



**Your Money Turnaround
(Part 4)**

**Making Sure the Emergency
Never Happens Again**

Making Sure The Emergency Never Happens Again

Hello, and welcome. This is Naomi from IttyBiz, and you're listening to the Money Turnaround track, part 4, called Making Sure The Emergency Never Happens Again.

In this section, we're going to talk about how to avoid being in emergency mode from now on. We're going to talk about finally building up some savings that will save you from the stress and the panic and the danger that you're experiencing right now. The whole point is to make sure this never happens again.

This part is important, so pay attention: I am not going to give you pat advice on how you should cut back on lattes. I hate when people do that, it's ridiculous and doesn't address how human psychology works. We're going to talk about what works. And we're going to make building up that savings fund painless, even if you have zero in the bank, and you feel like there's no hope of getting more in the future.

Before we begin, I just want to tell you that you're doing great because you've taken the time to listen all the way through to the end of this track. That shows that you're serious about turning around your ittybiz, because you're following through. I know you can do this, and you're proving me right already. So congrats.

Now, let's get started.

Stop Calling Yourself "Broke"

Let's talk about feeling broke. And not just feeling broke, but calling yourself broke. That needs to stop, and it needs to stop right now. It needs to stop because what you call yourself on an everyday basis decides what you are on an everyday basis.

Think about this. Let's say you're an artist – or you really want to be an artist, but you have a day job as a nurse at your local hospital. What do you call yourself? You call yourself a nurse, because every day you do your nursing thing. You're very, very good at doing the things a nurse is in the habit of doing.

From 9 to 5, you're doing the things a nurse does, even though you want desperately to be a full-time artist. But because you call yourself a nurse, you stay a nurse. Your time is spent making the nurse job happen, and any art you do is really just dabbling. Art does not get made. Sales do not get made. And a nurse you stay, forever.

All this happens because you labeled yourself a nurse who just happens to want to be an artist. But what if you changed how you labeled yourself? What if you said to yourself, “I am an artist who just happens to have a job as a nurse?”

I’ll tell you what would happen. You’d start to change. Immediately. You wouldn’t be a nurse anymore. You’d be an artist with a temporary day job. You’d know that deep, deep down you’re an artist, and so you’d start becoming dissatisfied with not doing the things an artist does. You’d make more time for your art. You’d pour more of yourself into it. You’d get your day job done, and done well, but art would start flowing out of you.

So here you are, artist with a day job, and you’re making the time to do more art, and to work at selling that art, because you. are. an. artist, by God. You can’t not do your art and share it with people. So art does get made. And sales do get made. And eventually, you become an artist who used to have a day job.

It all comes down to this: You can’t become one thing by telling yourself you’re another. You can’t become a full-time artist by labeling yourself as a full-time nurse. And you can’t become successful at your ittybiz while labeling yourself as broke.

Your label – whatever it is you decide to call yourself – sends a very clear, very strong message to your subconscious that says “Yes, this is what I am. Let’s stay here, shall we?” And if your personal label is “broke,” then you won’t DO the things that make you money. You won’t do the things that build your ittybiz.

And you won’t be anything but broke, because you’ll have become very, very good at keeping the everyday habits that keep you broke. Your brain wants to help you keep your sense of identity, so it will make you keep the habits that support being broke.

In other words, having no money is not a **problem**, it’s a **habit**. And you can’t change your habits without telling your brain what habits to support. Changing a habit takes action – you have to stop doing X and start doing Y.

The first step to not being broke is to tell yourself – and I mean tell yourself – every day that you are not the kind of person who stays broke. You are the kind of person who makes sure money is available. You are the kind of person who makes sure there’s a cushion so that when something comes up, it’s not an emergency.

Even if you have zero in the bank, you have to start telling yourself you're the kind of person who has the habits of turning zero into a bigger number every month.

So now let's talk about how to make that bigger number happen. I have a story for you.

A Little Story About Saving Money

Years ago, my lovely mother visited France to see my brother, Julian. Upon seeing her son, she was pleased to see that he had lost a lot of weight and was looking quite good. She was happy. Julian wasn't.

"Julian!" she said, "you've lost a lot of weight. Good for you for being so disciplined. However did you do it?"

Julian said, "I have no money for food, Mom."

And thus, Julian came up with a very smart way to start turning that around, which I will give you the details of now.

Julian took a piece of paper and drew a line down the middle. On the left side, he wrote down all of his expenses. Rent, clothes, and various things he spent his money on every day. All the places where money was outgoing. On the right side, he wrote down how much was going into savings. This was simple, because it was zero. Nothing.

That's where Julian was. The trick, he decided, was to start taking money from the left side of the page, and start moving it to the right side.

Then leave it there.

That's the whole system.

It's not exactly rocket science. No bestselling book is going to be written on this one. But it works, and here's why.

Nobody wants to save money, because it feels like a drop in the bucket. If Julian put 5 euro in the bank in Rouen that day, it would feel like 5 euro. No fun at all. What are you going to do with 5 euro? What's the point of that?

But here's where we play a little game called messing with your head, for fun and profit. If Julian looks at the left side of the page and says, "I spend money on beer. If I move 5 euro a week from the beer side of the page to the savings side of the page," that's not painful. But that's 20 euro a month. If he says, "I spend money on transportation. If I move 10 euro this month from the transportation side of the page to the savings side of the page," that's not painful.

But now we're up to 30 euro. And if he does this for one or two other things, now he's up to 50 or 60 euro a month. It's not riches beyond measure, but it's something. And that **something** counts, very, very much.

Here's why: You will never start saving money as long as you see the little bits you save as just a drop in the bucket. When you think of one small drop, and one big bucket, you don't see the point. But when you can see the drops going in, you start seeing that the bucket starts getting fuller and fuller every month.

And when you can see those drops filling that bucket, you start wanting to fill it faster.

When you know that you're putting \$5 or \$10 into savings every month, you start seeing yourself as someone who saves and has money, and you stop seeing yourself as broke. It may be just \$5 or \$10, but it's something. You're breaking the pattern. You're replacing the habits of an I-am-broke person with the habits of an I-have-money person.

And when you start having money, you want more. If you start out just moving \$5 from the food side to the savings side, it doesn't hurt that much. So start with that. Just \$5, each month. That's a buck twenty-five a week. It's not painful. And when you get into the habit every week of realizing it's not painful, you're going to start wanting to do a little more.

You're going to start seeing every purchase you make as an opportunity to move money from the left side of the page to the right side. You're going to pick up that \$10 thing you don't need at the store and say, "Hey, I don't need this, but I was about to burn the \$10 anyway. If I put that into savings this month, I'll have \$10 extra."

This will happen again and again, and that \$10 will turn into \$20, and \$30, and \$50 and \$100 a month, not because you're denying yourself or cutting back or tightening

your belt, but because you're consciously getting excited about not buying so much stuff you don't need any more. It actually becomes fun. You actually want to do it. And that bucket actually starts getting filled.

And it's not painful. It's exciting. It makes you feel stronger, and smarter, and really, really good about yourself. And before you know it, you have a brand new habit, and you didn't even see it coming. Screw discipline. You're winning a game here.

So if you're calling yourself broke, stop it. You are a person who saves money. And if all you can do is move \$5 over to the right side of the page for the next 6 months, you go and do it. It will start changing your life. Promise.

Make Every Windfall Count

We're going to wrap up by talking about windfalls, and what to do with them. Windfalls are those random bursts of money that come your way all the time. You find \$10 in an old jacket pocket. You get that \$200 tax rebate. You sell \$300 more this month than you expected to, and it's all profit.

What to do with these unexpected windfalls? Here's what to do: Save the amount that makes you happy, and spend the amount that makes you happy.

If you find \$10 in that old jacket and the idea of putting it all into savings makes you feel not-so-broke anymore, then you go and do that. If you get that \$200 tax rebate and you want to treat yourself, then consider splitting it in half and putting \$100 into savings and spending the other \$100 on whatever you damned well like.

If you do this, two things will happen that will make you feel less broke. First, you'll be putting unexpected money into savings. "Yay, savings!" your brain says. "Now we have more money and we're not broke!" It's good times for your brain.

And when you spend that \$100 on something nice that you want, your brain says "Yay, spending! We're actually buying something with cash and not a credit card! This is actual, real cash we have to spare!" Your brain gets that good feeling all over again. And you're breaking the habit of feeling broke from both angles, without even trying. Without denying yourself. Without anything painful at all. And that's how you win.

Now, there's nothing wrong with putting that whole \$200 in the bank, either. Your brain will still party it up thinking "Yay, we didn't spend money on things we didn't need! Look how smart we are, you and I!" All good feelings. All breaking the cycle of seeing yourself as broke. Either way you slice it, everybody wins.

I want you to win. I want you to want it, too. Change the label you have for yourself in your head, stop seeing yourself as broke, and start building that savings fund that will help make sure that this emergency situation never happens again. You can do it. I believe in you.

Thanks for listening to part four of the Money Turnaround track, called "Making Sure The Emergency Never Happens Again." I'm Naomi from IttyBiz, and I'll talk to you very soon.