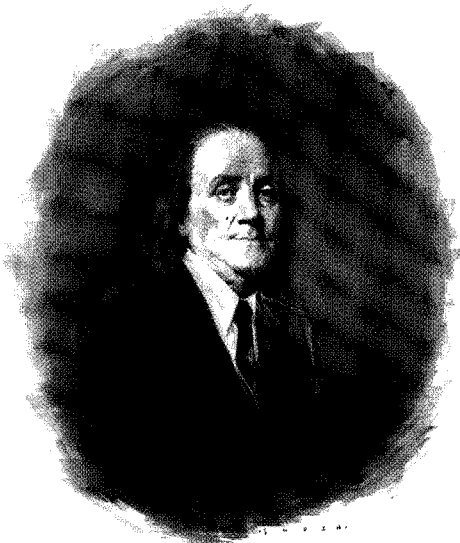




By Rajen Devadason



FRANKLIN'S WAY TO WEALTH

One of America's greatest ever leaders was Benjamin Franklin, a self-made millionaire who was also very much a visionary. This article pays tribute to his astute and still-relevant ideas for a more fruitful life in the future.

AMERICA'S first self-made millionaire was Benjamin Franklin. Starting as a runaway printer's apprentice, he raised himself up to national influence and international prominence through hard work, constant self-examination and awesome people skills.

His accomplishments were astonishing. In an era when retirement was unheard of, when most people toiled until they dropped, Franklin retired at 42 from his printing and newspaper businesses. He then spent the remaining 42 years of his life on public projects, scientific experimentation and the not inconsequential task of ridding America of British Colonial rule!

From our vantage point, Franklin is best known as one of his country's most important Founding Fathers, a major participant in drafting both the Declaration of Independence and the American Constitution, and a signatory of both documents.

Because he left written records of his mistakes, failures, plans, ideas, the principles he tried to live by, the strategies he implemented, and the disciplines he nurtured, today we have information relevant to our 21st Century quest for success.

Till recently, there was just one problem. Franklin lived from 1706 to 1790, so the language of his written autobiography is difficult for today's readers to grasp. That's why scholar Blaine McCormick recently created a chronologically accurate, modern translation of Franklin's classic. McCormick's version is entitled *Ben Franklin - America's Original Entrepreneur*. If you're interested in learning how to prosper in the private, public and business arenas, I'll give you the advice I often extend to my personal and online consulting clients: Buy and read a copy of McCormick's *Franklin* for yourself.

Since most readers of *Malaysian Business* are investors, you'll find it interesting that McCormick invited John Bogle, the retired founder of The Vanguard Group, one of the US's leading mutual fund companies, to write the foreword to his book. (For those who don't know, Bogle (pronounced 'bow-gel' not 'bog'l') is a well-regarded 'deep thinker' in his own right who has generated waves within the American investing community by championing the rights of small investors.)

Bogle wrote: 'Consider Franklin's greatest creations: The Colonies' first fire company; the nation's oldest property

insurance company, still thriving today; the Franklin stove, whose stunning efficiencies slashed families' heating costs; and the lightning rod; along with a library, a hospital, and a college (now the University of Pennsylvania). Now there is one truly eclectic entrepreneur.'

Other works by Franklin that have survived to our day include his annual *Poor Richard's Almanac*, and *The Way to Wealth*. Drawing from his writing, I've identified 12 Franklinisms, which those who yearn for long-term success will find invaluable (*see table*):

1. 'Think of three Things, whence you came, where you are going, and to whom you must account.'

Most of us now live lives so busy, so packed with activity that we seldom stop long enough to figure out why we do what we do.

A little more self-examination, done in solitude with a pen and a piece of paper, would do wonders for us. Help yourself to specific guidelines for doing so at www.freecoolarticles.com/GS2.htm

2. 'He that won't be counsell'd, can't be help'd.'

Do you try to retain a sense of humility so you remain teachable? If you don't, you run a high risk of making repeated economic mistakes that may batter your

personal net worth.

3. 'Early to bed and early to rise, makes a man healthy, wealthy and wise.'

This phrase has been used so many times across the centuries, it's now the ultimate cliché. However, it remains a great truth parents should teach their children, and adhere to themselves!

4. 'Being ignorant is not so much a Shame, as being unwilling to learn.'

Unless you plan never to retire, invest the time and money to learn about your profession, saving and investing, as well as economics and business. If you do so regularly, without ever letting up on yourself, you will accelerate way, way ahead of your peers ... just as Old Ben did!

5. 'The Doors of Wisdom are never shut.'

Readers are leaders. Inculcate the habit in yourself and in every member of your family. If you'd like a free five-year reading blueprint to help you learn more about money, download my ebook *26 Books to Take You All the Way to the Top* at <http://www.freecoolarticles.com/giftcentre.htm>

6. 'Would you live with ease, Do what you ought, and not what you please.'

In your career or business, there are certain tasks that are downright unsavoury. Either do them yourself or hire and train someone else to do them for you. Just make sure they get done!

7. 'He that cannot obey, cannot command.'

To be a great boss, you must first have learnt how to be a great employee. Soldiers are trained for command by first being taught how to take orders. If you plan to find economic success through your own business, do what it takes to learn the core skills needed in a true business leader.

8. 'He that hath a Trade, hath an Estate.'

According to Thomas J Stanley and William D Danko's 1996 bestseller *The Millionaire Next Door*, '...self-employed

people make up less than 20% of the workers in America but account for two-thirds of the millionaires.' To my knowledge, there are no corresponding statistics for Malaysia. In the absence of such research here, personal observation will have to do. So, based on all the people you know, which category of Malaysians have a better chance of becoming economic overachievers; the

FRANKLIN'S 12 DOCTRINES OF SUCCESS

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8. 'He that hath a Trade, hath an Estate.'
9. 'Sell not virtue to purchase wealth, nor Liberty to purchase power.'
10. 'Keep thy shop, & thy shop will keep thee.'
11. 'Beware of little Expenses, a small Leak will sink a great Ship.'
12. 'Promises may get thee Friends, but Nonperformance will turn them into Enemies.'

business owner or the employee?

9. 'Sell not virtue to purchase wealth, nor Liberty to purchase power.'

It's been proven time and again that it's possible to compromise your principles for a quick buck. The trouble is if you succumb to that temptation, at the end of your life, you stand a good chance of having grown rich in financial assets but ending up impoverished of friends, values and respect.

10. 'Keep thy shop, & thy shop will keep thee.'

Both business owners and employees can build a 'shop' that supports them in the future. Quite apart from a business, which only entrepreneurs and self-employed professionals and craftsmen are likely to

establish, everyone can build a personal portfolio of savings and investments. Your goal in this regard should be to ratchet up your savings and investment rate. The goal I urge my consulting clients to make their own is to reach a 40% to 50% savings and investing rate, over a 12-year period. Set a challenging target for yourself in this matter.

11. 'Beware of little Expenses, a small Leak will sink a great Ship.'

Your economic success is measured not by how much you earn or how much you spend but by how much you keep and grow.

A sensible wealth-building strategy, therefore, is to identify 'leaks' by constructing a cashflow statement and then examining your expense profile. It should then be simple enough to zero-in on entrenched expenses that consume cash without returning sufficient satisfaction or benefit. Get rid of those first, then channel the money you've 'rescued' into your portfolio.

12. 'Promises may get thee Friends, but Nonperformance will turn them into Enemies.'

When I train financial planners, unit trust agents and insurance agents, I urge them to 'under-promise and over-deliver'. That's good advice for every area of economic activity.

I hope you'll take the time to reread this article once a month in the coming year. With each new reading, focus on instilling just one of Franklin's wise ideas into your life, work, business or portfolio. If you'll carry out this simple exercise, it's likely that in 12 short months, you'll be richer.

With that hope, I leave you with this message from Benjamin Franklin: 'Reader, I wish thee Health, Wealth, Happiness, And may kind Heaven thy Year's Industry bless.' **mb**

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