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COURSE NAME:
How to Achieve Financial Independence

Assignment Title:
How to Achieve Financial Independence

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Introduction

Financial independence is the status of having enough income to pay one's living expenses for the rest of one's life without having to be employed or dependent on others. Income earned without having to work a job is commonly referred to as passive income. The way individual or group of people can pass through in order to reach financial goals. After all, the ability to no longer need to work for money to live so this dream happens once you have enough money saved and invested to never need to work another day in your life. Although you might decide to work at a job you love, there is great freedom in knowing that you'll never have to work another day in your life. A big part of the financial independence journey is determining just how much money you'll actually need to make this dream a reality.

Body of Assignment

What do you learn from the article?

The following things I have learned from the article are listed below:

Prioritize savings

This means that whatever you do it is important to save money for the future use because we live today the life change even we never know what tomorrow will bring so that we must focus on serving our money especially to the tangible things which can accumulate its value a period of time for example; like student it is good to buy a new book instead of buying clothes and then can remain by wearing old coats, for those who are investors to buy properties like lands, forest, houses and many others it is good instead of saving money on bank account because money saved on that properties are very easy to evolve an other money at all.

Spend on what matters to you

This means to use money on important things, not for everything we can buy. This can be the matter of priority before you make a purchase, to make sure that the item is worth it to you. You'll have to decide for yourself what is 'worth it.' But taking the time to think through your purchases could lead to a decrease in spending.

Avoiding lifestyle inflation

This is to avoid unnecessary things. Most people when their income rises they raise their expenses means that in the journey of financial independence we need to remain

constant without spending a lot of money so we can spend less on important tools and save more money as long as we can in order to sustain our financial health.

Boost your income

It is good to create opportunity to make more money by using different possibilities due to more you have different simple projects more you have ability to gain much money one can fail other can recover that loss and life continue without any problem.

Stay focus on what you want to achieve

Many people no need to resist something until when it's come to pass they given up before achieving what the have already started and they didn't know that a winner is someone who tried multiple time until he win so that whosoever continue to try her/his best no doubt s/he have to receive that blessing but people didn't know how things manifested in this realm.

Time for retreat

Many people they didn't take a time for their own thoughts to know what they did wrongly way and how to collect it in order to excel in this life because none is perfect when you fail to achieve something doesn't means that life is end may be there is something wrong or mistake would be collected toward your destiny so that it's better to throwback and think again and learn from the mistake.

Convert your words and thoughts into action

Many people are good at talking and brainstorming ideas to change their life but they didn't make it most of them fear a loss others they didn't care even takes life easily according to their mindset of believing that everything happen in this realm as God planned it to be before they born all of that thoughts can limit their advancement and breakthrough that's why are very few people who can excel in this life.

How can you apply the knowledge to study better at AIU?

The knowledge I have learnt from this course to study better at AIU, as an AIU graduate I have a dream to break paradigm in order to become AIU alumni so that it's need more effort and money to invest everyday I tried my best to handle this and also to achieve that dreams need to invest time even also no day could pass away without learning from it or gain something important to overcome daily issues even make chose to the priority because in life there's so much thing need money and time for example: I'm

studying right now but nothing should hinder my time and budget planned for study as I took it as priority as also education is investment seems as if any one achieved PhD level and finding a good job which can offer s/he salary related to his/her level become source of wealth.

What are the specific details in the article that are highlighted?

Spend less than you earn: It might be obvious, but it's one of the most difficult financial behaviors to execute. Adhering to a lower standard of living and expenses will help you put more money into savings and investments sooner.

Build smarter safety nets: Emergency funds and insurance are rarely discussed in combination. The traditional definition of an emergency fund is a separate account for cash that can be used instead of credit to repair a broken appliance or other expense that may run a few hundred dollars. However, many people keep insurance deductibles high to keep premiums low. Would you have enough cash on hand to cover an insurance deductible if you had a sudden claim? If not, build your deductible amounts into your emergency fund.

Consider your career: Financial independence doesn't require you to quit a career you love, but you really can't get to financial independence without steady income to fuel savings and investments that will build over time. Speak with qualified advisors about your income, benefits and retirement picture first, and see if you might be able to expand your sources of work-related income, such as consulting part time. Also keep in mind that over the age of 50, the Internal Revenue Service allows you to make catch-up contributions

Always know where you are financially: Financial planning isn't about making one set of financial decisions and assuming you're set. Lives and situations change and your financial planning must be flexible enough to withstand both positive and negative changes without derailing your hopes for financial independence. If your forte is not investment, financial planning or tax matters, by all means bring in qualified experts to help.

Budget: Budgeting the process of tracking income, subtracting expenses and deciding how to divert the difference to your goals each month – is the essential first task of personal finance. If you haven't learned to budget, you need to do so.

Visualize first, then plan: Start by considering what your vision of financial independence actually looks like – and then get a reality check. Qualified financial experts can examine your current financial circumstances, listen to what financial independence means to you and help you craft a plan. The path to financial independence may be considerably different at age 20 than it is at age 50; the more time you have to save and invest generally produces a better outcome. But at any age, start with a realistic picture of your options.

Conclusion

Financial independence is not easy to obtain. It will take hard work, sacrifices, discipline, and teamwork, but it will be well worth it in the end. This is not a get-rich-quick blog post, but if you apply these concepts, you will find yourself closer to financial independence. With the right amount of passion, dedication, education, and hard work, anyone can achieve their goals and dreams. When building wealth, the length of time to get to the finish is different for everyone. However, if you start today you will be one step closer than you were yesterday. It is most attainable and sustainable to those taking the time to make and adhere to a plan. Creating a retirement budget, an emergency fund, and defining your retirement goals are excellent first steps. Contact your financial advisor at Shepherd Financial Partners for guidance on these steps and for assistance moving forward. You worked hard to reach retirement, and you deserve a plan that will allow you to enjoy your retirement to its fullest.

The opinions voiced in this material are for general information only and are not intended to provide specific advice or recommendations for any individual. There is no assurance that the techniques and strategies discussed are suitable for all investors or will yield positive outcomes. Investing involves risks including possible loss of principal

Bibliography

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