. I can not over emphasize the importance of starting now while you are young.

Last year I read the book "I Will Make You Rich" by Ramit Sethi. In his book, he gives an excellent example of two people, one who started at age 35 and the other who started at age 45.

Smart Sally sets up an investment account with \$200 a month and only invests for 10 years. Dumb Dan waits until he is 45, and he puts in \$200 a month for 20 years. Who has the most money based on a conservative return of 8% at the age of 65?

Smart Sally, having only 10 years of monthly investments has \$181,469.

Dumb Dan invests \$200 a month for 20 years, but because he started late, his balance at age 65 is only \$118,589. He invested twice as long, but is \$60,000 less because he started late. Think the huge difference if the monthly amounts had been \$500 monthly.

Now starting late is better than never, but see my point. **START NOW.** Time is on your side when you invest when you are young. Time is not on your side after you pass the age of 50.

Don't let me hold you back if you are over 50. It is much, much better to get started now than to never start.

In this Ramit Sethi book, he goes over dozens of excuses why people do not invest. Many have to do with the claim they don't have the money, or that it is someone else's fault. It is not someone else's problem.

Ramit Sethi lists several counter-cultural excuses:

LOL! Invest? I can't even save enough for a pizza.

Maybe if baby boomers hadn't ruined it for all of us.

I have social anxiety so I can't do that.

Do you know who's the real victim here?

Me. I'm offended at you being offended. And at the stupidity of this entire victim culture.

I refuse to play into the theatrics of how you can't afford to save even \$20 a month. We play the cards we're dealt. I believe in focusing on what I can control.

I love Ramit's in-your-face approach. So many today blame someone else when the issue is really ourselves. It is your problem. As Dave Ramsey has said over and over, the main problem is the guy in the mirror. Knowing what to do is 20% of the equation, and doing it is 80%.

Once you get started, it will be easier. I know. It was hard for me to get disciplined and consistent. We are creatures of habit. I will close this article with a little poem I read.

Sow an act and you

Reap a habit.

Sow a habit and you

Reap a character.

Sow a Character and

You reap a destiny.

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