

SUCCESS AND MOTIVATION IN FINANCE AND ENTREPRENEURSHIP DEVELOPMENT



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FOREWORD

This book entitled, “Success and Motivation in Finance and Entrepreneurship Development”, according to the author is a follow-up to his previous book, titled “Financial Literacy and Entrepreneurship Development: Tools for Wealth Creation”, published in 2011.

The present book which is also primarily a motivational and self-development book (like the previous publication), contains a large dose of entrepreneurship tips and ideas which are equally suitable for job creation in our country today.

The book is equally coming at a time when more than 90% of tertiary school graduates are unemployed and majority are unemployable. The reason is perhaps, because entrepreneurial and skills acquisition courses are not offered in most of the tertiary institutions. Consequently, this book has come at the right time to fill this yawning gap in our educational setup.

The book is divided into two sections, namely Section A and B respectively. The reason for this approach, according to the author is to give adequate attention to the most important issues which motivate and inspire people into becoming successful and outstanding business persons. For instance, the author in Section A defines Success and Motivation, which are keys that motivate people into taking a plunge to venture into business and entrepreneurship. Other issues discussed in Section A, such as: Building your Success Complex, Science of Personal Motivation; Secret of Personal Achievement, etc, are all very important issues which budding and even accomplished businessmen and women should internalize for their eternal welfare and prosperity.

Section B of the book is equally full of skills which the modern and budding entrepreneur requires to excel in this highly competitive business environment.

Infact, I highly commend the author of the book for his painstaking research, which has resulted in the production of this master piece of a book.

I have therefore no hesitation in recommending this classical and inspiring book of our generation to all those interested in economic development/empowerment, skills acquisition, etc. Without any doubt, the book will be of immense benefit to students, teachers/scholars, administrators, businessmen and women, etc.

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ACKNOWLEDGEMENTS

Honestly, it is not easy to say a big “Thank You” to all those who encouraged or supported me in producing this magnificent book, which will awaken the entrepreneurial spirit of our people by changing their mindset. This book is another thank you to my late parents, who first inculcated in me the lasting value of education at an early age.

Their support and encouragement enabled me to appreciate education as a vital tool for wealth creation and national development.

My gratitude goes to Prof. Charles Onugu, my former colleague at the National Board for Community Banks (NBCB), Zonal Office, Enugu for his insightful suggestions/contributions during the production stage of this book. I also cherish the encouragement and support of Dr. JVC Iloh, my former colleague in the Department of Banking and Finance, the Institute of Management and Technology, IMT, Enugu. My gratitude also goes to my former colleagues at the National Open University of Nigeria (NOUN), Enugu Study Centre, notably Prof. Patrick E. Eya, presently at the National Headquarter in Abuja and others who encouraged me in the institution.

Finally, I wish to acknowledge all the authors whose work assisted me during the research I conducted, which led to the production of this book particularly:- Mr. Paul Meyer, President of Success Motivation Institute of USA (SMI); Mr. Robert T. Kiyosaki and Sharon L. Letcher, authors of Rich Dad and Poor Dad; the famous Motivational Author of the book, Think and Grow Rich, Dr. Napoleon Hill of blessed memory. There are also several authors whose ideas and work assisted me in producing this great book. However, I cannot find space to accommodate all of them as some are also mentioned under the reference page.

Indeed I remain grateful to all of them and also to members of my family at home and abroad for their un-alloyed support always. I take sole responsibility for any errors and omissions in the book. Finally, I thank God Almighty for his grace and support. I thank you all.

Dr. Charles O. Ukemenam.

INTRODUCTION

This book titled Success and Motivation in Finance and Entrepreneurship Development is a motivational and self-development book. It is designed to educate people of all classes the “secrets” of achieving success and self-motivation in all their daily endeavours, no matter how small.

The author, through diligent research which spanned a period of 30 (thirty years) coupled with his wide personal experience as a retired professional banker/Management Consultant discovered the urgent need for people to be properly groomed in the art of achieving lasting success in life. He also discovered that success does not just come to people accidentally, or through “good luck”, but only through diligent planning, hardwork and focus.

This is the main reason for the production of this highly educative and self-motivational book, comprising two sections.

For instance, Section A opens with a definition of Success and Motivation which is its main topic or focus. Thereafter, the book refers to Success as a journey of life which is indeed endless, and shows one how to build your own Success Complex or Success-Consciousness. The book then proceeds to discuss and dissect other important ingredients of lasting success such as:

- ❖ The Science of Personal Motivation;
- ❖ Secret of Personal Achievements;
- ❖ Power of the Mastermind;
- ❖ Ten Commandments of Possibility Thinking;
- ❖ Power-Plus Motivation for All; i.e. – a very important ingredient for living a successful and worthy life.

All the other chapters in this section contain highly motivational and inspiring materials for success in all human endeavours.

The section closes with Pope Francis’ contribution and ideas, titled; Happiness, Success and Opportunity. Another interesting contribution in this section is by Mr. George Orwell, a British writer, whose real name is, Eric Arthur Blair. He wrote a sensational and popular book titled “Animal Farm”, which was also referred to as, “all animals are equal, but some are more equal than others”. This 18th century author also wrote:- “Five great motives for writing books” (under Chapter Four).

I strongly believe that readers would like to know the reasons people still write books in this Internet Age.

Section B

This section deals mainly with financial aspects of entrepreneurship development generally. The book opens with a definition of Financial Literacy since finance is extremely important in business activities; it also explains why it is very important to study it. The book then talks about Maximizing Your Cash Flow and gives Financial Guidelines for Success in Business. It delves into Entrepreneurship Development for All, then it talks about the “Asian Tigers” Development Model through the Micro-Finance Banking System.

In Chapter Six, the book presents a novel topic in Financial Studies, titled: “Financial Intelligence for All”. The book explains what financial intelligence is all about and broad areas of understanding its perspectives, etc. It is a must read for everyone.

Other topics of great importance such as:- Sourcing of Capital for Small Businesses; Bank Lending, Mortgages and Securities; The Financial or Business Plan is illustrated, Preparation and Presentation of Trading, Profit and Loss Account, Balance Sheet of a Company are illustrated practically in the book.

There is no doubt about the abundance of knowledge (both theoretical and practical), which this unique book of the decade contains for your delight. Happy Reading!

Dr. Charles O. Ukemenam,
(Author)

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CHAPTER ONE

SUCCESS AND MOTIVATION DEFINED

INTRODUCTION

As we already know, Success means many things to a lot of people, depending on one's perspective about life. To aid our journey on this voyage of success, I consider it appropriate to firstly define this word which has a universal appeal and acceptability. Success is defined by the Oxford Advanced Learner's Dictionary of Current English Language (2002 Edition), as follows:-

The ability to achieve something that one has been trying to get or do;

To have a good result or effect that was intended in pursuit of a goal;

The act of achieving one's aim, goals, objectives or what was intended by someone.

It should be noted however, that various Dictionaries present different meanings of the word success, just as the word has varied meanings to every person. For instance, Dr. Napoleon Hill, one of the most renowned motivational writers of the 20th century, who after defining success talked extensively about "success-consciousness". Talking about success and happiness Dr. Hill stated that, "success-consciousness is the place where all achievement begins. It is a time in your life when you first realize that there is a happy and successful way to live". According to him, you suddenly discover that you can change or alter your life for the better. If you purposefully decide to change and then follow through your plans, you will attain your desires which lead one into developing "success-consciousness" and more successes in other endeavours.

Now, having gained "success-consciousness", you then begin to search for everything you could do, read or hear to satisfy that hunger to succeed in achieving that success or goal. In other words, it is quite safe to aver that success-consciousness is a trigger which releases the hunger or a serious desire for success in people.

As a matter of fact, I have personally read many books, spent many hours listening to tapes and records, I found a basic truth that methods and techniques change, but principles never do. It also applies to the principles of success.

FURTHER DEFINITION OF SUCCESS

Now, if you were asked to define success, what would be your answer? Perhaps you may never have thought about it. There are probably as many different definitions for success as there are people in the world. For example if you were to ask a businessman his definition of success, he might say that being successful means making a lot of money, or making millions of Naira, Dollars or British Pounds/Euros.

A football coach may believe that winning the National League trophy in the year is the pinnacle of success for him. To a salesman, success to him means becoming the number one, (or best) salesman in the company for the year. A student's dream of success might be that golden moment when he/she receives the institution's degree or Diploma Certificate.

Success to the housewife could be her role in the proper up-bringing of her children and the successful completion of their studies, thus securing good jobs for them. To the architect or civil engineer, success would probably mean the design and erection of beautiful buildings on the city's skyline.

The factory worker may feel successful when he/she knows that he has given his employer a good eight hours of satisfactory work each day. To an aspiring young lawyer, a desire to become President of the Bar Association may be the ultimate success.

As we can see, success means many things to many people. Everyone may have a personal definition for success, but only few persons have actually thought deeply about what it entails. Success is obviously much more than any of the preceding definitions, because it involves a lot of planning (and action) for one to succeed. It must therefore be considered in greater depth and details to reveal the proper definition of true success.

It is equally important to realize that money earned through money-grabbing, 419 business, corrupt practices and illegal business transactions cannot be included in the definition of success. These are merely short-sighted view of "success", because having money by all means does not make a person successful. Recent events have shown that people who made their money through fraudulent and dubious means cannot escape the long arms of the law, no matter how long it takes. Imagine the level of disgrace and shame which the family and friends of fraudsters face when they are unmasked to the public. We should therefore not forget the good old saying that "honesty is the best policy". This maxim still remains valid till eternity, no matter what happens in the world. Fortunately, for us, modern research has shown that there are certain secrets of becoming successful through honest means and by following scientific and natural laws which shall be revealed in this book.

FURTHER DEFINITION OF SUCCESS

Having done an introduction to success, it will thus be appropriate to define the word success. The Oxford Advanced Learner's Dictionary of Current English (Special Edition 2001), defines success as a "**noun**". It defines it as follows:-

- (i) ...”The fact that you have achieved something”.....
- (ii) The fact of becoming rich or famous, or getting a high social position”.
- (iii) “A person (or thing) that has achieved a good result and been successful”.

The above-stated definitions are followed with some illustrative sentences such as:-

- (i) “I didn’t have much success in finding a job”.
- (ii) “She was surprised by the book’s success at the Book Fair”.
- (iii) “She wasn’t a success as a teacher”
- (iv) “The party was a huge success”

It is expected that with the above-stated definitions and illustrations, the meaning of the word “success” has become clear. Readers are kindly requested to consult other standard English Language. Dictionaries for further elucidation if necessary:

However, inspite of different and varying definitions of the word success, an anonymous writer, apart from his definition, concluded that”success is a journey an endless one from birth to death”. What is your opinion about it?

Dr. Paul J. Meyer, New York Times Best-selling Author added another dimension to the definition of success when he added that...” attitude is everything, if you want to succeed above and beyond”.

Continuing, he said that **attitude is a habit of thought** “who you are is a function of specific choices you have so far made in your life. Who you are is not determined by how you look, where you live, or who your parents were. You are where you are, and what you are because of the **dominating thoughts** that occupy your mind constantly. Having a positive mental attitude definitely propels one to succeed. You have the power to change, to be, and to achieve any goal you want, and succeed”.

MOTIVATION DEFINED

Motivation is a word derived from “motive”, which simply means – “a reason for doing something by someone”. People have different motives or reasons for doing whatever the person does. For instance, **profit-motive** is the reason lots of people embark on business undertaking, e.g. trading, manufacturing, marketing of goods and services etc. The main motives which make people embark on commercial activities is described as the “desire to make profit”, which can equally be described as motivation for embarking on business ventures, etc.

However, motivation is a general term which applies to the entire class of drives, desires, needs, wishes and similar forces which push or motivate people to embark upon ventures of any kind. Motives or motivators are forces or factors which induce individuals to act or perform, and these are forces that influence human behaviour. Motives specifically refer to the drives, desires, needs, wishes, and similar forces that channel human behavior towards goals and objectives.

We can then look at motivation as involving a chain-reaction by starting out with personal needs, wants or achieving goals sought by the person involved. It is observed that without proper motivation, people shall be unable to achieve success in their endeavours, no matter how hard they try. Experience has also revealed that people who wish to succeed in their various endeavours should possess a measure of self-motivation to achieve success.

It should be noted however that the word motivation is quite easy to understand and does not require a dictionary definition. Nevertheless, one may need to consult a standard dictionary if necessary.

The following are ways of attaining self-motivation which is very essential in achieving one's goals:-

- (i) The individual himself should have the responsibility to motivate (or stimulate) his desire to achieve success.
- (ii) Set a goal (or goals) to be achieved within a time-frame. Set short-term goal of say two to three year period. Medium term goal – four to five year period and long-term goal – six to ten year period. Please note that some people also make attainment of their goals a life-long ambition.

For instance, Mr. Lee Iacocca, an American manager at Ford Motor Company USA had the goal of becoming Vice President of the company when he was 35 years of age. He pursued this goal conscientiously for 15 years before his goal materialized. Several people elsewhere have achieved similar feats through dedication and hard work over a period of time.

- (iii) Supplement your long-term objectives with short-term goals and specific actions. For instance, your long-term goal or objectives should equally have short-term goals, which go on simultaneously to enable you achieve your main objective (as in (ii) above).
- (iv) Learn a challenging new task each year. Learning to become a manager (or company Vice President) does not stop with having a Bachelor's or Master's Degree

in Business Administration. A degree is the real beginning, not the end of learning. Learning and applying the new computer technology and latest ICT applications will surely help you in achieving your long-term goal (as in (ii) above). For instance, a young Accounting graduate may equally enroll for professional Accounting course of ICAN, ACIB, etc.

- (v) Make your job a different and interesting one by introducing some improvements and innovations into the job. With some imagination on the job, you will probably increase productivity and profitability for the company.
- (vi) Develop an area of expertise on the job, you may want to be known as the best Accountant, or the best Engineer in your specific area of competence in the company. The company's management definitely will not fail to reward hardwork and dedication to service through promotions.
- (vii) Setting verifiable goals for yourself provides you with a standard against which you can measure your performance in relation to your goals and objectives. Please, note that it is almost impossible to achieve your goals or objectives if you do not have a proper motivation, or desire to achieve it. This is the reason self-motivation has become a very important issue in looking at how to achieve success in life's endeavours.

MOTIVATION RE-DEFINED

Motivation is a word derived from motive, (a noun) which is simply defined as follows:- a reason for doing something. For instance: one may say he had a profit-motive in undertaking that business transaction; or the man had an ulterior motive in employing that lady.

Motivation is defined by Harold Koontz and Heinz in their book, "Management" 9th edition 1990, as follows:-

"Motivation is a general term applying to the entire class of drives, desires, needs, wishes, and similar forces. To say that managers (or employers) motivated their subordinates, is to say that they do those things which they hope will satisfy these drives and desires, and induce the subordinates to act in a desired manner." Human motives are based on needs, whether consciously or sub-consciously felt. Some are primary needs such as the physiological requirements for water, air, food, sleep and shelter, while others may be regarded as secondary needs, such as self-esteem, status or position, affection, accomplishment and self-assertion, etc.

Views of some experts on Motivation:

- (i) Robert Louis Stevenson, a novelist and author of the popular secondary school novel/literature book entitled, “Treasure Island”, was bedridden with convulsion. But this disease did not block his **positive view of life**. On one occasion, he looked at the rays of sunshine hitting the walls of his bedroom and told his wife; “I do believe it is a wonderful day. I will never permit a row of medicine bottles to block my horizon (or vision). In all that happens, to me, I always try to see the positive side of life”, he concluded.
- (ii) Also, never forget the priceless side of Rev Dr. Charles Swindoll, who stated that, “life is 10% of what happens to me and 90% of how I react to it”. Truly, you cannot control whatever happens to you, but you can at least control your reaction to it. Don’t see (or look) at what you had lost, but look at what is left in your possession and work with it.
- (iii) Walter Henley was a British Poet and Philosopher who wrote the prophetic lines, “I am the master of my fate, I am the captain of my soul”. He should also have informed us that we are the masters of our fate and captains of our souls, which is indeed a reality.

And because we have the power to absolutely control our thoughts and actions, he should have also told us that our brains become “magnetized” with the **dominating thoughts** which we hold in our minds. Through this means, these “magnets” attract to us the forces, the people and the circumstances of life which harmonize with the nature of our **dominating thoughts**. He ought also to have told us that before we can accumulate riches in great abundance, we must **magnetize** our minds with **intense desire for riches**. We then become “**money-conscious**” until the desire for money drives us to create definite plans for acquiring it. Little by little, the truth has thus unfolded itself because until now it also appears certain that the principles described in this book hold the secret of mastery to our economic life.

- (iv) Late American President, Mr. Richard Nixon, said “a man is not finished when he is defeated. He is finished only when he quits; because winners never quit and quitters never win”. This is an undeniable fact of life! A lot of successful people could surely testify to this.
- (v) Paul Meyer, a renowned American psychologist, motivational author and speaker, affirmed that... “90% of all those who fail, are not actually defeated. They simply quit!” Ah, what an irony! They quit before their time. So stay determined until you win, because you will surely win if you refuse to quit!

CHAPTER TWO

SUCCESS IS A JOURNEY

Introduction:

Success is simply a journey, not a destination! This theory was put forward by Mr. Glenn Bland, a renowned American Psychologist and Management Consultant.

He also described success as, “the progressive realization of predetermined, worthwhile goals, stabilized with balance and purified by belief. Success is a continuous journey – an endless one at that; the pursuit of success is endless, and it may even end at one’s death”. According to Mr. Bland, “success consists of three main things if you are to gain a true understanding, namely:-

- (i) **Direction or Goal** – Setting your sights on the things that are worthwhile in life, and establishing a plan to continuously work towards their fulfillment and accomplishment.
- (ii) **Balance** – Keeping the proper perspective about every area of your life; staying in harmony with nature’s laws brings about happiness and success in our lives.
- (iii) **Belief** – No man will become successful who does not possess belief in God and himself. The greater his belief – the greater, his degree of success. Successful men are believers”

With these three ingredients as our foundation stone, we have now established our own definition of success, (though there are other various definitions). This will enable us to communicate with complete understanding on this journey we are embarking upon. And when we refer to success, this is exactly what we mean. It is therefore quite important to commit these few words to memory. You will carry them as a guiding light, as long as you live and in this journey of success.

A famous motivational writer once described success as follows:-

Success is failure turned inside out.

The silver tint of clouds of doubt,

So stick to the fight when you are hardest hit.

It’s when things seem worst that you mustn’t quit.

Success often rises out of the ashes of failure

So, persevere in order to succeed in life.

It is also quite important to state here that great and successful people lead balanced lives, which are made meaningful by belief (or faith) as already stated above. One of such personalities was Mr. William B. Walton, president of Holiday Inns Hotel Complex of the United States of America. On one occasion, while speaking at a State Convention of the Optimists International, Mr. Walton told the audience that... “You have **four great loves of your life**, namely:-

- (i) **Love of God:-** This love puts great substance and meaning into your life. This great love enables a person to live with himself. This is the greatest among the four great loves, and you must make a total commitment to this love if you desire success.
- (ii) **Love of family:-** The love of spouse, children and relatives is encompassed by this love. This must be a great love to avoid the problems faced by families in our modern society – (such as divorce, drug addiction, false living, etc).
- (iii) **Love of Country:-** You don’t just inherit a wonderful country like ours (Nigeria). It is passed on from generation to generation, but each new generation must earn the right to keep it. You must develop a fervent love for your country (and state) if you are to be happy, and enjoy the fruits of its plentiful bounty. Your love for your country (and state or community) must be such a great love, a total commitment.
- (iv) **Love of Work:-** This must be one of your greatest love, for it provides the sustenance from which you live and grow. To obtain this love, you must engage in work that you properly enjoy, and is fulfilling to you. By making a total commitment to this great love, you can guarantee yourself, your share of prosperity and success”, concluded Mr. Walton.

During his speech, he constantly stressed the importance of “attitude” as being “the golden key that must be placed in the lock of life”.

The “Four Great Loves” are simply attitudes about life. Mr. Walton’s speech certainly exemplifies the thoughts of a man who knows the true definition of success.

Watch your Attitude to life

Mr. Walton above-stated constantly stressed that attitude is the golden key for success in life. Other development experts also harped on the importance of one’s attitude to life, as an important ingredient for success. For instance, Mr. Thomas Jefferson, a Management Consultant in the United Kingdom, stated that... “Nothing can stop the man (or woman)

with the right mental attitude from achieving his goals; and nothing on earth can help the man with the wrong mental attitude to succeed”. Don’t miss Mr. Francisco Reigler who quipped that “happiness is an attitude, (a state of mind). We either make ourselves miserable or happy and strong – the amount of work is the same for all”.

It is quite obvious now that your attitude in life determines your ALTITUDE in life; be positive about life. “It is your **disabled attitude** that determines your disability, and it is your disability that can or can’t close opportunities for you” – says Mr. William Maphoto, a South African author.

Mr. Bland’s Dynamic Success Plan

It is observed that very few people really understand what success means. Now that you do – put it to work in your life. Here are **seven dynamic rules** for personal achievement to help you put it to work immediately:-

- (i) **Let God Guide you** – Get yourself out of the way and let the great, universal creative mind of God give you direction. Have faith!
- (ii) **Establish a faith period** – Set aside thirty golden minutes each morning to engage in prayer, meditation and planning.
- (iii) **Crystallize your Goals** – Decide on specific goals that you want to achieve and keep them before you each day. Plan your day, weeks and months in advance!
- (iv) **Make a plan of Action** – Develop a blue-print for achieving your goals; set a target date for their accomplishment. Make periodic review of your plan.
- (v) **Develop a Burning Desire to Succeed** – Desire for the things you want in life will motivate you into taking positive action on your goal.
- (vi) **Believe in yourself** – you can accomplish anything if you believe you can do it. You have God-given talents and abilities – make use of them.
- (vii) **Never give up until you succeed** – Success cannot elude a will that stays in existence inspite of the pressures or adversities of life. Success comes only to persistent people, who do not waver in pursuit of their goal. You can equally make your goal a life-long ambition – it becomes a “do – or die affair”.

Please, note that it may require completely changing your entire way of life, to apply the Dynamic Success Plan if you wish to succeed in life.

However, remember that successful people do the things which failures never get around to doing, hence they are successful in whatever they embark upon.

KEY POINTS TO COMMIT TO MEMORY

- You cannot achieve true success by deluding others (or yourself).
- Nature's laws are a greater force than the mere whims and caprices, (or wishes) of men.
- Truth will always be truth and it cannot be changed.
- True success avoids extremes of anything.
- Our creator has provided us with everything to enable us succeed.
- Great people lead balanced lives which are made meaningful by belief.
- Success is the progressive realization of predetermined, worthwhile goals, stabilized with balance and purified by belief!

CHAPTER THREE

BUILDING YOUR SUCCESS COMPLEX

Introduction:

Having agreed that success is an endless a journey which we have already embarked upon, the next stage is to plan the journey properly. In planning this journey, it is important to recall that every living being is endowed by our creator with the most intricate and baffling computer ever conceived. This is **your brain, or the mind**, as some people call it. You, and every other person own this unique computer, wholly and entirely alone. It can produce happiness and success for you in unbelievable proportions if used in appropriate manner. If however the brain is used in destructive ways, it will equally produce disastrous consequences for that person.

This fantastic **data processing centre (DPC)**, which you carry about with you all the time, was designed and created by God's infinite intelligence. It is capable of processing data stored in the world's memory bank, and contains all information – from the past, present and onto infinity (into eternity). This computer enables your mind to conceive any idea you will ever need, see the cover design of this book. It symbolizes a fast-paced computer, i.e. the human maid.

Dr. Napolen Hill, author of Think and Grow Rich, while discussing the unique attributes of the mind made this profound statement, “whatever the mind of man can conceive and believe, it can always achieve!”

However, despite the wealth-giving potential of the mind, most people use only about 10% of its potential. This is because, we occupy our minds with insignificant things instead of letting them to soar, as they were divinely designed, to do, - to accomplish big and important things. If you feed your mind-computer with negative information, the result will be negative and directed toward failure. But if positive information is fed into your mind-computer, the result becomes positive, hence computer programmers use a term called “gabbage –in, gabbage-out, “ or GIGO. This means, we have to ensure that we feed our minds with only positive and worthwhile information if we expect good results.

In summary therefore, you are the sum total of your own thoughts. If you think in positive terms, you will achieve positive results; but if you think in negative terms, you will surely achieve negative results. It is noteworthy that wisemen and philosophers throughout the ages have disagreed over many things, but they unanimously agree on

one point, namely: “**we become what we often think about**”. Ralph Waldo Emerson, a foremost American Philosopher, said, “a man is what he thinks about all day long”. Marcus Aurelius, a roman Emperor puts it this way; “a man’s life is what his thoughts make of it”. In the Holy Bible, we find the saying that: “As a man thinks in his heart, so is he”.

William James, a philosopher stated as follows:

“The greatest discovery of my generation is that human beings can alter their lives by altering their attitudes of mind”.

THE SUCCESS COMPLEX

Now that we have established that thoughts have power, that thoughts become reality, and that by programming your mind with positive thoughts, you can become a positive-minded person; it is time to build a success complex in your life, as follows:-

Step 1 – Success Doctrine (Wisdom)

- 2 – Success Oriented
- 3 – Inner Happiness
- 4 – Relaxed Mental Attitude
- 5 – Capacity to Love
- 6 – Mastery of the Details of Life

Step 1: Success Doctrine (Wisdom)

Success doctrine is a strong foundation upon which your future should be built. The Bible says: “wisdom gives – a long, good life – riches, honour, pleasure and peace”, (Proverbs 3:16-17). “He who loves wisdom, loves his own best interest and will be a success,” (Proverbs 19:8). You gain wisdom by becoming a student. As you read and study, you listen and do these things each day on a planned and organized basis. It must become a part of your life – you must eat, sleep and drink success doctrine because it is good for the soul.

Proverbs 9:11 states: “I, wisdom will make the hours of your day more profitable, and the years of your life more fruitful”. Believe, and these promises are yours for the asking.

Step 2: Success Oriented

You will become success oriented when you have success doctrine foremost in your mind. You will understand yourself and because you do, you can then begin to understand others. Others will come to you because you possess a complete understanding of the natural laws of the universe, and you have the right answers. You

will find that you “have a way” with people, and that you can make exciting things happen whenever and wherever you appear.

Your family life will improve, your business/working life will improve; likewise, your spiritual life will also improve. You will notice that you have become a wise person – one who possesses the wisdom of the ages, - a man or woman who **believes**, and is sought after because of what you have become.

Step 3: Inner Happiness

Everyone (or most people) in the world are searching for **inner happiness**. You shall find inner happiness as soon as you possess success doctrine and become success oriented. Because you completely understand the creator of the universe and his natural laws, your life will be in complete harmony with the world around you. This situation generates inner peace and happiness that will radiate forth like the glow of a candle light in the room on a dark night. Inner happiness and joy shall be yours along with other blessings which accompany it if you believe.

Step 4: Relaxed Mental Attitude

Once you have success doctrine in the frontal lobe of your mind and have become success oriented and possess inner happiness, you will automatically develop a relaxed mental attitude.

You will be able to cope with every situation, without frustration or anxiety. Virtually, nothing will “shake you up”, because you already possess a relaxed mental attitude. Consequently, you will then have everything under control.

For instance, if you are a Sales or Marketing Executive, you will not become discouraged when your most important appointment becomes a failure. If you are a businessman or woman, you will not let the rigours of each day pull you apart; if you are a wife and mother, you will not “blow your top” because of home pressures (or stress) placed on you. If you are an athlete or footballer, you will “keep your cool” during the heat of competition while others are frantic and nervous. Yes, you will surely be able to master every situation, because you have become the possessor of a relaxed mind. The Bible says that: “a relaxed attitude lengthens a man’s life”, (Proverbs 14:30).

Step 5: Capacity to Love

The next important step in the success complex is acquiring the capacity to love. Do not confuse this with the selfish humanistic love which prevails in our society today. If everyone had the capacity to love, based on the sure foundation of success doctrine, there would be no racial prejudice, no wars, no need for policemen, etc. Everyone would

respect each other for what he and she is. According to the scriptures, love is very patient and kind, never jealous or envious, never boastful or proud; never haughty, selfish or rude. Love does not demand its own way, neither is it irritable or touchy. All the special gifts and powers from God will someday come to an end, but love goes on forever. These are the things that shall remain – faith, hope and love; the greatest of all these is love.

Step 6: Mastery of the Details of Life

The Pinnacle (or peak) of the success complex is occupied by the mastery of the details of life – a gift to all who possess the success complex. These days, most people find it difficult to meet up with their daily trials and tribulations. However only those who possess success doctrine know how to organize themselves through goals, plans and priorities to handle anything that comes up at any time. Those little things that bring stress and anger to most people are properly handled by those who possess success doctrine. He/she learns to accept what he can, and live with what he cannot accommodate, without destroying one's peace of mind. The man/woman who **believes** is master over all.

Please, note that the good things in life cannot be yours unless you pay the price to obtain them;- that price is success doctrine. **Believe** that you don't get something for nothing. Before going to the next chapter, you must accept the following principles:-

- (i) You are the product of your own mind and thoughts.
- (ii) You are capable of conceiving every idea you will ever need.
- (iii) You can change others simply by changing yourself.
- (iv) You can become success oriented and have inner happiness, display a relaxed mental attitude - possess the capacity to love and master the details of life by acquiring success doctrine (wisdom). Accepting these principles takes you another step closer to a life of happiness and prosperity.

The Power of an Open Mind

An open mind is a free mind. The person who closes his mind to new ideas, concepts, and experiences enslaves his own personality. Intolerance, the product of a closed mind, is a product of double-edged sword. It cuts off new opportunities and also lines of communication on its backswing.

When you open your mind, you give your imagination freedom to act for you; you also utilize your gift of vision. A closed mind is a sign of static personality; it lets progress pass you by and never takes advantage of the opportunities that progress offers.

Only if you have an open mind can you grasp the full impact of the first rule which leads man to any form of success:- **“Whatever the mind of man can conceive and believe,**

it can achieve it". The man blessed with **open mind** can perform miracles in business, industry and the professions, while the man with the **closed mind** is still shouting "impossible". An open mind requires faith in yourself, your fellow man, and the creator, who laid out a pattern of progress for man and his universe. The days of superstitions are gone, but the shadow of prejudice is as dark as ever, and only an open mind shall overcome prejudice.

Conclusion

You will no doubt observe that knowledge of Building your Success Complex is a **sine-qua-non** for mastery of overall success in life. Mastery of steps one to six of the Success Complex is also of great importance in this our journey which commenced in the previous chapter. It is equally very important to commit to memory our key points to make this success journey a thrilling and exciting one.

CHAPTER FOUR

SCIENCE OF PERSONAL MOTIVATION

Any person who wants to achieve permanent, sustaining success knows he must acquire and possess vast reserves of inner strength, determination and desire. He must have the ability to motivate himself. He must also develop personal motivation, because a man cannot hope to motivate others unless he is, himself, motivated.

Personal Motivation begins with developing personal courage, enthusiasm, **know-how**, confidence, and belief. Supported by positive attitudes towards his own abilities, the individual is motivated to create, to produce and to achieve. He sets an example of Personal Motivation that is the first step toward motivating others.

This chapter which outlines a simple but highly effective plan for developing and sustaining Personal Motivation has been tested in the crucial and demanding world of practical experience. Personal Motivation has gained acceptance because it works! In this chapter you will find the nucleus of the principles that have made SMI the leading practical authority on both Personal Motivation and motivation generally in the world.

THE CLEAR MESSAGE:

Contained in this chapter is the crystallization of the SMI (Success Motivation Institute) – Concept; the foundation and starting point of the ideas and programs which projected SMI into the worldwide orbit.

That PAUL J. Meyer arrived at this conceptual crystallization at such an early age (in his early (thirties), is testimony to his genius in this field. The utter simplicity of “Personal Motivation” belies its fundamental power and the wisdom inherent in it. It should not, therefore, be underestimated, but prized highly for the insight it reveals of the secret of actively realizing the dream we all have of self-fulfillment.

To further aid us in the use of the Concept of “Personal Motivation”, Mr. Meyer has capsuled it in the five-step “Million Dollar Personal Success Plan” found at the end of the chapter. There, in a one-schematum, we have readily available at all times the essence of this concept which holds the key to changing our life. It is a self-evident fact that some people seem to attract success, wealth, attainment, recognition and personal satisfaction apparently with very little effort. Others reach these goals with the greatest difficulty while still others never seem to reach them at all. What is the difference? It can’t be physical and it is a proven fact that such ability isn’t inherited.

Obviously, then the power, the capacity, the developed skill to achieve outstanding success must come from within the people themselves. It is the same quality that you

possess to a greater or lesser degree right now, at this very moment. If you want to change your wishes into facts, your dreams into realities, your desires into solid achievement, the all- important answer is PERSONAL MOTIVATION.

Personal Motivation is exactly what these two words indicate; the ability to motivate yourself to accomplishment. Personal Motivation means the development of inner strength, conscious will power, overwhelming desires, and the determination to reach any goal you, personally want to achieve.

No matter who you are or what your age may be, if you want to achieve permanent sustaining success, the motivation that will drive you towards that goal must come from within you alone. It must be personal, deep-rooted and a part of your innermost thoughts. All other motivation, the excitement of a crowd, the stimulation of a pep-talk, the exhilaration of a passing circumstance is external and temporary. It will not last.

Personal Motivation is based on the scientific principle that each one of us is, in fact, the result of what we all think. The only practical world is that which is within ourselves, i.e., the world in which we develop personal courage, enthusiasm, skills, confidence, and belief in our own abilities. It is here that we sharpen our intelligence to motivate ourselves and to make our goals tangible realities.

Scientific research attests to the fact that the average adult man or woman makes use of only twenty-five to thirty percent of his total mental capacity. Consequently, seventy to seventy-five percent of the average person's brain remains idle and unproductive. Since all growth and progress comes from within, there is practically no limit to what a personally motivated man or woman can accomplish.

How do you motivate yourself? Where do you begin? First begin by a frank and honest self-appraisal at this very moment. Ask yourself these questions:-

Where do I stand now? Evaluate your strengths and your weaknesses, your assets – and liabilities. Put your answer down in black and white exactly where you stand now. Face yourself squarely, honestly and realistically. Do a SWAL analysis to objectively assess your present status or stage in life.

SWAL ANALYSIS: It involves an analysis of your:-

- i. Strengths?
 - ii. Weaknesses;
 - iii. Assets And
 - iv. Liabilities
- What are your strengths?
 - What are your weaknesses?
 - What are your assets and
 - What are your liabilities?

1. CRYSTALLIZE YOUR THINKING – SET GOALS

Determine what specific goals you want to achieve; short-range, long-range, tangible goals and intangible goals. Then, write this information down in black and white. Writing crystallizes thought, and thought motivates action.

Be specific about your goals. Don't generalize or use vague terms. Use **vivid imagining and picturize**. We must develop the faculty of seeing with our mind's eye; seeing concisely exactly what we imagine: what we want. There is a universal law; that is, we tend to draw to ourselves that which we set out for ourselves. No man can attract to himself what his thought repels. We become precisely that which we imagine ourselves to be. Low aim is only low self-concept expressing itself.

When your goals are clear and vivid, they act as a magnet to draw you to them. Goal setting is the most important positive action of your life. When you have written your goals down, dedicate yourself to its attainment with honest zeal and singleness of purpose; with unswerving one – track manship.

When you set definite goals, you're forming your own Personal Plan of Action that will put theory into practice, turn knowledge into know-how and thought into action. **A plan of Action discourages procrastination and creates within you an inspirational discontent. It will motivate you to greater utilization of your full potential. A plan of action, when you personalize it, enables you to sense the limitless power of your talents, abilities, and capacity to change. It provides the means for you to emerge from hindering circumstances that have heretofore stopped you, and to establish a personal success direction.**

2. DEVELOP A PLAN OF ACTION, (OR ACTION PLAN) FOR ACHIEVING YOUR GOAL, AND A DEADLINE FOR ITS ATTAINMENT.

This detailed plan is the road map, the design, the time template that will guide you to your goal. The plan must necessarily list the obstacles and roadblocks between where you are now and where you want to go, and also, how you intend to get around them, through them, or over them.

Be frank with yourself. Remember your strengths and your weaknesses, your assets and liabilities. Write them down, very clearly, your way around the obstacles and roadblocks.

Another important point in this part of the plan is pinpointing the talents and skills you now possess, and how you intend to improve them. Also needed are a

specific schedule of time-organization, and how you intend to improve them. Put down every step and move, day by day, week by week, month by month. You will need them to check on the progress you are making from time-to-time.

Develop a positive attitude of “I will not be denied”. Determination will not eliminate all of your problems but it will give you an attitude of stick-to-itiveness and perseverance. Thus you will create the success for which you are striving. With this kind of attitude, you will be thankful for problems because you can always turn them into procedures and proceed to the next step of your journey.

3. DEVELOP A SINCERE DESIRE FOR THE THINGS YOU WANT IN LIFE

A burning desire is the greatest motivator of every human action. Unquestionably, the degree of success you achieve depends on the amount of sincere desire you have. True desire will strengthen your resolve to attain your specified goals in all six areas of your life, and not just those in which it is easy to make progress.

Desire is akin to thirst. When you visualize exactly what you want in each area of your life, desire will add strength to your purpose. It will improve your self-image. Also, at this point, you can determine the very real difference between “wish” and “desire”. You can discover the difference easily by asking yourself these three questions:

- a. What are the obstacles and roadblocks I will personally have to overcome to achieve my goals?
 - b. What are the rewards for me personally if I attain them?
 - c. Is it worth it to me?
- If your overall answer is “yes”, you will know you have genuine desire.

4. DEVELOP SUPREME CONFIDENCE IN YOURSELF AND YOUR OWN ABILITIES

Confidence in yourself helps you to deal honestly with your shortcomings and compels you consistently to make corrections. **Confidence comes from experience. Experience comes from know-how and comes from having the courage to submit yourself to obstacles, situations, and circumstances where the average person shies away.**

People, who lack confidence, are not goal directed or oriented, and spend an entire lifetime standing on the sidelines as passive bystanders. Confidence stimulates your creative imagination. No matter what you undertake, you will never do it properly until you think you can. You will never master it until you have the confidence in yourself to do the deed first in your own mind. It must be mentally accomplished before it can be materially accomplished.

The primary element at the beginning of any enterprise, the one fact which will guarantee its success, is confidence in the beginning that it can be done. The major difference between high achievement and failure is confidence – your self-image. This is what sells you and your ideas. It builds your success power. We either succeed at failure, or succeed at success. Both of these results are outward expressions of the attitude you hold toward them. You can either “think rich” or “think poor”, abundance or lack, poverty or plenty, the choice is yours!

We are all creatures of habit. When we consistently maintain success-attitudes toward every situation and circumstances, we rapidly develop success habits. We make fewer mistakes. We make small mistakes. We make faster corrections and adjustments, because we have a success consciousness and a goal directed attitude.

The degree of success which you attain is governed solely by the amount of habitual determination you expend. Every time you say to yourself, “I can do it and will do it”, you are strengthening your determination. You are forming a habit of thinking which will manifest itself in action habits of success. You are constructing your determination and personally motivating yourself to success. You are forming the daily habit of sustained effort, controlled attention, and concentrated energy.

You can prove this very easily by observing any successful person you know. They succeed in everything they do because they never gave mental recognition to the possibility of failure.

5. DEVELOP A DOGGED DETERMINATION TO FOLLOW THROUGH ON YOUR PLAN, REGARDLESS OF OBSTACLES, CRITICISMS OR CIRCUMSTANCES, OR WHAT OTHER PEOPLE SAY, THINK OR DO.

Determination is persistency. If you make a decision, plan a course of action or make a resolution and then ignore your intention, you will form a habit of failure. When you make up your mind to follow your plan of personal motivation, do it. Let nothing or no-one interfere. Do whatever you personally have to do to get the job done.

In point number three, when you asked yourself the question, “Is it worth it to me”? and you answered, “Yes”, there can now be no circumstances that can prevent you from reaching your goals. You can further develop your determination by reviewing your written plan often, by concentrating on the rewards. Thus, your desire and determination will stimulate a ceaseless flow of dynamic, powerful and positive direction to keep you on course until your aims are realized.

If you actually know your present strengths and weaknesses, if you definitely know what you want in each of the six areas of your life, know the short-range and long-range goals, the tangibles and intangibles, why is it that you do not have them now? Obviously, it is because there are some obstacles and roadblocks in your way. What are they? What is it that stands between you and the achievement of your goal? What are the ways around these roadblocks? What are you doing about it? It is easy to generalize and hope. That is little more than wishful thinking. The power of personal motivation comes through a definite personalized Plan of Action and the application of that plan every day of your life.

It is your **attitude of mind** that determines your reaction to everything you experience in life. If you develop a successful attitude towards everything you do and say, you will create the success for which you are striving. You will magnetize the condition you seek. **A person who is success-minded has a success-consciousness and success-awareness. He lives with positive expectancy. He lives by the law of attraction. He magnetizes his condition.**

6. POSITIVE EXPECTANCY

When you apply these five points in a plan for your own personal motivation, when you develop success attitudes, success habits, and have a Plan of Action, you will find yourself living with **positive expectancy**.

There is an irresistible Law of Force that governs every human action. It is called the Law of Attraction, and operates with mathematical certainty. We attract what we think. Every negative thought has a negative result. On the other hand, positive thoughts are the basis for success attitudes, and success habits which lead directly to positive expectancy in everything we do. Positive expectation, of course, must come from a sincere, honest, belief, a no limitations belief in yourself and your ability; a no limitations belief in everyone with whom you come in contact; a no limitations belief in conditions and circumstances. In other words, an attitude that refuses to accept limitation in any way, shape, form or manner.

With positive expectancy, you will wake up in the morning figuring out ways things can be done instead of ways they can't be done. You will look to your strength instead of your weakness; your power instead of your problems. You will enter each day without giving mental recognition to the possibility of defeat. You will see potentials and possibilities you couldn't see previously. You will withhold judgment. You will be a better listener. Your words, your tone and your actions will stop contradicting each other. You will be

understood. You will stop being misunderstood. You will enter the arena of life with greater dignity, greater confidence and greater pride.

Your decision-making faculties will be clear. Your judgment will be both discerning and fair. There will be less margin for error and you will be sought after for advice. These are just a few of the many benefits you will receive with a Plan of Action based on personal motivation. This is what personal motivation means. The ability to live and work each day of your life in the brilliant sunshine of positive expectancy.

“Whatever you vividly imagine, ardently desire, sincerely believe, and enthusiastically act upon... must inevitably come to pass!”

7. THE MILLION DOLLAR PERSONAL SUCCESS PLAN...

1. CRYSTALLIZE YOUR THINKING

...Determine what **specific goal or goals** you want to achieve. Then dedicate yourself to its attainment with unswerving singleness of purpose, the trenchant zeal of a crusader.

2. DEVELOP A PLAN FOR ACHIEVING YOUR GOAL, AND A DEADLINE FOR ITS ATTAINMENT.

Plan your progress carefully: hour-by-hour, day-by-day, month-by-month. Organized activity and maintained enthusiasm are the well-springs of your power.

3. DEVELOP SINCERE DESIRE FOR THE THINGS YOU WANT IN LIFE.

A burning desire is the greatest motivator of every human action. The desire for success implants “success-consciousness”, which in turn, creates a vigorous and ever-increasing “habit of success”.

4. DEVELOP SUPREME CONFIDENCE IN YOUR-SELF AND YOUR OWN ABILITIES.

Enter every activity without giving mental recognition to the possibility of defeat. **Concentrate on your strengths, instead of your weakness... concentrate on your powers, instead of your problems.**

5. Develop a dogged determination to follow through on your plan, regardless of obstacles, criticism or circumstances or what other people say, think or do.

Construct your determination with sustained effort, controlled attention, and concentrated energy.

OPPORTUNITIES never come to those who wait... they are captured by those who dare to ATTACK.

Adapted with permission from “Personal Motivation”,
By Mr. Paul J. Meyer, Founder of SMI,
USA.

CHAPTER FIVE

THE SECRET OF PERSONAL ACHIEVEMENT

Introduction:

It is the opinion of the author that achievement, or lack of it, and the reasons behind each person's degree of success in life, are as different as the individuals who undertake the journey of life from birth to death.

Circumstances of birth such as parental background, race and origin; early or late influences, schools attended, individuals encountered, physical and geographical situation or location, etc- all contribute to the difference in the underlying pattern leading to achievement or failure of the individual in life.

Fortunate is the person, whose life's experiences include the opportunity for encountering individuals or books that help the individual to focus his or her mind on certain basic truths about personal achievement in life. Only a few persons were perhaps fortunate enough to have developed themselves through the guidance of masters (or mentors), who shaped their early lives towards the right path of success. But this does not however rule out the fact that other less fortunate persons cannot equally achieve success through personal efforts and commitment.

When an individual realizes the simple but profound fact that **aiming towards a specific goal** is the best assurance of "hitting the bull's eye, then he is ready to move towards success in his/her life's endeavors." According to Dr. Napoleon Hill, the American author of the Secret of Personal Achievement, "any and every created individual possesses the ability, if they follow certain guidelines, or philosophy which he calls the "Seventeen Success Principles". According to Dr. Hill, practical and sincere application of these principles, whether singly or in various combinations, has provided the blueprint for success for countless men and women throughout the world. The Seventeen Success Principles are hereby presented as follows:

1. **Definiteness of Purpose:** This is the arrow aimed towards the goal. What is it that you want from life? What is your greatest goal in life? The moment you take hold of this question with your whole attention, you then begin to analyze yourself; your goals and aspirations. Also analyze your present state of affairs, and how to achieve the goal (or goals) you have set for yourself.

Who are you, what are you, where are you NOW? Being thoroughly honest with yourself may be your first step toward success. What road are you traveling? What are the road signs you see as you take stock of your present position?

It is well to write a list of the things you want from life – such as good health, personal relationships you wish to maintain, the amount of income you desire, the amount you wish to lay aside for old age security, the kind of home, the kind of automobile (or car), the benefits you wish for each member of your family, etc. These are the major purposes you must define for your future success.

Map a one –year plan, five year plan, setting forth goals of achievement for personal improvement, self-discipline, sales goals per day, month, per year, etc.

Memorize these lists, going over them daily, early in the morning and just before going to sleep at night. Attempt at all times to remember that achievement of these goals will be determined to a large extent by your attitude and constancy of attention to them. Make your definite purposes a daily habit of prayers, conversation, and thought. By this you establish a “**success consciousness**” in your subconscious mind, and gradually your subconscious mind will aid you in carrying out the actions and reactions, which will lead to success.

2. The Mastermind Power Principle

Having clearly defined your goals and purposes in thought and in writing, it is well to select an individual or individuals with whom you can share your plan for achievement. The mastermind principle is defined as **an alliance of two or more people, working together in a spirit of perfect harmony to accomplish a definite purpose**. The value of “gathering together of those of like minds” is self – evident. Harmony in a home results when a man and woman work toward the establishment of comfort and happiness for both.

Your mutual agreement with your employer to work towards high sales is a form of masterminding. If your major purpose in life is an ambitious one that extends beyond the accumulation of the ordinary requirements of subsistence, you will need the help of others in achieving it.

The Mastermind Principle is a means by which you may use the experience, the education, the talent, the influence and perhaps the finance of other people to aid you in carrying out your major purpose. Your mastermind alliance may begin with your association with one other person. The number of alliances you will require depends entirely on the nature and the extent of the purposes of your alliance. A “meeting of the minds” must be regular, must be mutually beneficial, and must always be harmonious in the basic matters of sincerity and trust.

3. Applied Faith

Deeply embedded in all the processes and the principles leading to achievement and success is the element of faith.

Faith is a prerequisite to progress of any kind. A man does not begin a journey across the room to get a drink of water without faith. Faith that his legs will carry him the distance required. Faith that when he turns the faucet, water will pour out. Faith that as he swallows, it will quench his thirst, **is it any less an act of faith to step out toward achievement?** The same Creator who gave us faith in our ability to walk to the water fountain can supply faith in our ability to reach goals in business and in personal life.

When the word "faith" is preceded by the word "applied", it means the faith one lives by and acts by – not something one believes in but does not practice, nor the faith in one's instinct to react properly to physical stimuli.

What is it that gives faith its powerful dimension? This is achieved when the individual seizes the truth that faith comes from the infinite God, the same source of power that keeps this world in an orderly continuous movement from day to night, season-to-season, tide-to-tide.

There is nothing, complicated about the method by which you may draw upon the power of faith for guidance in circumstances and goals you desire from life.

First of all, we must come face to face with our innermost self, honestly face the choice of goals, and evaluate the distance, the work, and the circumstances that stand between us and the attainment of these goals. The thoughtful man will realize then that many things must come to pass, a price must be paid, and help from many sources must be forthcoming, if he is to accomplish all he wants. Therefore, one must put the future, the intangibles, and the yet-to-be determined elements into the hands of the Creator - or else leave all this to luck or happenstance. The thoughtful man, the ambitions man, will then put faith to work, applying it to all those elements over which he can have no control as yet. This "letting go" of certain areas, yet with a belief that all will be well when the time for personality involvement arrives- this is faith. It makes for a relaxed state of mind, sound sleep, and a confidence that attracts positive reactions from every source.

Faith is the "Platformate" of human Endeavour.

4. A pleasant Personality – Positive Attitude Mental

Your personality reveals the kind of thinking you do, the ethics you observe, your mental and spiritual strengths and standards, the kind of life you lead. What constitute a pleasant personality? How may we develop a personality which attracts people to us?

There are many kinds of personalities, many kinds of attractiveness. Perhaps the most desired characteristic would be a positive mental attitude. "Smile and the world smiles with you, weep and you weep alone." Everyone has blue days, but the world will not long beat a path to the door of the chronically depressed man, the

individual who always looks on the dark side of things. Look for the bright side of the street. Accentuate the positive.

It is been said that if you can make a man laugh, you can make him to like you. If he likes you, he will also listen to what you have to say in a serious vein.

Flexibility, that is being resilient to the constant changes and strains of life, without losing self-control is an art, and a worthwhile one. Sincerity is an absolute must. Lack of it is as evident as warts on the nose to the perceptive, sensitive, and intelligent observer. Promptness and decisiveness in decision taking usually denote clarity and directness of thought, self-confidence, and an uncluttered mind. Courtesy, tactfulness, tolerance, frankness, a sense of humor, a pleasant countenance, and a ready smile- all help to create and sustain confidence and good relationships; that is Positive Mental Attitude – PMA.

5. Going the Extra Mile

This is based on the concept of giving more and better service than is expected or required, with the right mental attitude and with no expectation of immediate reward, or gain. The compensations are great, much greater than the investment.

Going the extra mile ensures an increase in personal courage, self-reliance, personal initiative, and it builds greater enthusiasm. It is conducive to a more positive attitude and a happier, more secure position with one's co-workers and employers.

6. Personal Initiative

Personal initiative is a trait much admired and if carried out with discretion and logic, can very quickly put you ahead of the crowd. Initiative, built on a definite understanding of what must be achieved, puts one in harmony with everyone around him, and with the universe as a whole. If one has a definite goal in mind, then opportunities for personal initiative are easy to find. Initiative is the first step – it is a self-reliant demonstration, which seldom goes unnoticed by those in authority. Personal initiative is self-confidence in action, and if you are moving toward a definite goal, it speeds your journey and smoothes the way for good work to become easier and more rewarding.

7. Self-Discipline

Self-discipline is training which corrects, moulds, strengthens, and perfects. Your behavior and your attitudes are expressions of your thoughts. Much of our thinking seems to be uncontrolled, random thinking, or is on a semi-conscious level. From time-to-time we are aware of our “feelings”. Feelings may indicate that we have been thinking strongly on certain subjects. When we feel, we become more alert because

we have become aware of power, energy, stimulated by thought. We may be stimulated to love, faith, loyalty, or to fear, jealous, greed and anger. Self-discipline teaches us to direct the energy generated by our thoughts into feeling- and action- what will be advantageous and strengthening. Self-discipline will help direct our energy into the most useful, successful channels.

8. Controlled Attention

Controlled attention is the act of focusing the mind on a given desire until ways and means for its realization have been worked out and successfully put into operation. Success comes after much concentration. Controlled attention to the power of our thoughts and to the energy we can generate through the mind is a vital tool.

Prayer is not only worship: Prayer generates power, energy, unity, and strength. Thinking with another person on a certain subject brings new insights, new truths. Attention focused as one individual or several, brings power.

9. Enthusiasm

Enthusiasm is an emotion, the physical counterpart to our ideas. It begins and ends in our minds. Enthusiasm is harmony, and confidence. When you feel yourself taking hold of a definite idea, definite plans, then you become enthusiastic. Enthusiasm is a feeling of confidence, an awareness of a relationship between oneself and the source of power to achieve. Speak with enthusiasm and positiveness, move with confidence, and observe how enthusiasm grows and spreads to others.

10. Imagination

“The imagination is the workshop of the soul wherein are shaped all plans for individual achievement.” Man's greatest gift is his thinking mind. It analyzes, compares, and chooses; it creates, visualizes, foresees, and generates ideas.

Imagination is your mind's exercise, its challenge, and its adventure. It is also described as the workshop of the mind.

11. Learning from Adversity

Adversity is a part of life. Every act, situation, or choice of our lives contain cause and effect. In adversities we have situations in which we are made very much aware of the effect. The cause may be known, or it may be elusive or incomprehensible. When we experience a very personal, significant reaction, a strong emotion is stirred within us, and we ask, “**why**”? **Every adversity carries within it the seed of an equivalent or even greater benefit. If we can capture this truth and accept the fact that this universe is governed by immutable laws, which are part of a creative force, no matter how difficult it may be to**

see the reason - then we can ride out any storm, which besets our lives. Your attitude in time of adversity determines much of its eternal effect on your life- for good or ill.

12. Budgeting Time and Money

Since your day has the same twenty-four hours in it as everyone else's in the world, you have the same opportunity as anyone for the skilled use of this time. Man has always had to harmonize with the world around him. But as the demands are made, the balance is there, if we seek it out.

There is less "time" now, because automation and faster transportation and communication seem to rush us. The art of budgeting time and money is one of the hardest to master, but most rewarding. The budgeting of money is a critical issue. Our eyes tend to be larger than our pocketbooks. How much time is there to learn to budget our money? All the time is available to us if we map it out.

13. A Positive Mental Attitude – PMA

Our mind is the only thing we can control. Either we control it, or we relinquish control, or we drift. We cannot NOT do anything. Being negative is doing something. To govern your life, you must learn to govern your attitudes. How we react is determined by our habits of mind control and our attitudes. Are you looking for positive avenues to success? You shall find it, if you adopt a positive mental attitude (PMA).

14. Accurate Thinking

Think about what you want to achieve. Determine how you will set about achieving it. Move towards that goal with definite, positive awareness and with faith. This is accurate thinking.

The accuracy of your thinking is affected by the hopes, fears, desires, and attitudes you allow to stimulate you. Organize your mind. Be aware of the power of your mind. Keep it controlled, and accurate, then you can be sure of success.

15. Sound Physical Health

Your thoughts affect your health. Thoughts can make you sick, or thoughts can move you toward good health, good attitudes, sound sleep, and good eating habits. Develop a consciousness of good health, and well-being. Good thinking generates harmony within our bodies, and generates physical manifestations of order and good system in our lives.

16. Co-operation

Success within and without is an evidence of co-operation. All achievement is a form of significant and successful co-operation and teamwork between individuals. Co-operation is the beginning of all organized effort. Our bodies are healthy when there is organization and teamwork of all the organs. Our lives are happy when there is co-operation between us and the world around us.

17. Cosmic “Habit force”

(The Mystic Element or the God Factor).

This is perhaps the hardest to define, but it is the principle that supplies the key to the understanding and utilization of all our inner resources. There are those who would call this the “**mystic element of life**”. If you observe and believe that there is order in the universe, the rising and setting of the sun, the regularity of the tides, then you can see an example of a divine plan being carried out. There are laws by which the equilibrium of the whole universe is maintained. It is also called the God factor, that is getting to know the power of God in everything we do.

There are physical laws which make our patterns of natural daily behaviour to operate in predictable order and regularity. Blending the natural laws of the universe with our own activities helps create that power, that force, that energy, which bring harmony, peace of mind, and success. You have the power to choose to take hold of the principles of success, or let it slip away from you.

Conclusion on the Secret of Personal Achievement

You have just studied an outline that can help you walk in the light of a new success beam to guide you to whatever station in life your hopes may demand. If it's a better-paying position that you need to make you happy, you may find the way to that position through mastery of the Secret of Personal Achievement. The author was an ardent student and practitioner of the Secret of Personal Achievement for many years.

If it is closer harmony and better understanding you need in your present position, the Secret of Personal Achievement can show you the way to attain it.

If the domestic relationship in your home needs improvement, this study can bring you and every member of your family the harmony, peace of mind, and understanding, which are so essential for your success in your occupation. The Secret of Personal Achievement philosophy will give you a better understanding of yourself and other people, so that you may be in a friendly spirit which inspires them to co-operate with you at all times.

If you have not been as successful in the past as you wished to be, this philosophy will help you to discover the reason and show you how to remove the cause, or causes.

If you are in business for yourself, you can learn how to convert your customers into friendly workers, who will bring you other customers. If you are a teacher, the Secret of Personal Achievement can give you that “something extra”, which will increase your earning power and help you promote yourself into wider fields of service in your profession.

COMMON SENSE IS NOT COMMON

Many years ago, I heard a profound statement which ignited in me the passion for the wisdom of God which says that; “the age of Methuselah has nothing to do with the Wisdom of Solomon.”

After studying the lives of both Methuselah and Solomon in the Bible, it is imperative for us to make up our minds to pursue wisdom and live by it; and to affect generations, no matter our respective ages. Consequently, I want to share with you 18 (eighteen) Wisdom capsules from a book titled “Common sense is not Common” written by one Mr. Olumide Emmanuel, a Clergyman based in Lagos, Nigeria. If these wisdom capsules are implanted into your spirit and minds they will enable you operate in uncommon sense, which produces uncommon success. They are as follows:-

(1) One Thousand Good Intentions Are Not as Powerful As One Single Action:

Life does not produce results by intention, but by action. Take positive action in order to achieve results.

(2) Never Worry About What You Cannot Change:

There are things we can change in life, and wisdom demands that we do something about them. However, one must also realize that there are certain things one cannot change, and to worry about them is a self-imposed affliction and enrollment for self-frustration.

(3) Never Insist on Doing Something which another person can help you Do:

Delegation of duties is the key to elevation, and division of labour makes it to end quickly. Insisting on doing what others can help you do, is not wisdom because it overloads your life. Try to delegate duties.

(4) Never invest in something, which you do not understand:

Wisdom demands that you get a clear understanding of what you are investing into, before you commit yourself or your money into it.

CHAPTER SIX

POWER OF THE MASTERMIND

As we earlier stated in this book under the title of “Secret of Personal Achievement,” the mastermind principle was defined as **an alliance of two or more persons working together in a spirit of perfect harmony to accomplish a definite purpose**. The value of this **gathering together of like-minded people** becomes self-evident because it results in harmonious relationship which often results in greater achievement.

The master-mind principle is a means through which one may use his experience, education, talent, influence and perhaps the finances of other people to assist one in achieving his major goal. Your mastermind alliance may begin with your association with one other person, (or persons) as the case may be. The number of alliances you will require depends entirely on the nature and the extent of the purposes of the alliance.

However, a “meeting of the minds” must be regular, it must be mutually beneficial, and must be harmonious in the basic matter of sincerity and trust. This union leads to what we call the **Mastermind Alliance Principle**.

No man can accomplish enduring results of a far-reaching nature without the help and co-operation of others. When two or more persons ally themselves in any undertaking in a spirit of harmony and understanding, each person in the alliance multiplies his own power of achievement. Nowhere is the principle more successfully practiced than in an industry or business establishment in which there is perfect team work between the board of directors, employer and employees. Wherever you find teamwork, you find prosperity and goodwill on both sides.

“Co-operation” is said to be the most important word in the English language. It plays a very important part in the affairs of the home, in the relationship of husband and wife, parents and children, and also in the state itself. So important is this Principle of Co-operation that no leader can become powerful, or last long who does not understand and apply it in his leadership. Lack of Co-operation has destroyed more business enterprises than have all other causes combined.

Examples of Successful Business Co-operation and Mastermind Alliance:

(1) Bill Gates and Paul Allen

Most people are perhaps aware of the legendary business relationship and co-operation which existed between Bill Gates and Paul Allen, his longtime friend. This relationship resulted in the development of computer software known as MS-DOS by Microsoft Corporation of USA in the 1980s/1990s. We are reliably informed that the business was so successful that Bill Gates, Paul Allen and others in the company became multi-millionaires from this single product.

They then decided to split up the business. While Bill Gates continued to run his company, Microsoft Corporation, his friend Paul Allen and others started their own firms. Their former colleagues in the original company also became multi-millionaires while still in their twenties and thirties.

According to an article in the July 24, 2010 edition of Time Magazine, dozens of Microsoft millionaires set up Charitable Foundations in the 1990s. Bill gates then founded a foundation- Bill and Melinder Gates Foundation of USA at that time.

Even up till now, Bill Gates has remained one of the world's richest men for over a ten year period. He is a multi-billionaire who has devoted most of his wealth to humanitarian aid across the whole world, fighting poverty, ignorance and disease, and he is surely succeeding. The value of his company's stock has daily continued to gain ground in the American Stock exchange. Bill Gates' feat and success is as a result of perfect mastermind alliance and co-operation amongst him and his colleagues in Microsoft Corporation USA.

2. Dr. Napoleon Hill and Mr. W. Clement Stone

Dr. Napoleon Hill is the author of a highly successful motivational and self-development book titled, **Think and Grow Rich** which was first published in USA in 1937. Mr. W. Clement Stone, the publisher and editor of the inspirational magazine, **SUCCESS UNLIMITED** in USA, wrote; "more men and women have been motivated to achieve success because of reading Think and Grow Rich than by any other book ever written by a living author".

The publisher of the book, Think and Grow Rich also wrote in his book about W. Clement Stone under the following title, "He ran \$100 into Millions". He stated that: "with only \$100.00 (one hundred) dollars, the desire to succeed and by employing the principles in Think and Grow Rich, Mr. W. Clement Stone was able to build an organization that produces a gross annual income of over \$36 (thirty six million) US dollars".

This assertion was made around the 1960s, when Napoleon Hill first became associated with Mr. Stone. In 1952, Mr. Stone's personal fortune was estimated (by Mr. Stone himself) at \$3 million US Dollars. When the relationship ended ten years later Mr. Stone's fortune was estimated at \$160 million Dollars –an increase of approximately \$15 million per year for the ten years of their personal association. During those ten years, Mr. Stone's entire sales and, managerial staff was indoctrinated with the Science of Personal Achievement.

Many of the salesmen increased their earnings through the application of this success philosophy, as much as three and four hundred percent. Also, during the Napoleon Hill and W. Clement Stone association, they co-authored one highly motivational book entitled **Success Through A Positive Mental Attitude**, (Prentice-Hall Inc), which became a best seller from the first day, and remained so for a very long time. The book

has been translated into many foreign languages and is still selling up till now in many parts of the world.

Note: Apart from the two examples of successful Mastermind Alliance Principle quoted above, there are several others which cannot be reproduced here for lack of space.

However, the import of the message is quite clear about the efficacy of this principle in the affairs of people in their business relationships. Everyone who handles this book should therefore realize the importance of Mastermind Alliance Principles, and endeavour to apply them judiciously in all their business relationships. Other important issues regarding the mastermind alliance principle are as follows:-

(i) Minds Demonstrate Attraction-And Repulsion

It is a well-known fact to both the layman and men of scientific investigation, that some minds clash with each other the moment they meet one another. Between the two extremes of natural antagonism, and natural affinity growing out of the meeting or contacting of minds, there is also a wide-range of possibility for varying reactions of minds with the mind.

Some minds are so naturally adapted to each other that “love at first sight” is the inevitable outcome of such contact. In some other cases however, minds are so antagonistic that violent mutual dislike shows itself at first meeting. These results occur without a word being spoken, and without the slightest sign of any of the usual causes of love and hate acting as a stimulus. While it is desirable, it is not essential to know the “cause” of this reaction of mind upon mind. That the reaction indeed takes place in every instance is a known fact, which gives us a starting point from which we may show what is meant by the term “Mastermind”.

(ii) Creation of the Mastermind Alliance

A mastermind may be created through the bringing together, or blending of two or more minds in a spirit of perfect harmony. Out of this harmonious blending, the chemistry of the mind creates a third mind which may be appropriated and used by one, or all of the individual minds. This mastermind will remain available as long as the friendly, harmonious alliances between the individual minds exist. It will disintegrate, and all evidence of its existence disappears the moment the friendly alliance is broken.

The term “Mastermind” is abstract, and has no counterpart in the field of known fact, except to a small number of people who have made a careful study of the effect of one mind upon other minds.

The term first came to the attention of Dr. Napoleon Hill during an interview with Mr. Andrew Carnegie, the great steel magnate of the 1930s and 1940s. **Mr. Carnegie attributed the accumulation of his great fortune in the Steel Industry to the utilization of the mastermind principle. He explained that his mastermind alliance was made up of about twenty men.**

He said that they had given of their experience, education and their background for **one definite objective**, and that was the manufacturing and marketing of steel. This group held all the assembled knowledge of everything relating to the Steel Industry at that time. Mr. Carnegie's primary job was to keep this alliance moving in a spirit of perfect harmony for the common objective. This narrative perfectly introduces the origin of the mastermind alliance principle as we know it today.

(iii) **Espirit-de-Corps at work.**

From our definition of a "mastermind" we realize it is a mind which grows out of the blending and co-operation of two or more minds, in a spirit of **perfect harmony**. The word "harmony" is of utmost significance as it is used because two minds will not blend, nor can they be co-ordinated, unless the element of perfect harmony is present. This is the element that holds the secret of success or failure of practically all business and social partnerships everywhere.

Every sales manager, military commander, and leader perfectly understands the necessity of esprit-de-corps, a spirit of common understanding and co-operation for the attainment of a common goal. This "mass spirit of harmony", and of purpose is obtained through discipline, (voluntary or forced) of such a nature that the individual minds are blended into a mastermind. This occurs when the chemistries of the individual minds blend, and they function as one.

The methods through which this blending process takes place are as numerous as the individuals that are engaged in various forms of leadership position. Every leader has his own method of co-ordinating the minds of his followers. One may use force, another uses persuasion, and one may play upon the fear of penalties while another plays upon rewards. The really great leaders of the world however have been provided with a combination of mind chemistry that is favourable as a nucleus of attraction for other minds, hence their levels of success in various endeavours.

Any leader who understands this principle of mind chemistry can temporally blend the minds of practically any group of people, so that it will represent a **mass mind**, but the composition will disintegrate almost the very moment the leader's presence is removed from the group. For instance, the most successful life insurance sales organizations and other sales forces meet once a week, or more often, for the purpose of merging the individual minds into a mastermind which will, for a limited number of days, serve as a stimulus to the individual minds. It is probably true that the leader of these groups may not perfectly understand what actually takes place in these meetings which are usually devoted to talks by the chairman and other members of the group. But meanwhile, the minds of the individuals are "contacting and re-charging" one another regarding the issues at hand through the mastermind principle.

(iv) **Strength Comes From Unity**

It is a demonstrable fact that mind chemistry may be appropriately applied to everyday affairs of the economic and commercial world. Through the principle of mind chemistry, two or more minds may be blended in a spirit of perfect harmony, and may develop sufficient power to enable the individuals to perform seemingly superhuman feats. **Power** is the force with which people achieve success in any undertaking. And also, power in unlimited quantities may be enjoyed by any group of persons, who possess the wisdom with which to submerge their own individual personalities and their own immediate individual interests in the union of their minds for the attainment of the desired goal.

When two or more people harmonize their individual minds to produce a mastermind, each person in the group becomes vested with the power to “contact and gather knowledge” from the subconscious minds of all the other members of the group. This power becomes immediately noticeable, having the effect of stimulating the mind to a higher rate of vibration.

And this takes the form of a more **vivid imagination**, and the consciousness of what appears to be a **sixth-sense (which is faith or ESP - extra-sensory-perception)**.

It is through this “sixth-sense” that new ideas will flash into the mind. **These ideas take on the nature and form of the subject dominating the mind of the individual.** The minds of those participating in the mastermind become like “magnets”, attracting ideas and thought stimuli of the most highly organized and practical nature—from where no-one knows.

The process of **mind blending** may be likened to the act of connecting many electric batteries to a single transmission wire, thereby stepping-up the power passing over that line by the amount of energy which the batteries carry. This system applies to the blending of the individual minds into a mastermind alliance. Each mind stimulates the other minds in the group, until the universal energy becomes so great that it connects with, and penetrates the universal energy known as **ether**; which in turn touches every atom of matter in the universe. All the so-called geniuses probably gained their reputations because they formed alliances with other minds which enabled them to amplify their vibrations, until they were able to contact the vast temple of knowledge recorded and filed in the ether of the universe. All of the great geniuses, as far as the author is able to gather the facts, were highly motivated and psychic persons, though this tendency may not be too apparent to the public glare. Such experiments or enquiries will no doubt confirm the veracity or otherwise of the author’s assertion about genius. Some geniuses are found amongst eccentric persons, i.e. people who behave extra-ordinarily.

The author nevertheless, believes that geniuses are people who possess **un-usual great intelligence**, and high levels of skill which “ordinary” people lack. Enquiries and researches into the mental make-up of geniuses shall no doubt be contributing a lot to

the overall knowledge of the mastermind alliance principle in general and genius in particular.

Principles of Mind Chemistry:

According to Dr. Napoleon Hill and Mr. Harold Keown, Industrial Philosophers and Consultants based in USA, during their experiment on the principles of mind chemistry stated as follows:- “wherever you find an outstanding success in business, finance, industry, or any of the professions, you may be sure that behind the success is some individual who has applied the principle of mind chemistry to create a mastermind. This outstanding success may often appear to be the handwork of just one person, but on closer observation, other individuals whose minds have co-ordinated with his own may be found”. Typical examples of this mastermind alliance are:-

- (i) Mr. Bill Gates and his co-workers in Microsoft Corporation.
- (ii) Mr. Andrew Carnegie and his associates who pioneered large-scale steel production and marketing in the United States of America as stated earlier in this chapter.

Continuing, Dr. Napoleon Hill and Mr. Keown further stated that “power (manpower) is organized knowledge, expressed through intelligent action. No effort can be said to be organized unless the participating individuals fully co-ordinate their knowledge, experience, energy and expertise in a spirit of perfect harmony. Lack of such harmonious co-ordination of effort is the main cause of practically every business failure.”

What were Henry Ford’s Assets? The duo of Dr. Hill and Mr. Keown in collaboration with some students of a renowned university in America conducted a research, and requested the students to write an essay on How and Why Henry Ford (of USA) became wealthy. Each student was required to make a research, and describe what he believed to be the nature of Mr. Ford’s real assets, and what these assets consisted of. Majority of the students gathered financial statements and other relevant information on Mr. Ford’s wealth. One student out of the entire group of several hundreds wrote:- “Henry Ford’s assets consist of, in the main, two items:-

- (a) Working capital, cash, raw and finished materials.
- (b) The knowledge of well-trained organization, which understands how to apply this knowledge to the best advantage from Mr. Ford’s view-point. It is impossible to estimate with anything approximating correctness, the actual dollars and cent’s value of these two groups of assets, but it is my opinion that their relative values are:
 - (i) Organized knowledge of the Ford Organization- 75%
 - (ii) The value of cash and physical assets of every nature (including raw and finished materials)- 25%”,

The authors, (Dr. Hill and Keown) were of the opinion that the above statements were not compiled by the young man whose name was signed to it, without the assistance of some very analytical and experienced mind or minds.

Unquestionably, Henry Ford's most valuable assets (like everyone's) were his own mind. Then next came the brains of his immediate circle of associates, for it was through the total co-operation of all these that the physical assets he controlled were accumulated.

Please note that Henry Ford was one of the early pioneers of motor cars in the world. He was born on 30th July 1863 in Dearborn Michigan USA. According to biographer, Mr. Charles Albert-Poisant, "the first things Henry remembered owning were odds and ends of metals which he always converted into tools. Ford's practical mechanical and engineering genius and his vision of machines replacing manual work had united man and animal under a single yoke for millenniums: it was already beginning to blossom. His dream was to take shape a few years later, when between 1895 and 1896, Ford drove his first car no fewer than 1000 miles; constantly submitting it to all sorts of tests to enhance its performance. He finally sold it for a mere \$200 (two hundred dollars). Ford had no intention of stopping after his first successful achievement, but continued to go further and much further, until the present time.

Continuing, Dr. Hill and Mr. Keown asserted;- "if every plant the Ford Motor Corporation owned had been destroyed, including every piece of machinery, every dollar on deposit, Ford would still have been one of the most economically powerful men in America during his life time (and even beyond this period). The brains which built the Ford business empire could still have duplicated it again in short order; capital is always available in un-limited quantities to such brains as Ford's (and others also").

Within a short period of time, Ford had mastered three of the most stubborn enemies of mankind and transformed them into assets. These enemies of mankind are ignorance, illiteracy, poverty (and disease), especially in developing countries.

The source of all power is organized effort. Knowledge, when general in nature and un-organized, is not power. It is only potential power and the material out of which real power may be developed.

NO POWER WITHOUT ORGANIZATION

The astute businessman (whether literate or illiterate), not only has recognized the importance of the law of organized effort, but has made this law the basis of his power. Without knowledge of the principles of mind chemistry, many persons have accumulated great wealth by merely organizing the knowledge they possess. The majority of those who have discovered the principles of mind chemistry, and developed that principle into a mastermind have stumbled upon this knowledge by accident; often failing to recognize the real nature of their discovery, or understanding the source of its power. "Power" and "Success" are synonymous terms. One grows out of the other; therefore any person, who has the knowledge and ability to develop them, may be successful in any undertaking that permits successful implementation or execution. The human brain and nervous system constitute a piece of very intricate system or machinery which very few men, if

any, fully understand. When controlled and properly directed, this piece of machinery can be made to perform wonders of achievements; but if not controlled, it will perform wonders, fantastic and phantom-like in nature as may be seen by observing the inmates of any mental institution.

HARMONY, THE ABSOLUTE “MUST”

Harmony is one of nature’s laws and without it there could be no such thing as organized energy in life. Health of the body, as well as the mind, is literally built upon the principle of harmony. The life energy begins to disintegrate, and death approaches when the organs of the body stop working in harmony. **The moment harmony ceases at the source of organized energy, the units of that energy are thrown into a chaotic state of disorder and the power is rendered neutral or passive.**

This truth has been stated and re-stated, for unless one grasps this principle and learns to apply it, this chapter on the mastermind principle is useless. Success in life, no matter what one may call success –is largely a matter of adaption to environment in such a manner to produce harmony between the individual and his environment. If the reader feels that the author is putting him under stress on the importance of harmony, let him remember that **lack of harmony** is the first and often the last cause of failure, no matter the quality of leadership in the organization.

Every human being possesses at least two (or more) distinct personalities, and as many as six distinct powers may be discovered in one human being. One of man’s most delicate tasks is that of harmonizing these forces so that they may be organized and directed towards the orderly attainment of a given objective or task: Without this element of harmony, no individual can become an accurate thinker.

LEADERSHIP

A leader cannot work effectively if there is lack of harmony in the organization, hence it is no wonder sometimes leaders find it difficult to organize groups of people to function without friction for the attainment of a given objective.

The leader who successfully develops and directs the energies of a mastermind group must possess tact, patience, persistence, self-confidence, intimate knowledge of mind chemistry, and the ability to adapt himself to quickly changing circumstances without showing the least sign of annoyance. **The successful leader must possess the ability to change the colour of his mind, chameleon-like (if necessary), to fit every circumstance that arises in connection with the object of his leadership. Moreover, he must possess the ability to change from one mood to another without showing the slightest signs of anger, or lack of self-control.** The successful leader must understand the seventeen principles of the Secret of Personal Achievement, and be able to put into practice any combination of these laws whenever occasion demands.

Without this ability, no leader can be powerful; and without power, no leader can long endure; because power grows out of organized knowledge. It grows out of it, through application and use.

A man may become a walking encyclopedia without possessing any power of value. This knowledge becomes power only to the extent that it is organized, classified, and put into tangible action. Some of the best educated men and women in the world possess less general knowledge than some who are known as fools. The difference between the two being that educated persons put the knowledge they possess into use, while fools make no such application of theirs.

The true meaning of Education

An educated person could be defined as someone who knows how to acquire everything he needs in the attainment of his main purpose in life, without violating the rights of his fellowmen. The successful lawyer is not necessarily the one who best memorizes all the principles of law. On the contrary, the successful lawyer is the one who knows where to find a principle of law, plus a variety of legal opinions supporting that principle which fits the immediate need of a given case. In other words, the successful lawyer knows where to find the law he wants when he needs it. This principle also applies with equal force to the affairs of industry, business and other human economic activities.

Henry Ford and most wealthy men that we know, had very little elementary schooling, yet were highly educated men. This is because they acquired that ability to combine natural and economic laws, and the minds of men to achieve power to get anything of a material nature they wanted.

During the First World War, Mr. Henry Ford filed a suit against the Chicago Tribune Newspaper, charging it with libelous publication of statements concerning him. One of the statements was that Mr. Ford was an “ignoramus, an ignorant pacifist” and so on. When the suit came to trial, the lawyers for the newspaper undertook to prove that their statements were true, that he was ignorant. With this objective in mind, they cross-examined him on many subjects. One of the questions the newspaper’s lawyer asked Ford was, “how many soldiers did the British send to subdue the rebellion in the colonies in 1776? **With a smile on his face, Mr. Ford nonchalantly replied: ‘I do not know just how many, but I heard that it was a lot more than ever went back from battle’.**

Of course, this reply brought loud laughter from the jury, court room spectators, and even from the frustrated lawyers who had asked the question. This line of interrogation was continued for an hour or more, on various issues with Ford remaining perfectly calm.

But at a stage, Mr. Ford pointed his finger at the questioning lawyer and replied... “if I should answer the foolish question you have just asked, or any of the others you have been asking, let me remind you that in my office I have lots of officers who could give me the correct answer to all the questions you have asked, or any that you have not the intelligence either to ask or answer, by merely pressing a row of electric push buttons. Now, will you tell me why I should bother about filling my head with a lot of useless

details in order to answer any foolish question that anyone may ask when I have able men about me who can supply me with all the facts when I call for them?"

There was silence in the court room as everyone looked at Mr. Ford with great amazement and wonder. Henry Ford's answer proved to all who had intelligence to accept the proof that true education means mind development, not merely the gathering and classifying of knowledge.

Mr. Henry Ford could not have gone into his chemical Laboratory to conduct all the necessary tests and analysis for industrial use, but he knew how to surround himself with chemists who could do this for him. The man who can intelligently use the knowledge possessed by another person, is as much, or more, an educated man as the person who merely has the knowledge, but does not know what to do with it. With Mr. Ford's answer and address above-stated, the judges awarded him costs against the newspaper.

How to Form the Mastermind Alliance

The mastermind consists of an alliance of two or more minds working in perfect harmony for the attainment of a definite objective. To form a mastermind group you have to think about the qualities of a good employee or friend. The following are some of the qualities required:- dependability, loyalty, ability, positive mental attitude, going the extra mile, and applied faith. The following qualities are also required in forming the mastermind alliance:-

Be sure that you are in complete harmony with the number two man, and the two of you agree on the number three man, and so on. This is very important, because you must take all the members into complete confidence. Each member should accept each other at "face value" and without any reservation.

- (i) Choose and **eliminate** if necessary until you have the right group working in perfect harmony.
- (ii) Be sure you **set up a motive strong enough to assure getting the job done**. If you make a profit, be willing to share it with those who helped you in proportion to their contribution. Be sure that you go the extra mile in your dealings with the group.
- (iii) Ensure that you have a definite time and place for regular meetings to discuss plans and action to be taken. Any neglect here spells failure for the group.
- (iv) Keep perfect harmony; this is your job as a leader of the group. It will help here to remember Carnegie's major purpose, which was "to build men". Ensure that you create your own major purpose or motto, also.
- (v) Get into good terms with yourself. Do some masterminding with your "other self". It recognizes no such thing as **failure or defeat**. This is an alliance you cannot do without. When you use the mastermind principle to avail yourself of the minds of other people, be sure that you must begin by taking complete charge or control of your own mind. Do not try to be a lone-ranger or someone who prefers to work alone.

In conclusion, I wish to summarize mastering your own mind power, and the power of the mastermind by repeating a phrase which illustrates the sources from which the mastermind derives its potential for power.-

“Whatever the mind of man can conceive and believe, it can always achieve it. “the mind of man stated here consist of the sum total of knowledge which has been recognized, organized, and recorded by man since the dawn of civilization. It is available to all who have the desire and intelligence to appropriate and use it. It is equally available to all who have taken possession of their own minds, and who seek success through the mastermind power principle.

Culled from: Succeed and Grow Rich Through Persuasion, by Dr. Napoleon Hill and E. Harold Keown, Faweeth Publication Inc. USA.

CHAPTER SEVEN

TAKE CHARGE AND TAKE CONTROL OF YOUR PROBLEMS

Introduction:

There exists in our country a seemingly harmless phrase, or manner of speaking which almost everyone uses rather frequently. Most people no longer just say, “Good-bye”, they inevitably add the phrase “take care”. As a practitioner of “possibility-thinking”, I contend it is wrong to say “take care”. Instead, I believe it is better to say – “take a chance; take charge; or take control.” My reason is because most people who take care never get anywhere. Also, if you want to manage your problem successfully, you need to “take charge, take a chance, take control.” Though, taking a chance by itself is a reckless risk, but when you take charge, you manage that risk. Also, when you take control (of the situation), you manage your problems better.

Motivation experts usually recommend that we take charge, take control, and never surrender leadership when confronted with problems. What does one mean by leadership in this context? Leadership is the force that selects your dreams and sets goals, (though there are equally other good definitions of leadership).

It has been firmly confirmed by self-development experts that one’s dream does not need to fizzle out because of problems. Your life can actually be successful, and your problems can be overcome if you will take charge and take control by following the dynamic leadership principles given in this chapter. They are as follows:-

(i) Do not surrender leadership to outside forces:

Motivational experts have regularly cautioned that we should never surrender leadership to forces, such as poverty. Lack of money should not determine your dreams or your goals in taking charge of your desires or goals. It is suggested that one may always find a way to save money for a worthwhile project, or alternatively raise the capital you need through borrowing.

There is a universal principle that always manifests itself, namely – money flows to good ideas. Good ideas also produce other ideas; dreams inspire creativity in money management. There are many things we cannot control; for instance we cannot control inflation, depression and recession and other natural disasters etc. But we can control our ideas and what to do with them. If we are confronted with any of those things we cannot control, the only option is to **ensure that you do not surrender leadership** to those negative forces because they are temporary. Use your brain to find a way of destroying those unwelcome negative forces.

(ii) Do not surrender leadership to faces:

A lot of people usually do that, especially when you meet an audience. When you look at the audience, you may notice through “body language” that they may not support you (from the look on their faces).

Perhaps, you read on the faces of some prominent persons in the audience that they may criticize you. You then develop “coldfeet” even before you utter a word, and you become intimidated by body language into silence and retreat. This is the height of cowardice and it is inimical to positive thinking. The right thing to do is to deliver the message in the most appropriate and convincing manner. You should never surrender leadership to a face (or faces); this is a defeatist attitude which cannot lead to success. Stand your ground firmly and confront those negative forces, because that is the only way to overcome them.

(iii) Do not surrender leadership to farces.

Farces are lies, masks or falsehood. For instance, people of African, Asian and minority whites have been taught to believe that they are genetically and intellectually an inferior race. However, that is a farce, a mask or lie. If people say that one race is superior or inferior to another, never believe such falsehood.

There is empirical evidence to show that even those people who are regarded as “inferior race” have equally good intellect. The only snag is that they lack exposure and opportunities to develop their innate abilities.

(iv) Do not surrender leadership to fences.

Fences are some limiting concepts or obstacles which people allow to influence or limit their goals and dreams. Because of those false concepts, people throw away ideas and the dreams which they think or suspect they will never be able to realize. These concepts also cause people to lower their goals and achieve far less than their capabilities.

These fences are negative self-image perceptions or notions such as:

“I don’t have good education”.

“I don’t have the right connections, and I don’t know the right people.”

I don’t have enough money to embark on this project;

I am not a member of the right organization,” etc.

You must never surrender leadership to fences or locked-in-thinking. Psychologists define locked-in-thinking as, “the thought process which says that... “it has never worked before,” or “it has never been done before.” Or, “this is the way it has always been done, so it must be the best way.”

Experience has equally shown that some trained, educated professionals are most guilty of locked-in-thinking. They have been so trained, so disciplined that they also developed locked-in-thinking along the line.

(v) Do not surrender leadership to frustrations.

Some motivational practitioners sometimes encounter certain persons who are too frustrated with life, to the extent of being unable to handle anything effectively anymore. They can no longer handle government regulations anymore; they cannot also handle cash-flow problems and their finances anymore. It should be noted that anyone who has dreams and goals also has frustrations such as:- lack of time and money; high interest rates; disappointments when things are moving slowly and people let you down. Such frustrations could mount up from time-to-time. If care is not taken to properly sort-out these issues, frustrations can totally shatter the victim. Do not surrender leadership to these forces and throw-in the towel before it becomes a big disappointment. Ensure you do not give in to such temptations, because it does not make for success in life.

Remember, the Bible says that... “Those who wait on the Lord shall renew their strength; they shall mount up with wings like eagles.” (Isaiah 40:31).

The remedy at such time is simply to re-strategize and review the entire project before continuing.

(vi) Don't Surrender Leadership to your Fantasies

It is amazing that sometimes when someone receives a brilliantly exciting idea, he/she soon gives in to negative fantasies by saying things like – “people might laugh at me if I present this idea or project. I might try it and it will be rejected.”

As a matter of fact, I am not immune to such negative thoughts on some occasions when I had planned to embark on big or costly projects. What I did was to always seek professional advice, and it has properly worked out for me. After considering and analyzing this advice, I usually proceeded to embark on the project quietly and without further consultations with so-called “experts.”

It is important to note that if your dream is bigger than that of your friends/contemporaries; if your ideas are more creative, there will surely be criticisms. There will probably be some ridicule from people who are ignorant about your dream and goal. However, do not indulge in negative fantasies that could limit the size of your goal and stifle your creativity. Ensure you work in accordance with your goals and objectives; do not allow any distraction until the project is completed. On completion of this project, both the positive and nay-sayers shall congratulate you on your success; that is how to be a leader with purpose.

(vii) Do not surrender leadership to fears.

According to Rev. Dr. Robert Schuller an American evangelist, he cautions as follows: “God has not given us a spirit of fear, but of power and of love and of a sound mind.” That means when you surrender to fears, you can be sure the fears did not come from God. God does not give us the spirit of fear, He gives us the spirit of power and love, and a sound mind”... Rev. Schuller further said...” If you have many fears, all you have to do is **cure yourself of one fear, and that is the fear of failure**. This will surely help you because, it is better to attempt something great and fail, than refuse to attempt nothing and succeed. Every loser who tries to do something great is really a winner; - for there is no need to fear failure,” he concluded.

What does fear or failure really mean?

Failure doesn't mean you are a failure... it means you haven't succeed yet.

Failure doesn't mean you have accomplished nothing... it does mean you have learned something. Failure doesn't mean you have been a fool. It does mean you have a lot of faith.

Failure doesn't mean you have been disgraced it does mean you were willing to try.

Failure doesn't mean you are inferior... it does mean you are not yet perfect.

Failure doesn't mean you have wasted your life... it does mean you have a reason to start afresh. Failure doesn't mean you could give up... it does mean you must try harder. Failure doesn't mean you will never make it..., it does mean it will take a little longer. Failure doesn't mean God has abandoned you..., it does mean, God has a better idea – so search for that better idea. There is absolutely no need to fear failure because it is not permanent. Afterall, no condition is permanent!

(viii) Don't surrender leadership to fatigue.

Most people sometimes run tired, or what medical practitioners call “burn-out.” It is quite important for us to realize when we are getting tired as a result of over-work, and then take a rest. This is because if one does not take a break at such times, there is the tendency for making some bad decisions as a result of fatigue.

There are times also when highly placed Executives (and even lowly placed ones), decide not to see people or make decisions when they are tired. Every top business executive should know when his/her energies are seriously taxed and then take some time off for renewal. Consequently, they plan mini-vacations or take a holiday immediately by after busy times of the year.

Alternatively, some top executives normally plan to play tennis or game of golf, say twice a week or at week-ends to ensure they never get burned out. The value

of taking interest in regular physical exercises or sporting activities cannot be over emphasized. Regular physical exercises and sporting activities normally re-charge the entire body system, thereby preventing fatigue and burn-out. This advice is applicable to everyone and not only for executives, as a result of the health benefits of physical fitness which also increases overall productivity of the human race.

(ix) Do not surrender leadership to faults or problems.

A lot of people surrender leadership to faults or problems. For instance, somebody comes along with a good idea and someone else says to him – oh, but it will take too long to materialize; or it will cost a lot of money to execute. Someone else may say – “somebody in town is already working on a similar project.” In this manner they find fault with a good idea and kill it, without giving it a chance to see the daylight. Thus, they surrender leadership to faults and problems, instead of to the potential of the good idea presented.

There are usually problems with every idea, but ideas call for nurturing and polishing before maturing, not demolishing. It is amazing how faults and problems can control our lives if we let them.

At a certain time, I counseled a young man who had a problem. He said, “Sir, everything seems to be going wrong with my life and I don’t think I will become somebody in this life. It is all my parent’s fault who divorced very early in their marriage; they broke up and our family fell apart, things have never been fine with me.” I said to him, “I understand you have had problems all long, **but never allow problems become an excuse.** When you let a problem become an excuse, you have ultimately surrendered leadership to it. Accept the faults, the shortcomings and imperfections. And then rise above them, I believe you can do if you have the right mental attitude.” I further told him that there is nothing like a problem-free life, and there is nothing like success without problems and hassles.

In conclusion, I told him that only dead people (or people in the graveyards) are the only problem-free people. At that time, he looked soberly at me and said, “thank you sir, I get your point. I promise to follow your advice and report back to you soon about my progress.”

(x) Do not surrender leadership to facts.

The problems you are facing today may actually be a fact, not mere theory. Nigeria’s unemployment statistics are factual and quite frightening, it is in the region of about eighty million (or more).

However, the fact that the unemployment rate is high does not mean you have to surrender leadership to it. It is said that “necessity is the mother of invention.” Yes, it is a fact there is scarcity of work for school graduates, (white-collar jobs); but there is now ample room for self-employment in Nigeria than at any other time before. There is also an abundance of incentives being given out by governments and corporate organizations to encourage unemployed people wishing to go into self-employment or entrepreneurship, all over the nation now. One only needs to be on the lookout for opportunities such as these:- ICT/GSM sector; agric business; mercantile business, various entrepreneurship projects, etc. Most millionaires and successful people are self-employed persons, not paid employees.

An American psychiatrist, Dr. Karl Meninger made one of the wisest statements I ever heard when he said... “attitude is more important than facts,”. Your attitude needs to remain positive (no matter the situation) and in the control position. Never let yourself be defeated by facts, no matter, what happens.

(xi) Do not surrender leadership to fates or prophecies

There are many kinds of negative “fates” or even “prophecies” which social structures or the “stars” might try to impose on people, if care is not taken.

Too many people allow their future to be unnecessarily predetermined by imaginary factors or forces. Some people believe in astrology, which is like fortune telling. A lot of positive-minded persons do not believe in fortune tellers because they make too many negative statements. A Pentecostal church pastor told the story of one anxiety-prone person who didn’t have enough faith in God to go to church. Instead, he went to a fortune teller, who said to him; “in your future I see poverty, bad luck, and failure until you reach the age of forty.” The person then asked the fortune teller, “then what happens thereafter?

The fortune teller looked at him and said, “Oh, after that you get used to it”.

You should note that fortune tellers, chart or card readers, and others who program people subconsciously or consciously with negative self-fulfilling prophecies are dangerous people. It is the same with church pastors who prophesy miracles, signs and wonders. Never allow such people to move into the control position of your life, because they ruin people if you let them into your life. Just have faith in God and yourself.

(xii) Do not surrender leadership to forecasts.

You know there are people who are constantly saying or “forecasting” that... “things are bad, and they are only going to get worse.” There will always be

negative cynical people who only believe that things will continue to go downhill, no matter the measures taken by the government to remedy the situation.

On one occasion, Rev. Dr. Schuller of USA faced a similar “forecaster” in his days and reminded him of the biblical quotation that... “if you have faith as a grain of mustard seed, you will say to this mountain, move from here to there and it will move, and nothing shall be impossible unto you.” Matt. 17:20.

As the forecaster continued his argument, Dr. Schuller told him to always look at the positive side of life, and that with prayers, things will always work out for him as promised in the biblical quotation above – stated.

The above-stated advice also affects everyone seeking unlimited success: - be positive – minded; do your best and leave the rest to God.

(xiii) Do not surrender leadership to your foes or opponents.

It is common knowledge that foes, enemies and opponents exist everywhere, such as in our offices, families, neighbourhood (and even at homes) sometimes. There are usually opponents (or members of the “opposition”), especially if you occupy any substantial office or position of authority in the community or the workplace. In my several years of working life, I have come to accept opponents as a normal part of life. I do not allow these opponents, foes or “enemies” to disturb my duties because I always aim at achieving my goal, no matter the odds.

However, some criticisms may be hard or unfair, but I always tried to see if some are genuine or useful for the progress of the organization.

Nevertheless, throughout the whole experience I discovered that some of the critics never offered a better solution to issues at hand. I also realized that some critics (or foes) were not interested in offering solution to problems, rather their aim was mostly to destroy the system through subterfuge (or even sabotage). Because they are not accountable to anyone, they sometimes resorted to using other means to mis-inform the staff and outsiders.

Despite all the distractions enumerated above, ensure you do not surrender leadership to your foes, no matter what happens. Remember that at the fullness of time, we shall stand before God someday to give account of our stewardship on earth.

(xiv) Do not surrender leadership to your friends.

Apart from foes and “enemies” already discussed under item No. (xiii) above, friends and relations also constitute another threat to leadership in offices,

churches, organizations and even in families. The leadership principles discussed in the last write-up also apply here.

Do not surrender leadership to friends and close relations because they are not accountable to anyone. Always remember, you are accountable to God for whatever you do as the leader; not your friends, close relations or who-so-ever.

However, ensure you remain firm, fair, just and equitable in your dealings with everyone, no matter the amount of pressure mounted by your friends and relations etc.

(xv) Do not surrender leadership to the fracturing (or shattering) experience of life.

A brokenness, fracturing or shattering incident such as divorce or death of a loved one may occur in someone's life. Take control and do not surrender leadership. A friend and former senior colleague met me sometime ago, he appeared distressed and looked seriously worried. On enquiry, he told me that his wife of twenty – five years standing had divorced him. He appeared almost inconsolable and totally confused about how to handle the shattering experience; he also told me he could no longer trust any woman again.

After analyzing the issues in details with him, I told him not to look at life from a negative and short-sighted perspective. I said to him, “believe in dreams; never believe in hurts. Do not let your fracturing shattering experience shape your future and life”. I also encouraged him to improve on his spiritual life which he had neglected woefully, when the going was smooth and beautiful as most people usually do.

I reminded him that... “a knock down is not a knockout, quitters never win, but winners never quit.” This is a lesson for everyone, never lose track of your goal, do not shirk your responsibilities in marriage and the family.

(xvi) Surrender leadership to one thing–faith

Let faith be in control of every decision you make and every action you take. You are able to do that when you allow **possibility thinking** to be the guiding principle of your life and goals.

At this stage it is important to review our life's journey from time- to time, and ask relevant questions to determine if we are still on course, and whether we are achieving our set goals or not.

Ask yourself these questions: “Who is in charge or in control of my life? To who have I surrendered leadership? Make a self-examination! You are advised to surrender leadership to faith and God, let Him be in control of your life, family and your resources. A word is surely enough for the wise!

CHAPTER EIGHT

TEN COMMANDMENTS OF POSSIBILITY THINKING

Introduction:

What do we mean by possibility thinking? In essence, it is the management of ideas. It is observed that some people have never learned how to manage time, money, manage people nor themselves.

Possibility thinking focuses not only on the management of time, money, energy, or persons but on the management of ideas. Wise men and philosophers tell us that ideas are more valuable than money, (or physical cash).

What do we mean by ideas? An idea is defined as a plan, thought or suggestion, especially about what to do in a particular situation or scenario. It is further defined as, “a picture or an impression in a person’s mind concerning a plan, job, or project,” according to Oxford Dictionary. Psychologists tell us that about ten thousand ideas daily flow through the average mind, but a vast majority of those ideas are negative. **Possibility thinking therefore is, the disciplined separation of negative thoughts from positive thoughts by this criterion- that positive thoughts are those that hold undeveloped potential for something good. It is better to concentrate more on those positive thoughts than the negative ones.** The possibility thinker looks at every idea to see if it has **possibilities for something positive inside it**. This is the stuff of which millionaires and billionaires are made.

Conversely impossibility thinkers are people who instinctively react negatively to a possibility – laden idea. They impulsively look for reasons why it can’t be done – they quickly abort an idea and forget about it.

An impossibility thinker is ready to give a thousand reasons why a project will fail, but may be unable to give five reasons why the project can succeed.

The point is this: never under-estimate the value of an idea, because every positive idea has within it the potential for success if managed properly. How can we manage ideas so effectively that we can be assured of success? It is only through the Ten Commandments of Possibility Thinking which follow:-

(1) **Never reject a possibility because you see something wrong with it.**

There is always something wrong with every good idea. One renowned Pastor once said that, “anytime God gives you an idea, you can find some negative aspects to it. It is amazing how people sit in a meeting and respond to an opportunity only by finding fault with it.”

Don’t throw away (or reject) an idea or suggestion simply because you have problem with it. Indeed, isolate the negative from the possibility, neutralize the negative. Exploit the possibility, and sublimate the negative. Don’t ever let negatives kill the

positive potential that is within an opportunity. Nothing is impossible if you hold on to the idea that it might become possible some-how, some way, and with someone's help. Rev. Dr. Robert Schuler the renowned American Evangelist and Consultant said, "it is better to do something imperfectly than to do nothing flawlessly".

2. **Never reject a possibility because you won't get the credit.**

Do not reject an idea with possibility to succeed simply because you will not get the credit. Decisions must never be made out of selfish motives or based on ego needs. They must be based on human needs and market pressures that transcend your own desires – and wishes.

3. **Never reject an idea because it looks impossible**

Almost every big or great idea seems impossible when it is first born. The greatest ideas today such as motor vehicles, aeroplanes, computers, GSM, etc., seemed impossible at first. Possibility- thinkers take great care to nourish ideas, and turn impossibilities into possibilities.

It is important to consider whether the idea is a good one; would it be beneficial for our country, humanity and the world at large? If so, then develop a way to make it beneficial to the world, instead of keeping it to oneself. Just because something seems impossible today, does not mean it will be impossible tomorrow. Could you ever imagine the present day wonders brought to humanity through ICT, Airplane, Internet Network, Digital revolution, etc? It is because those ideas were not rejected initially.

4. **Never reject a possibility because your mind is already made up:**

Possibility thinkers are people who keep an open mind and look at ideas as they unfold;- they are not involved in locked –in- thinking. People sometimes say... "do not confuse me with the facts, my mind is already made up".

This is rather an unfortunate statement because people who don't change their minds are either "perfect" or plain stubborn. It is better to change plans while still in the sea-port, than to set sail and sink at sea after leaving the harbor.

5. **Never reject an idea because it is illegal.**

Some good ideas are impossible because they are illegal today, but do not reject an idea because it is illegal. You should also never violate the law. However, someone (or legislators) could even lead a crusade to change a law which has become obsolete. A lot of laws in the statute books today need to be changed because they are outdated. Legislators are constantly changing obsolete laws.

6. Never reject an idea because you don't have the money, manpower or muscle.

"All it takes to accomplish the impossible is mind-power, manpower, money-power and muscle-power", said an accomplished management consultant. Do not reject an idea just because you don't have the necessary power to actualize it.

Most successful persons have very limited resources, except the capacity to take an idea and bring together stronger and smarter people around him to successfully work it out successfully. It is often said that good ideas will attract the means for its execution, though with the right connections.

7. Never reject an idea because it will create conflict

I have observed that it is not possible to do something big and successful without creating conflict. One can never establish a goal without generating a new set of tensions which sometimes also create a conflict of interests or ideas.

Every idea worth anything is bound to be rejected by people who do not go along with the idea. To reject an idea because it may generate conflict, is to "surrender leadership" to friends or foes.

8. Never reject an idea because it is not your way of doing things.

For anybody planning to succeed, it is important to learn how to accommodate; to compromise; plan to adjust and change "tradition" because, these are all opportunities to grow. Learn to be equilibristic, maintain a balance between the limitations of the available resources at the moment. It is important to re-adjust one's budget; compromise your taste and review your life-style if you wish to succeed in your goal.

9. Never reject an idea because it might fail

Every idea worth anything has potential for failure within it; - because there is always a risk in everything. However, I have learnt from experience that with possibility thinking, success is assured if you do what you are expected to do.

Experience has also made me appreciate the fact that success is never certain; failure is not final, and no condition is permanent. **"Success is not carved in granite (or precious stones), it is always moulded in clay"** according to Rev. Dr. Robert H. Schuller of USA. **"You should never reject an idea because there is some risk involved in it. You isolate the risk, insulate it, and eventually eliminate it"**, concluded Rev. Dr. R. H. Schuller the Great Self-Motivation expert.

10. Never reject an idea because it is sure to succeed.

There are people today who reject an idea, (or an opportunity of occupying a very important position), because they do not want to enjoy the limelight and fame which it would bring to him/her. They simply, reject the idea on the ground of being

humble, and afraid of withstanding the attendant popularly, glory and honour that goes with success.

Some people may describe high office and material success as “vanity”, or being materialistic. This is not a healthy approach to life, no matter how one looks at it. To choose poverty instead of prosperity, failure instead of success, low achievement instead of top-of-the ladder achievement, simply for the sake of being humble, is un-Christian. It is totally dumb, because only successful people can help people who are failing and require help. Only winners will survive to give food to the hungry.

Conclusion:

The Ten Commandments for possibility thinking is akin to what the Holy Bible contains, where it says... “If you have faith as a mustard seed, you will say to this mountain, “Move from here to there, and it will move; and nothing will be impossible for you.” (Matt. 17:20).

Possibility Thinking Poem:

When faced with a mountain, I will not quit!
I will keep on striving until I climb over,
Find a pass through and tunnel underneath –
Or simply stay and turn the mountain into a gold mine,
With God’s help, of course, I will succeed.

On Your Future

The easiest or cheapest way up is to forget the past,
Make the best of today and be excited about tomorrow.
Anytime you hide in worry, your future becomes uncertain.

CHAPTER NINE

THE FAITH THAT CAN MOVE MOUNTAINS

Introduction:

Our journey of success, personal motivation and achievement has taken us through various stages so far. It is my belief that you are thoroughly enjoying this journey of self-discovery by putting into practice some of the things you have already grasped along this unique trip.

Perhaps, you have tried to believe and still are unemployed; or you think you have applied faith to your problems, yet it has refused to go away? You have exercised all the faith you can muster, but your difficulties and problems still abound and persist.

Someone once asked me this question; “Did Jesus make a mistake when he said, If you have faith as a mustard seed, you will say to this mountain, move from here to there and it will move; and nothing shall be impossible for you”, (Matt: 17:20). The answer I gave is one that can give you the **inner toughness** to see your way through tough times, (and overcome it) until light breaks around you.

The following are the most important, issues to enable you “move your mountain of problems” and obstacles:-

Faith is indeed the greatest miracle- working power imaginable in the world: Faith never fails any person who firmly holds on to it; we fail only when we give up on our faith, (or if you have a doubtful mind). There are five phases of faith and if we cut out any one of these phases, we will be disappointed with the ultimate results.

- i) **Faith is like a seed:** If a seed is not planted, it cannot bear fruit; but planting is just the first phase.
Unless the seed is watered, it will not sprout from the soil.
- ii) **Sprouting is the second phase:** Once the seed is planted and watered, growth will begin.
- iii) **Nourishing the plant is the third phase:**
Unless the plant is nourished, it will not reach full maturity. It will not blossom which is also part of the third phase.
- (iv) **Bearing fruit is the fourth phase of the cycle:** Only if each phase is properly nurtured can a seed reach full maturity.
- v) **Finally, when the fruit is ripe it must be harvested at the precisely correct time:** Failure to harvest at the appropriate time could lead to over-ripeness and which leads to destruction by winds, animals, birds, or pests, etc. Even as there are five phases to fruit- bearing- from the planting of the seed to harvest time, there are five phases to the full cycle of mountain-moving-faith which follow:-

1.) **The Nesting Phase:**

The first phase of faith is the nesting, phase. This is when an idea drops into the mind, as an egg is deposited in the bird's nest. For many people, faith never gets beyond the nesting stage, before the idea becomes abandoned. The unhatched egg rots away in the nest; the idea thus passes through the mind without being taken seriously.

Nothing kills the potential miracle- working- power of God, more than lack of confidence in pursuing an idea seriously when conceived. Faith is indeed most fragile at birth, hence the need to work seriously to actualize it.

Faith begins when you begin to believe in the idea God sends to you. Greatness does not depend upon your position in life, but upon your respect for the positive ideas that flow into your own mind (or imagination). Every person is creative to an extent, but a lot of people do not believe in their own creativity, hence some fail to pursue their goals beyond the nesting phase. The first stage of faith is believing in yourself; the positive ideas that flow into your brain comes from God, so, do not abandon those ideas but nurture them for your own benefit.

2. **The Testing Phase:**

Faith's second phase is the testing phase. No sane person plunges recklessly and irresponsibly ahead with every idea that comes into his brain.

Ideas must be tested by asking the questions that rise out of your own value system. Decision- making is easy if there are no contradictions in one's value system. However, a positive idea implies questions like this:- "is this idea (or project) really necessary? Is it really a human need-filling idea? Can it be inspiring to others?"

Someone asked a world-renowned Management Consultant the following question:- "How do you test the ideas that come into your mind?"

He answered as follows:- "I test mine by this universal principle: Will my faith, acted upon and firmly embraced cause my life and my activity to be an inspiration to somebody else to become a better person, or to achieve more in his or her life?"

The truth is that everybody is an inspiration to somebody else, hence sometimes suddenly tough times become good times when our positive reaction becomes an inspiration to others.

3) **The Investing Phase:**

The third phase of faith is the investing phase, the point at which you make financial or investment commitment to that idea. At this stage, you commit time, money, energy, and possibly your pride and prestige to the idea or project. Even at

this point, many people still find their faith faltering or shaking as a result of indecision on their part.

Unfortunately also, many people let their fate die when they are unable to cope with the financial requirement for the project.

Remember, that mountain- moving faith will never fail you, but you can fail if you are not willing to pay the price. You might have to pay the price of greater humility by starting again, once more at the bottom of the ladder. You have to invest more years by improving your academic background. Many people fail their faith at this third phase because they are not ready to “invest” towards the attainment of the goal. They are just not faithful enough to invest everything they have got into their dream.

4) **The Arresting Phase**

The nesting, the testing and the investing phases almost invariably lead to the fourth phase; the arresting phase. At this stage, you have made the commitment; you have put your name on the line.

Now problems attack you and troubles arise from some unexpected quarters. Defeat seems certain and you wonder if you have made a terrible mistake with your investment. The arresting phase of faith is God’s way of testing us before the final victory. He wants to know if we are really depending on Him or relying on ourselves. Will we really be grateful to God if we make it? Are we going to prove humble enough to handle the big prize? These are some of the issues that arise along the journey towards our success.

Poem- Don’t Quit!

When things go wrong, as they sometimes will,
When the road you are trudging seems all uphill,
When the funds are low and the debts are high,
And you want to smile but you have to sigh,
When care is pressing you down a bit,
Rest if you must- but don’t you quit

Life is queer with its twists and turns.
As every one of us sometimes learns,
And many a failure turns about
When he might have won had he stuck it out
Don’t give up, though the pace seems slow-
You must succeed with just another blow...
Success is failure turned inside out-

The silver tint of the clouds of doubt-
And you can never tell how close you are,
It may be near when it seems afar;
So stick to the fight when you are hardest hit-
It's when things get worse that you mustn't quit!

Don't trust the clouds – trust the sunshine.
Don't set your compass by the flash of lightning- set it by the stars.
Trust the sun- don't trust the shadows.
Believe in your dreams- Don't believe in your despairing thoughts.
Have faith in your own faith – and doubt your doubts.
Trust in your hopes- never trust in your hurts,
And you will move on eventually, effectively, inspiringly to faith's final phase; the cresting phase.

5) **The Cresting Phase:**

Yes, the crowning phase of faith is the cresting phase. Now, the mountain top is scaled! Success finally is achieved- a habit is broken. The money starts flowing your way- the chains are loosed.

The bones are healed the doctor tells you, you can go home now. You walk back into the sunshine. A broken relationship is healed. The emptiness and loneliness of life is filled with a new friend and loved one. The court case is finally settled.

The economy turns around and a job opportunity comes your way. God never fails to let the sun outlive the storm, and those who keep on keeping on ultimately survive successfully. In the process, they become an incredible inspiration to others to keep bravely fighting their battles too.

The cresting time will come for you too, if you will hold on and never believe in **never**. The storms will pass away and the birds will come out to sing again!

Conclusion:

Now believe and you will achieve

The God, who created you, gave you a brain that is brilliant. You were able to learn to read, and you have been able to read up to this chapter. You have a great deal of determination and you have followed the book up to this chapter. You are a deserving person alive in the world today! God created you to be somebody who could be an inspiration to many people. Open your mind to receive possibility thoughts. They usually come like eggs dropped in a nest. Tenderly receive them and be prepared to trust in them through the testing phase, the investing phase and the arresting phase. Never abandon the dream until you have reached the

cresting phase! Endeavour to put into practice what you have learnt so far about possibility thinking for your own good.

Tips on How to Manage Success:

- (i) Continue to work as if you have not yet succeeded. Do not rest on your oars; maintain your work tempo to avoid any distraction.
- (ii) Find other areas of life that require your attention because, an idle hand is the devil's workshop.
- (iii) Continue to use your brain all the time, even as you walk by faith. Be balanced! Prayer is great, but you must think seriously as you pray.
- (iv) The brain has been described as, "the master plan of the human body" by some psychologists. So, make proper use of your brain continuously by reading and writing.
- (v) Use your brain creativity, to enable you use your hands effectively for working purposes.
- (vi) Love your family, but weed out unfriendly friends or negative persons in your life or company.
- (vii) Good and sincere people are available but in short supply! Go out and look for them, and use them wisely.
- (viii) Stay relevant, continue your self-development. Remember that if you don't get up-dated, you become outdated. If necessary, review your daily schedule or programme to reflect the positive impact of your new status as product of Possibility Thinkers Academy.
- (ix) Above all, have the fear of God and live a clean private life devoid of anything evil. Beware of the company you keep, your private life is more important than your public life.
- (x) Finally, watch and avoid bad habits- let moderation be your watchword in everything you do. Trust God at all times. Avoid drugs or alcohol in handling stress; above all cultivate a life of prayer to avoid worldly pitfalls.

MASTERY OVER LIFE BY DR. U.S. ANDERSON

Behind the world of the senses are higher planes of consciousness where the true causes of things exist. I affirm that these higher planes are within me, that my destiny is to know them, that they will reveal themselves to me insofar as I surrender my being, will and purpose to God.

I know that in actuality there are no inanimate objects, that each thing consists of arrested consciousness. I know this consciousness proceeds out of the mind and being of God; and that in its pure form it is idea only, awareness only and even identical to my own.

Therefore I affirm my oneness with all things. In all, I perceive the indwelling presence of God everywhere. He resides in the tree, the flower, the bird, the beast, in my neighbor,

etc. He is the observer that sits in the centre of each creature, who is never restricted by the restrictions of form.

I am not I, in a true and real sense; but my consciousness is the consciousness of God. Where I fail to expand to meet this awareness there I limit myself to the form and circumstances of ordinary life.

Therefore I take refuge in the body and being of God. I stand apart from my own strivings, concerns and desires. I am not identified with them, but watch them. They are not me; they are the warp and wool of life's longings for itself; the inevitable result of conflicts and aspiration, effort and failure. And though I exist in the midst of all and participate in all, still I am not touched. By that very detachment there is unloosed through my nature, the power and the purpose of the Divine. His vaster being. His greater consciousness manifest through me.

CONCLUSION

“Stand apart from the Maker of all things; it is illusion for thee to be awed by a spiritual self that is ten miles tall; He is thee, thou art He, the indwelling God”.

- Culled from “Meditation” by Dr. U.S. Anderson, an inspiring and dynamic American Philosopher from his book, titled: The Secret of Secrets.

CHAPTER TEN

TOUGH TIMES NEVER LAST, BUT TOUGH PEOPLE DO

Introduction

What is the secret ingredient of tough people that enables them to succeed where others fail?

Why do they survive the tough times when others are overcome by them and why do they win when others fail?

Why do they soar when others sink?

The answers are quite simple - It is all in the way they perceive their problems. They **look at problems drastically and practically**. This is because they thoroughly understand the six principles that pertain to every type of problems; they are as follows:-

(i.) Every living human being has problems.

Let us first examine your problem - Is it un-employment? If one is an impossibility-thinker you will probably think that getting a job would solve your problems in the meantime. The truth however is that employed people have problems too. Most people who have jobs normally complain or grumble about their jobs.

Some complain that the job is tedious, stressful or exhausts their strength, and so on.

Also, countless people have jobs which they don't like and which gives them unhappiness (instead of joy). Thus, they regard their job as giving five days a week to unhappiness. They hate their jobs; they work to live rather than live to work. Consequently, they drag their feet getting to the office or factory. As soon as they get to work, they focus on the un-enjoyable aspects of their jobs and devote a lot of their time to negative thoughts and gossiping.

Everybody has got problems- the employer as well as employees. Retirees or retired people also have their problems. Many of them become very depressed soon after retiring because they no longer feel productive or useful.

What about successful people?

Are they also exempted from problem? Surely, they are not exempted from problems. The truth is that every success actually create new problems, it does not eliminate problems. Successful people really work very hard to maintain their position, and also strive to keep getting ahead of their contemporaries.

The bottom-line however is that every situation in life carries responsibilities of its own, whether successful or not. It is rather advisable for one to have a dream (or goal) which should be pursued relentlessly until victory is achieved, no matter the odds.

A problem-free life is an illusion, an impossibility – a mirage in the desert. It is a dangerously deceptive perception, which can mislead, blind and distract foolish people.

To pursue a problem-free life is to run after an elusive fantasy in life, it is a waste of mental and physical energy because every living person has problems. The point is clear: Nobody is free from problems.

(ii) Every problem has a limited life span

It is quite important to know that every mountain has a peak and every valley has its low point. Life has its ups and downs, its peaks and valleys also. No one is up all the time, nor are they down all the time, because problems do end. Problems do go away, because they have “expiry date” if you persevere. At the fullness of time, problems become resolved. Eventually; every war usually comes to an end.

The above –stated principle is quite evident when you look at the history of humanity, for it is a study in peaks and valleys - the ups and downs of life. Humanity sometimes reaches its peak, when societies rise from decadence to a highly sophisticated state of civilization. Eventually however, most cultures allow decay to set in.

History teaches us that every problem has a life span- no problem is permanent; only change is permanent. Your problem will not live forever, but you will overcome.

Storms always give way to the sun; your storm will eventually pass away, because your problem will be resolved with time, of course. So do not be afraid of problems, but rather face that challenge or trouble squarely because victory is assured if you don't lose hope.

(ii) Every Problem Holds Positive Possibilities.

The Holy Bible says that, “it is the glory of God to conceal a thing”, (Proverb 25:2). This statement is widely interpreted by theologians to mean that, every problem contains secret ingredients of some creative potential either for yourself or someone else.

Remember that there are usually two sides to every coin. What may be a problem to someone could be a profitable business for another person. For instance, in the United States of America the presence of rats and mice alone results in tens of millions of dollars in the economy.

Rats and mice are responsible for thousands of jobs in USA today, according to reliable sources. Factories manufacture millions of mouse traps annually, families are supported from the income of exterminators of such pests, which has become a large employer of labour.

Similarly, every human problem holds possibilities for anybody willing to look for them; one man's problem is another person's opportunity. Consequently, hospitals exist because people fall sick and require health care. Lawyers are in business because people violate law, while some seek legal advice, etc.

Also mortuaries, cemeteries, schools/colleges/universities, churches, etc, all exist for the purposes of helping people through their problem times.

(iv) Every problem will change you, either positively or negatively.

It is a fact that problems never leave us the way they met us, no one ever emerges from a problem untouched by tough times. This is because everyone is affected by the bad economy (or tough times).

Recently, I was talking to a very successful marketing executive whose income was quite high. I was surprised to learn that he had a degree in history and education. I tried to find out the reason he left his teaching job and settled for marketing. He said to me “I was a very boring teacher. Actually because I was boring, my students were restless and I failed to communicate to them. I had to get fired (or sacked), before I got fired up. He continued... ‘Basically, I was too lethargic and my contact cancellation jolted me out of a lazy rut. I will always be grateful that I lost my job, because it made me angry enough at myself. I became so angry I decided to go out and make something of myself, hence I went and landed a far better job as Marketing Executive in a Telecoms Company. (Remember that every problem will change you, positively or negatively, but it all depends on your disposition). Note; the author had personally experienced similar situations and overcame them tremendously well. You too can make it if you care about it.

v. You can alone choose what your problem will do to you.

It is a known fact that you may not be able to control the tough times, but you can compose (or decide) your response. You may not have chosen your tough time, but you alone can choose how you will react to it. Never let a problem become an excuse for failure, because problems are part of life's experience.

Dr. Norman Vincent Pearle, the famous American Motivational Expert was being interviewed on national television some years ago. The interviewer asked him “Dr. Pearle, how far do you apply **Positive thinking?**”

He answered, “I apply positive thinking in the areas over which I have control. For instance, if I buy an aircraft and it crashes, I have no control over that.”

The interviewer then told Dr. Pearle that he applies **Possibility thinking** over every area of his life, not only in the areas over which he has control.

He further said, “Actually, Dr. Pearle we can control our reaction even when we cannot control the problem”.

When you control your reaction to the seemingly uncontrollable problems of life, then in fact you do control the problem's effect on you. Your reaction to the problem is the bottom line. What will you let this problem do to you? It can make you tender or tough, it can make you better or bitter, but all depends on you”, concluded the renowned philosopher /interviewer.

(vi) There is a negative and a positive reaction to every problem.

In the final analysis, the tough people who survive the tough times do so because they have chosen to react positively to their predicament. However, this is not as easy as it sounds. Let us consider for example, the problems of an unwanted pregnancy: - What are

the options? What are the alternative solutions? Which “solutions” are really solutions? How do you determine which re-actions are positive and which reactions are negative?

Let me answer the last question first.

The positive reaction is the one that would contribute most to the collective self-esteem of the human family. In considering my options, I must choose the one that will ultimately make me more proud as a person.

Furthermore, a positive reaction would be that which would bring the greatest joy to most people. In addition, a positive reaction would be the reaction that holds the greatest possibility of making a constructive contribution to society. On the contrary however, the negative reaction would be the reaction that would be most embarrassing to the concerned family or the human family, and would prevent any good from coming from the problem at hand.

Based on these **positive principles** of choosing the most positive reaction to a problem, it has been advocated by religious and medical experts that an unwanted pregnancy should be allowed to go full term. The child should be allowed to be offered as an answer to the prayers of a childless family. Abortion is a negative solution to this type of problem and it should be avoided at all times.

Conclusion

It is agreed that **tough times never last, but tough people do**, and this is because tough people always stick it out. They don't give up easily, they have learnt to choose the most positive reaction in managing problems. The real key is “**Managing problems**”. For inspite of all our possibility thinking, there are after-all some problems that defy solutions.

For instance if one's leg is amputated, it cannot grow again. You can manage this problem however, by considering all the possible ways in which prosthesis can be developed, improved and refined. You can manage it by determining to walk better, more smoothly and more quickly than anybody else could imagine. In the process, you will become an inspiration to everyone whose life touches yours.

Possibility thinking: I do not claim that it can solve every problem, but I have no doubt that the vast majority of problems can be solved if we only believe. “With men this is impossible, but with God all things are possible (Mathew 19:26). When you can't solve the problem, manage it. How do survivors do it? When they cannot solve the problem, they manage it creatively?

Do you remember the white South African athlete, Mr. Pristorios whose legs were amputated below the knee as a result of motor accident? After surgery, a pair of artificial legs were fitted to the stumps and this enabled him to walk and run. As a matter of fact, Mr. Pristorios was competing favorably in the one hundred meters race with able – bodied athletes. He was able to win gold medals at Olympic Games in recent years.

This is a remarkable achievement for a double amputee, who had the desire to succeed in life despite amputation of both legs. It is a good lesson in possibility thinking, instead of

just brooding and lamenting over his misfortune. With possibility thinking, your overall success in life is assured.

CHAPTER ELEVEN

POWER-PLUS MOTIVATION FOR ALL

This collection of short verses have been called by different names, viz:- success vitamins, distilled wisdom, epigrams, proverbs, etc. Regardless of the name you choose, you will definitely be able to increase your power for success by the means of auto-suggestion; i.e. – by constantly repeating some of these statements regularly to yourself until they become a part of you. The statements have to become **internalized** in your mind through applying the system called PMA (Positive Mental Attitude) in order to become effective. Some of these statements have been gleaned from the Napoleon Hill Golden Rule Magazine, the Science of Personal Achievement, the memory bank of our mind and experience of the author.

The collections are prepared with the hope that each person who reads them will be fully enriched in body, mind, and spirit; for as the great philosopher Socrates has said, “wisdom adorns riches and softens poverty”. These proverbs are **mind conditioners**; read them very thoughtfully and make them your own. Then observe how other people definitely and quickly give you their friendly co-operation. We wish you abundance of courage, peace and faith. If you have these states of mind, all other things that you need will naturally come to you when you need them. These collections of success vitamins are arranged in alphabetical order for your delight. Read on!

Accurate Thinking

How can you judge others accurately if you have not learned to judge yourself accurately, through accurate thinking? The person who thinks before he acts seldom has to apologize for his actions. Thinking your way through your problems is safer than wishing your way through. The person who thinks the whole world is wrong might be surprised at what the world thinks of him. Many men who think they have arrived are surprised to learn that they have been traveling in reverse gear. You may as well not listen if you don't think before you act, but be careful not to tangle with the man who thinks before he acts. Trying to convince the man who doesn't think, its love's labour lost.

Optimism is a magnet. If you stay positive, good things and good people will be drawn (or attracted) to you. – Mary Lou Retton

Action

Watch the man ahead of you, and you will learn why he is ahead. Then emulate him. The man who does not reach decisions promptly when he has all the necessary facts in hand, cannot be depended on to carry out decisions after he makes them.

If you wish a job to be done properly and well, get a busy man to do it. The idle man knows too many substitutes and shortcuts. The man who only does enough work to “get by”, seldom gets much than he puts into the job. Good intentions are useless until they

are expressed in appropriate action. It takes more than a name on a church membership to make one a Christian.

Believing

You can do it if you believe you can. If you don't believe it yourself, don't ask anybody else to do so. A man comes finally to believe anything he tells himself often enough, even if it is not true, might throw itself on the side of those who believe in what is right.

Cautiousness

Be cautious of the man from whom dogs and children shrink with fear. Over-caution is bad as no caution at all. It makes other people suspicious of such a person. Look carefully to see if the pasture on the other side of the fence appears greener, for there may be thorns mixed with the grass. Look the other fellow carefully who is trying to sell you his way of life, to make sure his way is as good as yours.

Challenge

Render more and better service than is expected of you if you wish to attract quick and permanent promotion, or customers. Every time you perform a task, try to excel your last performance, and very soon you will excel above those around you. Who told you it could not be done, and what great achievements has he performed that qualified him to set up limitations for you? Never tear down anything unless you are prepared to build something better in its place.

In the hour of defeat, many men have discovered their true greatness by accepting defeat (or failure), only as a challenge to try again.

Your Chief Aim or Goal

What do you want from life, and what have you to give in return that entitles you to it? The successful man keeps his mind fixed on what he wants in life—not what he does not want. One lady called Peggy Joyce in USA married four millionaires, one after another, because she knew what she wanted and refused to accept substitutes. The only permanent thing in the entire universe is what a man (or woman) sets up in his own mind.

Never mind what you have done in the past. What matters now is what you are doing presently, and in the future. If you don't know what you want from life, what do you think you will get? Surely, you will get absolutely nothing! Be sure about what you want from life, and doubly sure of what you have to give in return. Examine most carefully the things you desire most, for you shall get nothing tangible without sacrifice. Wisdom consists in knowing what not to want, as well as what to want. Don't be afraid to aim high when choosing your life's goal, for no matter how high you aim, your achievements may still fall below it. Keep so busy going after what you want that you have no time to fear what you don't want. If you don't know what you want do not say you never had a chance.

Co-operation

Willing co-operation produces enduring power, while forced co-operation end in failure. No man can succeed and remain successful without the friendly Co-operation of others. Co-operation must start at the head of a department if it is expected at the other end. Ditto for efficiency. Friendly co-operation is never any part of the devil's work. He, the devil is busy working on the other side. Remember that no one can hurt your feelings without your co-operation and willingness. Friendly co-operation will get a man more, than unfriendly agitation in any marketplace.

Courage

Courage is often one jump ahead of fear. The man who complains that he never had a chance, probably does not have the courage to take a chance. If you don't know something, summon courage to admit it and you will be well on the road toward learning.

Criticism

One way to avoid criticism is to do nothing, and be nobody. The world will then not bother you. Never fear unjust criticism, but be sure it is unjust. If inventors feared criticisms, we would still be traveling by ox-cart and horse; and also wearing primitive clothing. Don't be afraid of criticism, but be prepared to accept it if you have a better idea to offer. If you cannot stand criticism, you may as well not begin anything new. If you can't take criticism, you have no right to dish it out to others. Before you start criticizing, you had better do a little softening up by praise. Praise more freely than you criticize, if you wish to be popular.

Deeds

If you are really great, you will let others discover this fact from your deeds. Count that day lost, whose descending sun finds you with no good deeds done. The only safe way to boast is by constructive deeds, not by mere words. Self-praise is a credit only when it consists of deeds helpful to others, and not of mere words.

Deeds, not words, are the greatest means of self-praise. The man who thinks he can buy his way into heaven with money alone, may regret that he didn't convert it into good deeds instead. It is not the epitaph on your tombstone that matter, but the record of your deeds that may perpetuate your name after death. Faith is a combination of thoughts and deeds.

Definiteness of Purpose

A man without a definite major purpose in life is as helpless as a ship without a compass, because it will be tossed about on the sea of life. All riches consist in the habit of clear thinking. If you have no major purpose in life, your minor purpose will amount to

nothing but a scant existence. A rudderless ship and a purposeless man are eventually stranded on desert sand.

Willpower is the outgrowth of definiteness of purpose expressed through persistent action based on personal initiative. Living without a definite major purpose in life promises nothing but a scant living. If you have no major purpose, you are drifting toward certain failure. Constancy of purpose is the first principle of success. Honesty and hard work are commendable traits of character, but they will never make a success of the man who does not guide them toward a major definite purpose.

Education and learning

Education means development of the mind from within the individual; it will enable him to take his problems apart and put them to work, for him, not against him. All education is self-acquired since no-one can educate another.

An educated person is not necessarily someone who has all the knowledge, but the one who knows where to get it when he needs it. Knowledge is not just power, it is only potential power that becomes real through its effective usage over time.

Knowledge, when intelligently used, attracts greater knowledge. The more you learn about your job, the more you may earn from your job. The person who learns while he earns is being paid to go to school. Knowledge is useless until it is transformed into benefit through positive action.

Effective Speech

Speak gently and you will not need to weigh your words so carefully; the man who speaks gently is heard further. Remember, every word you speak gives someone a chance to find out how much – or how little you know. Carelessly expressed words often have an embarrassing rebound, watch what you say. Not what you say that matter, but the way you say it counts. Think what you please, but be careful how you express your thoughts.

Enthusiasm

Where enthusiasm is a habit, fear and worry do not hang around. If you are without enthusiasm, you are without a definite major purpose. A man without enthusiasm is like a car without fuel. Enthusiasm starts the wheel of imagination turning round. Enthusiasm often makes dull conversation interesting. The happiest men are those who have learned to mix play with their work, and bind the two together with enthusiasm.

Going The Extra Mile

A good fisherman goes out of his way to bait his hook with what fish prefer. This is a good tip for those who wish to succeed. Remember, every time you go the extra mile you place someone under obligation to you.

Only those who have the habit of going the second mile, ever find the end of the rainbow. Every time you influence another person to do a better job, you benefit him and increase your own value. You cannot make everyone to like you, but you can rob them of a sound reason for disliking you. The man, who does more than he is paid for, is sooner or later paid willingly for more than what he does. This is the actual meaning of **going the extra mile**. He is richest who gives most in service to others.

Failure

Many men have found opportunities in failure and adversity, which they could not recognize in more favourable circumstances. Success requires no explanations; failures must be doctored with alibis. Drifting without aim or purpose, is the first major cause of failure. Edison failed ten thousand times before perfecting the modern electric lamp. The average man would have quit at the first failure, don't worry if you fail once. That is why there are many "average" men, and only one Mr. Edison, the inventor. There is a vast difference between failure and temporary defeat; a man is never a failure until he accepts defeat as permanent and then quits trying. Most failures could have been converted into successes if someone had held on for another minute, or made one more effort. Success often attracts success, but failure attracts failure because of the law of harmonious attraction. The man who tries to get something for nothing generally winds up getting nothing for something. Think about this. If you don't know why you failed, you are no wiser than when you began. What is the assurance that you will not fail again?

Fairness

Don't overlook small details, remember that the universe and all that is in it are made from atoms, the smallest known particles of matter. The best way to start getting favours is to start handing out favours to people.

Faith

Faith is a state of mind that often makes the word "impossible" obsolete. Faith is born of **definiteness of purpose** operating in a positive mental attitude. Faith will not bring you what you desire, but it will show you the way to go after it for yourself. Faith never diminishes through use, but it increases thereby. No man can destroy your faith in anything unless you give consent. The greatest of all miracles is the power of simple faith. Faith needs a foundation on which to stand but fear exists without a base. Have faith in your ability to succeed, also have faith in God to help you.

Fear

Fear is the devil's greatest weapon, and man's greatest enemy. Fear is the most costly of all human emotions, although most fears have no foundation in facts. Men with clear conscience seldom fear anything. Don't temporize with fear, just go ahead and kill it. Every bargain based on fear or force is a bad bargain for one who drives it. Hope and fear

don't travel together. Fear is bombastic; faith works in silence; but it works. When the two meet head-on, faith always is the master of fear.

Friends

A friend is someone who knows all about you, and still respects you. Friendship needs frequent expression to remain alive. It recognizes faults in friends, but does not speak of them. If you must let someone down, be sure it is not a friend who helped you get up when you were down. Friends are to be grown, not taken for granted. The man, who calls on his friends only when he needs something, soon finds himself without friends. If you wish to have a friend, be a friend yourself.

Habit of good Health

Ripe fruits and raw vegetables constitute a healthful diet of which you can never over-eat. When you feel sluggish, try nature's doctor. Just quit eating food until you are hungry again. Proper diet and elimination of body wastes will serve better than an apple a day to keep the doctor away. Watch your eating habits, and save a doctor's bill.

Don't try to cure a headache; it is better to cure the thing that caused it. A big appetite does not always lead to sound health. Pills will not cure toxic poisoning, but plenty of water will. Keep your mind on your physical ills and you will always be sick. Ditto for health!

Handicapped

If you become discouraged, think about Helen Keller who, although deaf, dumb and blind made a good living by writing books, to inspire her more fortunate fellow men and women. A blind boy paid his way to a Master's Degree in the university by taking notes in Braille system, writing them out on a typewriter, and selling copies to his classmates who had stronger eyes but weak ambition. The man who starts at the top is greatly handicapped because, then he can only move in one direction – downward if care is not taken.

Happiness

Happiness can be multiplied by sharing it with others, without diminishing the original source. It is the one asset which increases when it is given away. A smile is a little thing that may produce big results. Happiness is found in doing – not merely in possessing it. You can't find happiness by robbing another of it. Ditto for economic security. The man who gives freely of happiness always has a big stock of it on hand.

Harmony

There is harmony throughout the universe, and in everything except human relationships. If you cannot agree with one another, you can at least refrain from quarrelling with him on that account. The orderliness of the world, and of natural laws gives evidence that they are under control of a universal plan. The man who inspires

harmony in human relationships goes up; but the man who stirs up friction goes down. The order is never reversed.

Mutual confidence is the foundation of all satisfactory human relationships. The most important job is that of learning how to negotiate with others and without friction. Anything that disturbs harmony amongst men is apt to have originated with those who profit from mistrust.

Hope and Encouragement

Time is the greatest of all doctors. If given a chance, it can cure most of the ills that men worry and complain about. If you look around, you can always find someone who is worse off than yourself. So, be grateful that you are not in his shoes. Misfortune seldom tangles with someone whose constant companion or bodyguards are hope and faith. When hope dies, opportunity seldom attends the funeral, but hope and fear don't travel together. Hope and faith are the willing servants of successful men; but opulence without effort is a hope without fulfillment. When things become so bad that they cannot become worse, they usually begin to get better. Clothes may not make a man, but they can go a long way towards giving him a favourable start.

Human Relationships

Harmony in human relationship is a man's greatest asset. When you can't win, you can at least give a smile. Don't permit anyone to rob you of your share. Jealousy is temporary **insanity**. You cannot be perfect, but you can be honest. The man who builds a house always gets more for his work than the man who **tears it down**.

It takes more than a title and executive desk or table to make on an **executive**. Your job will do for you no more than you can do for it. If you are looking for trouble, someone will be meddlesome enough to help you find it. Your **reputation** is made by others, but your **character** is made by you. Never mind what you did in the past; but what are you doing now and in the future?

Revenge is the trait of the primitive man. Discourtesy to a subordinate is a sure sign of an inferiority complex. Ability is greater than money because it can neither be lost nor stolen. Hatred and justice cannot occupy a small mind at the same time, because one must give way to the other.

Imagination

Imagination is the workshop of the soul, where-in is shaped all the plans and actions leading to individual achievements. Your job and achievements will never be any bigger than your imagination makes it. Imagination is the mind's exercise, its challenges, its adventure and the mind's workshop. It creates, visualizes, foresees and generates ideas. Man's greatest gift is his thinking mind. Think thoroughly before you take action to avoid regrets. Also think outside the box for effective solution to nagging issues.

Personal Initiative

Personal initiative is a trait much admired, and if carried out with discretion and logic can very quickly put one ahead of the crowd. Personal initiative is self-confidence in action. If you are moving toward a definite goal, it speeds your journey. Initiative built on a definite understanding of what must be achieved, puts one in harmony with those around him and with the universe around him. It is a self-reliant demonstration of which seldom goes unnoticed by those in authority.

Mental Attitude

The quality and quantity of service you render, plus the mental attitude in which you render it determines the amount of pay you get, and the sort of job you hold. The man with negative mental attitude is like an electro-magnet that attracts steel filings. No man is ever rewarded with promotion because of a negative mental attitude. It is far better to imitate a successful person than to envy him. Quick promotions are not always the most enduring. A mind is not greater than the thoughts that dominate his mind, a closed mind stumbles over the blessings of life without recognizing them. Remember, your mental limitations are your own making.

Master – Mind

The mind grows only through use, and becomes stale through idleness. A man is not greater than the thoughts that dominate the mind; ensure that only positive thoughts inhabit your mind. A closed mind stumbles over the blessings of life without recognizing them; always keep an open mind on all things to ensure success. Take possession of your own mind, and you soon make life pay off on your own terms.

Remember that the mind grows stronger through use. Struggle makes power. A quick decision denotes an alert mind. Henry Ford's mind was precisely like every other normal mind, but he used his mind to think with. He did not harbor any fear, doubt and self-imposed limitations. Same applies to other great minds, thinkers and dreamers.

Control your own mind, and you may never be controlled by the mind of another person. A man's progress begins in his own mind, and ends in the same place if properly used. The mind serves best when it is used most often. It never becomes tired, but sometimes become "bored" with the sort of food it gets. Your mind is your own, and so is the responsibility as to how you use it; know your own mind and you will be as wise as the sages. If you know your own mind, you will know enough to keep it always positive for optimum results.

Loyalty

Two things money cannot buy are love and friendship. These are gifts of the gods and have no fixed price. One great lesson to be learned from a dog is that of enduring loyalty. The dog that does not wag its tail when its master comes home had better be looking for another master.

If all men had the loyalty and gratitude of dogs, this world would have been a pretty and fair world. The man who owns a good dog is never without a friend, because of its loyalty. In heaven's name, don't ever bite the hand that feeds you – for friends must be grown to order, and not taken for granted.

The Mind and Mental Attitude

The physical body is a mechanical house in which the mind dwells. No one has yet discovered the limitations of the power of **his own mind**. A negative mind never attracts happiness or material success, but it will attract their opposites. Good manners begin with a positive mental attitude.

Every brain is both a broadcasting station and a receiving station for the vibrations of thought. A well-disciplined mind recognizes but few limitations. Your mind belongs to you exclusively. Take possession of it, direct it to specific usage, and make life pay off on your own terms. A man's likes and dislikes come back to him from unexpected sources, and are often **greatly multiplied**. If your mind can make you sick, remember that it can also make you well. Your true age is determined by your mental attitude, not the years that you have lived. One optimist may wield more constructive influence than a thousand pessimists. Most illnesses begin with a negative mind. Men with positive mental attitudes (PMA) are never in a rut, they are never discouraged nor defeated. Your own mental attitude is your own boss; hold unto it always. If you are not on good terms with your conscience, take time out and read the Sermon on the Mount, (Matthew chapter 5:1-12), you will derive a lot of benefit from that sermon.

Opportunity

Opportunity has a queer way of following the person who can recognize it, and is ready to embrace it. The man who is not quick to see his limitations, generally is slow in seeing his opportunities. Another man's mistakes may be a rich field of opportunity for you, if you know what caused his mistakes.

If you are an able-bodied Nigerian, don't ever admit that the world has not given you opportunities for self-improvement. It all depends on your own mental conditioning; for there are opportunities everywhere you turn to. Key yourself up with expectations, and opportunity may just give the key a turn for the better. Opportunity will let you down if you are not strong enough to hold it up. If you could see an opportunity as quickly as you see the faults of others, you would soon become rich. When you close the door of your mind to negative thoughts, then the doors of opportunity opens to you. Opportunities often knock only to find no-one around to grab it. A resourceful person will always make opportunity fit his needs.

Opportunity wastes no effort looking for the person who is wasting his time through idleness or destructive action. Opportunity will not interest itself in the person who is not interested in it. Opportunities are captured only by those who dare to attack, not those who merely wait for it to come.

Opinions

Most opinions are mere hopeful wishing, not the result of careful analysis of facts. It is more beneficial to ask intelligent questions than it is to offer free opinions which have not been requested. Never express an opinion unless you can explain how you came by it. Your opinions may be safer if you don't express it as a fact. If your opinions are worth anything, why give them away so freely. Just tell me the facts, and omit the opinions.

Organized Thinking (or Accurate Thinking)

You are where you are and what you are because of the food you eat, and the thoughts you think. Some nuggets of thought are worth more than nuggets of gold. Ponder the fact that one has complete control over but one thing, and that is the power over one's thoughts. It may do no good to "stop, look and listen", unless you also think.

If you are truly smart, you should know when to stop talking and start listening. Think your way through, then push the body through.

Peace of Mind

A man who is at peace with himself is also at peace with the world. Unless you have peace of mind, you are not a free person. Nothing that causes a person to worry is worth what his worry costs him, in peace of mind and physical health.

Don't take yourself too seriously if you wish to get any joy out of life. Get on good terms with yourself, and see how quickly others get on good terms with you. If you are not at peace with yourself, you cannot be at peace with others. If you are truly at peace with yourself, you will never be at war with others.

Personal Initiative

The most important job goes to the man who can get it done without passing the buck, or coming back with excuses or alibis. Act on your own initiative, but be prepared to assume full responsibilities for your acts. Anything that stifles personal initiative is definitely an enemy of individual achievement.

Pleasant Personality

Men will like you better when you greet them with a smile, instead of a frown. You will always be welcome if you bring a smile with you, and leave your worries at home. Life never is sweet to the man who is sour on the world. When you can't win, you can at least grin. Three little words "if you please", - carry the power of great charm.

I have heard it said that they never mistrust a man who whistles or sings when he works. One thing that gets the goat of an angry person is a smile, when he expects a frown.

Prayer

The greatest and most restful of all prayers are those offered as gratitude for blessings we already have. It is better to give thanks for the blessings we already have, before praying for more blessings. The art of being grateful for the blessings you already possess is of itself the most profound form of worship, an incomparable gem of prayer

Prayers expressed with fear or doubt always produce only negative results. Whenever you pray, do it with confidence and faith for effective results.

Procrastination

Procrastination is the bad habit of putting off till tomorrow something that should have been done the day before yesterday. The habitual procrastinator always is an expert creator of alibis. Suspense is the child of indecision, and it is the first cousin of procrastination. It is also the "pet" that keeps many people in poverty.

Realities

The five known realities of the entire universe are time, space, matter, energy, and the intelligence that gives orderliness. There are no such realities as good or bad luck. Everything has a cause that produces appropriate effects. There is no such reality as passive faith. Action is the first requirement of all faith, words alone, will not serve. The only permanent thing in the entire universe is change. Nothing is ever the same for two consecutive days. Today's dreams become tomorrow's realities. Do not belittle the practical dreamer, for he is the forerunner of civilization.

Self-Confidence and Self-Respect

Self-confidence may be mistaken for egotism, if it is not accompanied by humility of the heart. Too much self-confidence often inspires too little caution. Self-respect is the best means of getting the respect of others. Sound character always begins with keen self-respect. It always takes more than a loud voice to gain respect for authority.

Self-Control

An educated man is one who has learned how to get what he wants without violating the rights of others. Before trying to master others, be sure you are the master of yourself. Develop your ego, but keep your foot on its neck. Independence starts with self-dependence. Hotheads don't produce cool thoughts. Hatred may not injure others, but the damage it does to the hater is **inescapable**. When you get yourself under **complete control**, you can be your own boss.

Self-Discipline

Self-discipline is the first rule of all successful leadership. True Wisdom begins with self-understanding based on self-discipline. You can't control other men's acts, but you can surely control your mental reaction to their acts, and that is what counts to you. Have

you ever tried to be angry while smiling? Try it! When angry, try whistling for three minutes before speaking, and observe how your anger will take on the quality of reason. Self-discipline makes discipline from the outside un-necessary and when you get yourself under complete control, you can be your own boss.

Silence

Silence has one major advantage; it gives no-one a clue as to what your next move shall be. Silent thought is more powerful than spoken words. Sometimes the man whom you think that you have beaten by talk, has outwitted you by silence.

Sleep

When you do not know what to do with your problem, try sleeping on it for a night or so, before taking further action.

A friendly conscience is a mighty good cure for sleeplessness. If you cannot sleep, have a look at your stomach, or have a confidential talk with your conscience.

Sound Physical Health

Eat right, think right, sleep right, and play right and you can save the doctor's bill for your vacation money. If you think you are sick, then you are. When you begin looking for symptoms of illness, the disease itself will soon appear. Searching for symptoms often lead to physical and mental illness.

Stubbornness

Differences of opinion without tolerance, generally turns out to be only stubbornness. Plain stubbornness is often mistaken for "pride"; avoid it, if you wish to succeed.

Sub-Conscious Mind

The record of every person's life is indelibly recorded in his/her sub-conscious mind. The sub-conscious mind often works out one's greatest problems when the conscious mind is asleep. Keep your conscious mind fixed on what you desire, and your sub-conscious mind will un-erringly guide you to it.

Success

Money may not make a man a success, but it does give him a mighty good reputation. The greatest of all success rules is:- Do unto others as you would want others to do unto you. No man ever becomes so successful that he does not appreciate a kindly word of commendation for work well done.

The greatest of all schools is popularly known as the "University of Hard Knocks". The surest way to promote yourself is to help others get ahead. The successful leader makes decisions quickly but changes them slowly, if they must be changed.

Most successful men in the higher bracket of success did not strike their best stride until they passed the age of forty. The man or woman, who has only time for gossip and slander is too busy to pursue success in any endeavour.

Anyone can stand poverty, but few can stand success and riches, because those who work hard always succeed. Success that comes easily is apt to go quickly too. No one can keep you down except yourself. Defeat does not discourage the man who **knows** he is right. Man seldom ever begins to succeed in the higher brackets of success until he is past forty, mainly because most of his early years are spent in un-learning things that are not true.

Success-Consciousness

The conscience speaks, not in audible words but through that small voice from within us. If your conscience is not clear, you had better start house-cleaning from within yourself. An apology is a healthy indication that a man is still on speaking terms with his own conscience.

Tactfulness

There can never be any harm in speaking about other people provided you speak of their good qualities. When you don't know anything good to say about a man, just button-up your lips and you will feel better. You can get close to a man by the simple process of taking a keen sincere interest in what he is doing. Merited praise will gain reciprocal interest from any man. If you must talk about your good qualities, try not to cover too much territory.

A truly big man never tries to impress others with his bigness, and never tries to "keep up with the Joneses" It is better to request a man to perform a service than it is to order him to perform it. When the other fellow's facial expression looks pained, it is time to stop talking or change the conversation.

Teamwork

A good football team consists in harmonious co-ordination of effort more than in individual skills.

When you ask someone to do something, it may help both him and you if you tell him

- what to do;
- why he should do it;
- when he should do it;
- where he should do it; and
- how he may best do it.

Temper

A temper is good to have, provided one does not try to give it to someone else. Temperament is a state of mind consisting of two parts – "temper" and one part mental

energy. When you lose your temper, you will be better off not to go back to find it. Hot heads don't produce cool thoughts. When you become so angry that you don't know what to do, it will be safer to do nothing than to remain calm and cool.

Thoughts

If a man gave spoken expression to every thought that came into his mind, he would have no friends. Hot heads don't produce cool thoughts, always remain cool headed, no matter the situation. Thoughts are contagious. Therefore be careful of the sort of thoughts you release. Release only positive thoughts always.

Time

Time is a wonderful healer. It tends to equalize both good and evil, and also rights the wrongs of the world. Nothing is impossible with time. Tell me how you use your "spare" time, and I will tell you what and where you will be in ten years' time. You will find time for all your needs if you have time properly organized. The most profitable time any man spends is that for which he is not directly paid. The man who wastes his own time may be no less a thief than the man who steals other people's property. There has always been a shortage of men who get the job done on time without excuses or grumbling. The length of time a man sticks to a job is a pretty accurate measure of his dependability, reliability or consistency.

Don't waste your time on the man who forms his opinion before he examines the evidence. Time will cure worries which respond to no other treatment. Indecision and lack of a major purpose are the greatest of all thieves of time. The most beneficial use of time is that which one devotes to silent meditation when searching for guidance from within himself.

Time spent in silent thought may yield fabulous riches through the creation of sound ideas. When there is no work for your hand to perform, let your mind be employed so that even a second of time shall not be wasted. Live each day as if it were your last, and you will develop a keen respect for time. When defeat overtakes you, don't put all your time on counting your losses. Save some of it to look for your gains, and you may find your gains to be greater than your losses.

Some mistakes can be corrected, but not the mistake of wasted time. When time goes, it has gone forever. Don't cry over spilled milk. If you cannot forgive, don't ask to be forgiven, for you will be wasting precious time. The use of one's time determines the space one occupies in the world. Time, the great universal doctor, can cure all human ills, and most of them very quickly too. Remember there is always an end for everything, except time and space. Most misfortunes are the results of misused time. The poet cries, "Backward, turn backward, oh time in your flight". But he cries in vain, for time flows only ahead, it cannot wait or turn backward.

Will-Power

Anyone can quit when the going is tough, but a thorough-bred person never quits until he wins the race. Victory is always possible for the person who refuses to stop fighting. Nature yields her most profound secrets to the person who is determined to uncover them.

The most interesting thing about a postage stamp is the persistence with which it sticks to its job.

Wishing

If I had one wish, and it could be granted for the asking, I would ask for more wisdom from God. The scientist is the only person who does no hopeful wishing, and accepts all the facts as he finds them. If I had one wish that could be granted, it would be for more wisdom with which to enjoy the many blessings which God has granted humanity. If wishes were horses, even beggars would ride but it is not easy to acquire horses by merely Wishing.

Traits of Character

Dependability is the first foundation stone of good character. Your reputation is what people think you are, but your character is that which you are. Every thought a man release becomes a permanent part of his character. Sound character is a man's greatest asset, because it provides the power with which he may ride the emergencies of life instead of going down under them. Pick out someone whom you admire, and imitate him or her closely as you can. This is hero worship, but it improves character. Boastfulness generally is an admission of inferiority complex; it is practiced only by little minds. Profanity is a sign of inadequate vocabulary or un-sound judgment, or both.

Money is either a good or bad influence, according to the character of the, person who possesses it. No man is so good that there is no bad in him, and no man is so bad that he has no good in him. Honesty is a spiritual quality that cannot be evaluated in terms of money. Attend well to your character and your reputation will look out for itself. The man with sound character generally does no Worrying over his reputation.

Bankers often lend money on character, but seldom on reputation alone, for they have learned that not all reputations are deserved.

Worry

Worry and success simply cannot live together in the same house. Success-consciousness is a death warrant for Mr. Worry. Never stop to think about your worries, for they will catch up with you quickly enough unless you outrun them.

Before worrying about how to get more pay, try thinking how you can do a better job and you may not need to worry much again. When enthusiasm comes in at the front door,

worry runs out through the back door. Worry thrives on self-pity, do not give room for it to thrive in your own life.

Let the **other fellow** do the worrying if he has no better sense of purposeful engagement. Never listen to a doubting Thomas unless you are willing to become one, for doubt is a contagious disease if you allow it into your life. Most worries are not half as serious as their owners think they are. If you have time to worry, you haven't enough time to succeed in your job. Worries generally go to where they are most welcome.

Old man worry's relatives are:- fear, ill-health, ill temper, jealousy, selfishness, bad Judgment, indifference, procrastination, poverty, envy, premature old age, and discouragement. What a flock of negative traits. If you are too busy to visit with worries, they will be too discouraged to hang around your abode.

Only the weak crave sympathy! Forget your worries, and most of them will slap back by forgetting you finally.

Responsibility

High wages and the capacity to assume responsibilities are two things that belong together. Big pay and little responsibility are circumstances that are seldom found together. Don't cover the other fellow's job if you are not prepared to accept the responsibility that goes with it. If you do a job in another man's way, he takes the responsibility. But if you do it your own way, you must take the responsibility for the outcome.

The privilege of bringing children into the world carries with it the responsibility of teaching them the fundamentals of sound character.

Tone of Voice

Remember the tone of your voice often conveys more accurately what is in your mind than do your words.

Learning from Adversity

Before opportunity crowns a man with great success, it usually tests him out through adversity to see what sort of mettle he is made of. If you don't want your life to be "messed up", don't fool around with those who messed up theirs. When adversity overtakes you, it will pay you to be thankful it was not worse, instead of Worrying over your misfortune. You never know your real friends until adversity

Overtakes you, and you need financial co-operation from people. If life gives you a lemon, don't complain, but convert it into lemonade and sell it to those who are thirsty from constantly complaining about life's problems.

Liberty and Freedom

No man is free until he learns to do his own thinking, and gains the courage to act on his own personal initiative. Thinking accurately makes a man free, but nothing else does. No man is free who holds a grudge against another person, for he is under bond to his own emotions. Don't be too hard on the "boss", for you may be a "boss" yourself someday.

High taxes with plenty of freedom are more desirable than no taxes without freedom. Freedom and fear cannot co-exist in any person's life, for a free man fears nothing except God. No man can be entirely free until he is entirely honest with himself.

Love

Love is just a game to an old bachelor, but it is a tonic to an old maid. There is something good about any man who is loved by his dog and his family, for they know him as he is. Only one thing will attract love, and that is love. Love, courtesy, and friendship are three priceless assets that cannot be purchased with money, and **must be given away** before they become valid. Poets may rave about "love in a cottage", but others know that love goes out through the back door when poverty knocks at the front door.

Ideas

Just omit your opinions and give me the facts so I may form my own opinions, and you may serve me better. An opinion is no sounder than the person offering it. If you have a better way of doing anything, your idea or ideas may be worth a substantial fortune.

Life Insurance

Life insurance helps to kill the fear of poverty in old age. A man's love for his family can be pretty accurately measured by the amount of life insurance he carries for their protection. The man who spends all he earns will die a pauper if he neglects to carry life insurance. No man should go into debt for anything greater than the amount of life insurance he carries. You don't have to do more than you are paid for, but you can push yourself ahead mighty fast by doing it **voluntarily**.

Judging and Justice

Don't judge the entire church by its worst members. All wheat or corn is surrounded by chaff. Would you take a chance of being judged in heaven by the same rules that you judge your fellowmen?

Justice keeps an accurate record of **all debits and credits**, and it balances its books with regularity, if not with speed. Justice has the uncanny habit of catching up with people when they are least prepared for it.

Law of Compensation

The man, who does no more than he is paid for, has no real basis for requesting more pay because he is already getting all he is earning.

The man who does more than he is paid for is sooner or later paid willingly for more than he does. If you are looking for trouble, someone will be meddlesome enough to help you find it. Some men appear to be “allergic” to honest work, but opportunity is equally allergic to them. Remember that most troubles men get into, overtake them when they are in bad company or at places where they should not be.

The man who deliberately gets in the way of opportunity by being on the job all the time, sooner or later is crowned by opportunity. Henry Ford became rich, not from the sale of Ford cars but from the service he rendered through his cars. Do your job as if you were your own boss, and sooner or later you will be! Don't be satisfied with being good at your job. Be the best, and you will soon be indispensable. The law of compensation is not always swift, but it is as sure of operation as the setting of the sun.

Everyone needs a blue print by which to build his life. The great German Philosopher, Goethe set forth some principles for having a well-balanced life. Goethe's creed may give you the basis of a blue-print which will help you make life pay off on your own terms, without violating the rights of others. A daily creed helps one to keep before him or her a clear picture of the person one desires to become. It helps give him the power of faith to meet and overcome obstacles along the way. Goethe's creed goes as follows:-

I desire:-

- Health enough to make work a pleasure;
- Wealth enough to support my needs;
- Strength enough to battle difficulties and overcome them;
- Patience enough to toil until some good has been accomplished.
- Grace enough to confess my sins and forsake them.
- Charity enough to see the good in my neighbours.
- Love enough to move me to be useful and helpful to others.
- Faith enough to make real the things of God; and
- Hope enough to overcome all fears concerning the future.

Henry Ford's Magical Faith

His biographer wrote about Henry Ford in the following language:

"Machines are to a mechanic, what books are to a writer. He gets ideas from them, and if he has any brain he will apply these ideas. This was Henry Ford's philosophy – he was surrounded with machines.

Genius, they say is infinite patience, success also demands patience. Those who are tempted to give up after a few months, or a few years should be encouraged by this man's tenacity, which I call **Henry Ford's magical faith**, because he refused to recognize that there are impossibilities in the world." He said that impossibility is temporal but impossibility also belongs to God alone. He did not believe in the word impossible.

Culled from: Succeed and Grow Rich Through Persuasion by Dr. Napoleon Hill and E. Harold Keown, Fawcett Publications, Inc. USA.

CHAPTER TWELVE

HOW TO POSSESS PERSUASIVE PERSONALITY

Never Forget Enthusiasm

Study how a friend and graduate student of the Science of Personal Achievement applies and understands a most important principle of the power of persuasion.

“The Importance of Enthusiasm” is the title of an essay written by Robert Swaybill, New York Counselor at Law and a successful example of enthusiasm and of definiteness of purpose.

Attorney Swaybill says, “The pinnacle of the legal profession is the art of the trial lawyer. In the pursuit of this art thousands upon thousands of books have been written by legal experts. And wherever lawyers meet, the question is raised:- “what must the lawyer possess to reach this pinnacle of success?” The answer is always the same - preparation.

“Well, it’s established. You have got to be prepared, today, even to poach an egg, you must be prepared. But isn’t there some other ingredient, other than preparation, necessary for success in this art? **Enthusiasm is the answer.**

“What exactly is enthusiasm? The dictionary says enthusiasm is ‘strong excitement or feeling on behalf of a cause or a subject.’ **An enthusiastic man is ardent and imaginative, free from fear or doubt. He has an inner power, he is in control of his senses, he electrifies his listeners with his enthusiasm.**

“Enthusiasm for one’s cause is contagious, it is infectious. Enthusiasm comes from within the mind. Enthusiasm is magnetic.

“From our observations the principles and the laws are the same in all situations. If you are able to convince the jury of the righteousness of your cause, with enthusiasm in this most difficult of situations, how easily it can be applied to other phases of life.

Enthusiasm and lack of interest are equally contagious. The choice is up to you”.

“What has been related (here) are universal laws. We do not discover these laws – for they have always been with us. We DISCOVER OURSELVES. We do not unravel these laws. We unravel ourselves. These universal laws are available to everyone. Develop enthusiasm and set these laws to work...

No better commentary could be made on the personality of a man than what is embodied in these words. They are written by a man whose whole career has put these “universal laws” to work in his own life.

A Guide to Master Salesmanship.

Every successful day of your life, regardless of your occupation or profession, you must be a Master Salesman. Master Salesmanship is the key to the attainment of what you desire from life. This applies not only to insurance men, car salesmen, and people who sell professionally, but to housewives, students, and anyone who may desire to reap his share of life's richest blessings.

The major advances in all fields – science, education, industry, technology, religion – have been made, for the most part, by men and women who possessed and utilized the Power of Persuasion. The author wishes to stress the importance of this particular point and to emphasize that this section of the book is useful to all who will read it, since it covers the fundamentals of the art of Master Salesmanship.

If you doubt that *everyone* needs to acquire a working knowledge of Master Salesmanship, we recommend the following: Underline in red ink the words “Master Salesman” each time they appear in this chapter. With blue ink, write beside them your own classification, whether it be student, housewife, businessman, artist, or salesman. For best results, do this prior to reading the chapter through carefully.

After having read the chapter thoroughly, observing each underscored word and notation, you will begin to think of yourself as a Master Housewife, a Master Student, a Master Typist – a Master Salesman in whatever field of endeavour you are engaged in, eg – a Master Banker, etc.

Numerous factors enter into the development program for the successful salesman. Most of these factors are personal in nature, having a greater bearing on the salesman himself than on the product or services he offers, or the organization he represents.

By reading the preceding chapters carefully and applying their contents practically, the reader has already taken the first step toward becoming a Master Salesman – he has conducted an honest self-analysis. In addition to the valuable information in the foregoing chapters, there are essential qualities which you *must* possess if you seriously intend to become a successful person.

There follows a list of these very important qualities, qualities which anyone may attain with a bit of serious thought and endeavour. The list is lengthy, and perfection may be attained only through constant effort. But when perfection or near-perfection is finally attained, a Master Salesman is born!

Before entering into a detailed consideration of the complete list of qualities, we would like to define the eight qualities which are *positive musts*.

Prerequisites: Eight Qualities A Successful Salesman Must Possess.

1. **Physical Fitness** is of tremendous importance for the simple reason that neither mind nor body can function well without it. Fitness is a prerequisite for a positive mental attitude. Therefore, pay attention to habits of healthful living including proper diet, sleep, recreation and exercise.
2. **Courage** must live in every man or woman who succeeds, especially in selling, for in no other business is there quite the same pressure and intense competition.
3. **Imagination** is an absolute requisite for the successful salesman. He must anticipate diverse situations in relation to his prospective customer. He must have an imagination that enables him to place himself in sympathetic understanding of the position, needs and objectives of his customer. He must “stand in the other man’s shoes”. This takes real imagination.
4. **Speech.** A salesman’s voice must be pleasing. A high-pitched, nasal tone is irritating. Words half swallowed are hard to understand. Speak distinctly and enunciate clearly. A meek voice indicates a weak person. A firm, resonant voice full of assurance and confidence is indicative of a person of enthusiasm and aggressiveness.
5. **A Pleasant Personality.** The Master Salesman has acquired the art of making himself/herself pleasant to be with. He/she knows that the prospective buyer must buy the salesman as well as the merchandise he offers.
6. **Self-Confidence** is a simple matter of self-hypnosis. If you dislike the word “hypnosis”, call it autosuggestion, or self-suggestion. Self-confidence is the conditioning of the mind to bring desired goals or results.

Dr. Napoleon Hill has ten “invisible guides”, or entities, for the sole purpose of keeping his mind positive and conditioned to do whatever he wants done.

Harold Keown adopted Dr. Hill’s formula many years ago and has tested its soundness repeatedly. He conditions his mind each day with what he calls “the goatfeathers technique.” “Goatfeathers” are simply anything of a negative nature that may cross his path during the day. He pledges early in the day that he will refuse to accept any “goatfeathers” presented to him.

Dr. Hill had noted that all men of affairs, men like W. Clement Stone, President of Combined Insurance Company, and Robert M. Johnson, M.D., personal physician and long-time friend of the authors-in fact, all successful people – have a system of keeping their minds positive through autosuggestion.

One outstanding successful man gives full credit for his success to his wife. When they first married, she wrote a creed which he signed and placed over his desk. Read the creed attached here and decide if you wish to copy it, sign it, and place it over

your own desk. The lady who wrote this creed was a practical psychologist of the first order. Under the influence and guidance of such a woman, any man could achieve noteworthy success. Notice how freely the personal pronoun “I” is used. It begins the affirmation of self-confidence, which is as it should be.

This would be a splendid creed for every salesman to adopt. It will not hurt your chances for success if you adopt it. Mere adoption, however, is not enough. You must practice it. Read it over and over until you know it by heart. Then repeat it at least once a day until you have literally transformed it into a part of your mental makeup. Keep a copy of it before you as a daily reminder of your pledge to practice it. By doing so, you will be making efficient use of the principle of auto-suggestion as a means of developing self-confidence. Never mind what anyone says about your procedure. Just remember that it is your business to succeed, and this creed, if mastered and applied, will go a long way towards helping you.

Any idea which you firmly fix in your subconscious mind, by repeated affirmation, automatically becomes a plan or blueprint which an unseen power uses to help you reach your goal.

7. The Mastermind Alliance. No man can accomplish enduring results of a far-reaching nature without the help of others. When two or more persons ally themselves in any undertaking, in a spirit of harmony and understanding, each person in the alliance multiplies his own powers of achievement. Nowhere are these principles more successfully practiced than in an industry or business in which there is perfect teamwork between the employer and the employees. Wherever you find teamwork, you find prosperity and goodwill on both sides.

“Co-operation” is said to be the most important word in the English language. It plays an important part in the affairs of the home, in the relationship of man and wife, parents and children. It plays an important part in affairs of state. So important is this **principle of co-operation** that no leader can become powerful or last long who does not understand and apply it in his leadership. Lack of co-operation has destroyed more business enterprises than have all other causes combined.

8. **Work**, hard work, is the only thing that will turn sales training and ability into money. No amount of good health, courage, or imagination is worth a dime unless it is put to work. A salesman’s income is usually fixed by the amount of hard, intelligent work he puts out.

SELF-CONFIDENCE CREED

I believe in myself. I believe in those who work with me. I believe in my employer. I believe in my friends. I believe in my family. I believe that God will give me everything I need with which to succeed if I do my best to earn it through faithful and honest service. I believe in **prayer** and I will never close my eyes to sleep without praying for divine guidance, to the end that I will be patient with other people and tolerant with those who do not believe as I do.

I believe that success is the result of intelligent effort and does not depend upon luck or sharp practices, or double-crossing friends, fellowmen, or my employer. I believe I will get out of life exactly what I put into it; therefore, I will be careful to conduct myself toward others as I would want them to act toward me. I will not slander those whom I do not like. I will not slight my work no matter what I may see others doing. I will render the best service of which I am capable, because I have pledged myself to succeed in life and I know that success is always the result of conscientious and efficient effort. Finally, I will forgive those who offend me because I realize that I shall sometimes offend others and I will need their forgiveness.

Signed

Warren Philips, assistant to Mr. Keown for fifteen years, and later a staff member of the Foundation, tells his salesman. "The harder I work and the less I scheme, the better my luck is. Don't look to lady luck for success. Luck is a gamble and work gives you the safety margin for real success".

Carefully consider these eight qualities. Question yourself repeatedly about those you honestly possess and those in which you are deficient. Work at improving your self-discipline, for self-discipline is the key to the mastery of all eight prerequisites and thus the way to Master Salesmanship.

The following items are also very important to the students of Salesmanship. They are the qualities which lend the polish and professional finesse every salesman must possess if he is to become a true Master Salesman.

Professional qualities

1. **Knowledge of the Merchandise he Sells.** The Master Salesman carefully analyzes and is thoroughly familiar with all aspects of the merchandise or service he offers. Knowledge of his product can mean the difference between success and failure.
2. **Belief in the Merchandise or Service.** No salesman can sell successfully something that he himself does not understand and believe in. The Master Salesman never tries to sell anything in which he does not have implicit confidence, because he knows that

his mind will transmit his lack of confidence to the mind of the prospective buyer, regardless of how pleasing his presentation.

3. **Appropriateness of Merchandise.** The Master Salesman analyses his prospective buyer and the buyer's needs, and offers him only what is applicable. He never tries to sell a Rolls Royce Car to a man who ought to purchase a Volkswagen Car, even if the prospective buyer is financially able to buy the more expensive car. He knows a bad bargain for the buyer is a worse bargain for the seller.
4. **Value Given.** The Master Salesman never tries to get more for his product than it is actually worth, since he realizes that the sustained confidence and goodwill of his prospective buyer are worth more than a "long profit" on a single sale.
5. **Knowledge of the Prospective Buyer.** The Master Salesman is a character analyst. He has the **ability to determine which of the basic motives the buyer will respond to most freely**, and he bases his sales presentation on these motives. If the prospective buyer has no outstanding motive for buying, then the Master Salesman, knowing that **a motive is essential in closing a sale**, creates one for him.
6. **Categorizing the Prospective Buyer.** The Master Salesman never tries to make a sale until he has properly categorized the prospective buyer, informing himself in advance, on the following points:
 - (a) The prospective buyer's financial capacity.
 - (b) His need for the item being offered for sale.
 - (c) His motives for making a purchase.

Endeavoring to make sales without first categorizing the prospective buyer is a mistake that rates at the head of the list of causes for "no sale".

7. **Ability to "Neutralize" The Mind of the Buyer.** The Master Salesman knows that no sale can be made until the mind of the prospective buyer has been neutralized, or made receptive. Armed with this knowledge, he never endeavours to close a sale until he has opened the mind of the buyer and prepared it to receive the seed of desire for the merchandise being offered.
8. **Ability to Close a Sale.** The Master Salesman is an artist at reaching and successfully passing the closing point in selling. He trains himself to sense the best psychological moment to terminate his presentation and make his sale. He rarely, if ever, asks the prospective buyer if he is ready to purchase. Instead, he goes on the assumption that the buyer is ready and conducts his conversation and general demeanor accordingly. This is simply by using the power of suggestion effectively. The Master Salesman avoids trying to close a sale until he knows in his own mind that he can close successfully. He conducts his sales presentation (never called "pitch") so that his prospective buyer believes he has done the buying.

PERSONAL QUALITIES

9. **Showmanship.** The Master Salesman is also a **super showman**. He has the ability to reach the mind of his prospective buyer by dramatizing his presentation honestly and by giving it sufficient “color” to arouse intense interest through an appeal to the prospective buyer’s imagination.
10. **Self-Control.** The Master Salesman exercises complete control over his head and his heart, at all times. He knows that if he does not control himself, he cannot control his prospective buyer.
11. **Initiative.** Regardless of what you are now doing, every day brings you face to face with a chance to render some service, outside the course of your regular duties; service of your own accord and of course, not with the intention of receiving monetary compensation. You are rendering this service because it provides you with ways and means of exercising, developing and strengthening the aggressive spirit of initiative which you must possess before you can ever become an outstanding figure in the affairs of your chosen field.

Those who work for money alone, those who receive nothing but money for their work, are always underpaid, no matter how much they receive. Money is necessary, but the big prizes of life cannot be measured in Naira and Kobo or monetary terms. No amount of money could possibly take the place of happiness and peace of mind.

The Master Salesman understands the value and uses of the principles of initiative. He never has to be told what to do, or how to do it. He uses his imagination to create plans which he translates into action through initiative. He needs little supervision, if any.

12. **Tolerance.** The Master Salesman is open-minded and tolerant on all subjects, knowing that open-mindedness is essential for growth.
13. **Accurate Thinking.** The Master Salesman thinks! He takes the time and goes to the trouble of gathering facts as the basis of this thinking. He does not guess when facts are available; he never airs opinions that are not based upon what he knows to be facts.
14. **Persistence.** The Master Salesman is never influenced by the word “no” and does not recognize the word “impossible”. To him, all things can be achieved. The word “no” to the Master Salesman is nothing more than a signal to begin his sales presentation in earnest. He knows that all buyers take the line of least resistance by resorting to the “no” alibi. Because he possesses this knowledge, he is rarely susceptible to the negative influence of sales resistance.

PERSONAL INITIATIVE PLEDGE

Having chosen _____ as my life work, I now understand that it is my duty to transform this purpose into reality.

Therefore, I will form the habit of taking some definite action each day that will carry me one step nearer the attainment of a Master Salesman.

I know that procrastination is a deadly enemy of all who would become leaders in any undertaking, and I will eliminate this habit by:

1. Doing some definite and useful thing each day, without anyone telling me to do it.
2. Searching until I find at least one thing that I can do each day that I have not been in the habit of doing, and that will be of value to others.
3. Telling at least one other person, each day, of the value of practicing this habit of doing something that ought to be done without being told to do it.

I can see that the muscles of the body become strong in proportion to the extent to which they are used: therefore, I understand that the habit of initiative also becomes fixed in proportion to the extent that it is practiced. I realize that the place to begin the habit of initiative is in the small, commonplace things connected with my daily work; therefore, I will go at my work each day as if I were doing it solely for the purpose of developing this necessary habit of initiative.

I understand that by practicing this habit of taking the initiative in connection with my daily work, not only will I be developing that habit, but I will also be attracting the attention of those who will place greater value on my services as a result of this practice.

Signed

The Personal Initiative Pledge is only a tool to help people develop a disciplined life. Without self-discipline, success cannot be achieved no matter the level of education attained. So, pay attention to both the self-confidence creed and the pledge above-stated if you wish to succeed in life.

SECTION B

CHAPTER THIRTEEN

FINANCIAL LITERACY

1.1 What is financial Literacy and Why Study It?

Financial Literacy could simply be defined as the process of acquiring knowledge, or understanding about financial matters as they relate to our everyday use. The word **financial** is derived from **finance**, which simply means any of the followings:-

- (i) Money used to run a business, an activity or a project;
- (ii) The activity of managing money, especially by government or a commercial organization;
- (iii) The money available to a person, an organization, or a country; and the way the money is managed, invested or utilized. **Literacy** on the other hand, could be defined as the ability to read and write; eg. A campaign to promote adult literacy, such as basic literacy skills; also as in computer literacy; financial literacy; etc. All these definitions are given by the Oxford Advanced Learner's Dictionary of Current English, 6th Edition (2001), we also adopt these definitions for our purpose in this book.

Financial Literacy therefore is designed to assist everyone to understand and appreciate the “nitty-gritty” of finance in general; how it should be handled, its proper economic and social value in our lives. **Financial Literacy** therefore is a sine-qua-non for wealth creation and entrepreneurial development as a whole in the society. Its knowledge is for the overall benefit of the entire citizen, both old and young, and the nation in general.

Nowadays, too many people appear much more focused on money, not on their greatest wealth which is their education and brain power. If people are prepared to be flexible, keep an open mind and learn, they will grow richer and richer through the changes which occur over time. If they think that money will solve all problems, they are thoroughly mistaken. It is a fact of life that intelligence solves problems and produces money, but money without financial intelligence is money which will not last long.

Most people fail to realize that what matters in life is not how much money one makes; it is how much money you keep that matters. I believe we have all heard stories of lottery and pools winners who are poor, then suddenly rich; then became poor again. There are also stories of professional athletes, who at the age of about twenty five years, (or less) were earning millions of dollars or pounds sterling, who lost all their money. Now, at the age of about thirty-five they are sleeping under bridges and engaged as car wash men or barbers. Some are doing menial jobs, and receiving minimum wage as salaries. Some of these professional athletes who earned millions in hard currencies were sometimes overheard complaining that their friends, lawyers, accountants, etc, deceived them and took the money that one had earned. But how much was being kept back to earn more money; i.e. invested money? This is what matters most.

Sometimes people ask the question: “How do I start to make money”, or “tell me the secret of making money?” One financial analyst and consultant, Mr. Robert Kiyosaki of USA gave the answer, and said, “if you want to be rich, you need to be **Financially literate**”. From the above assertion it is quite clear that financial literacy is a sine-quanon for anyone who wishes to make money, invest or keep it; hence the urgency and importance of this book to our country’s socio-economic development, and for people at all levels of the society.

Mr. Robert Kiyosaki, a renowned US-based entrepreneur, investor and educator once stated that his rich father told him..... “My son, if you want to be rich, you need to be financially literate”. According to him, his father also stressed the importance of reading books to acquire book knowledge. He further emphasized the need to master financial literacy if one wanted to acquire wealth, rather than working for an employer until retirement or when he is laid-off.

1.2 Why Study Financial Literacy?

The adage that “knowledge is power” readily comes to mind, and some also say that “**Knowledge leads to wisdom**”. Financial literacy is not a course that one learns from any formal institution as such. It is equally observed that lots of people are too focused on just making money, and not their greatest sources of wealth which is their education. If people keep an open mind and learn, they will surely grow richer and richer through changes in their life’s pattern. If they merely think that money will solve all problems, then they are grossly mistaken. Intelligence and knowledge are what solve problems and produce money; because money without financial intelligence is soon gone. This is the main reason for writing this modest book, to educate people on things they need to know, and to become financially literate and wealthy. Please see Chapter Eighteen, titled: “Financial Intelligence For All.”

1.3 Foundation for Building Wealth:

The great teacher, Mr. Robert Kiyosaki mentioned above, laid down certain rules for building solid wealth, which he describes as rule one.

Rule 1:

“You must know the difference between an asset and a liability; and buy assets”, according to Kiyosaki. “If you want to be rich, this is all you need to know... It is Rule No. 1. It is the only rule”, concludes the man. This, according to him, may sound absurdly simple, but most people have no idea how profound this rule is. He further said that, “most people struggle financially because they do not know the difference between an asset and a liability. Rich people acquire assets, the poor and middle class acquire liabilities, but think they are assets”. According to Kiyosaki, Mastery of this rule leads to a “solid and deep foundation for building great sums of wealth”. This, according to him is “principally because, every other strategies, ideas and plans about wealth creation revolve around this simple rule. Accounting as a course is equally necessary, but not

compulsory,” he concludes. Some of these issues are also fully dissected under “Financial Intelligence for All” stated above.

1.4 What is an asset, and a liability?

Oxford Advanced Learner’s Dictionary (6th edition, 2006) defines Asset as “-a thing of value, especially property that a person or company owns, which can be used or sold to pay debts. Assets include shares in quoted or unquoted companies, landed property, cars, furniture and fixtures, gold trinkets, etc.”

Liability: is defined as follows:- “a person or thing that causes one a lot of problems; the amount of money that a person or company owes. Liability in plain language also means being liable for some debt, or other obligation to someone, organization, or firm”. The author firmly agrees with the above stated dictionary definitions.

According to Robert Kiyosaki, the Financial guru, “most accountants and financial professionals do not agree with the dictionary definitions of assets and liabilities”, Rather, he uses these simple drawings which he also described as “the starting of strong financial foundations”, to illustrate assets and liabilities.

Cash flow Pattern of Asset

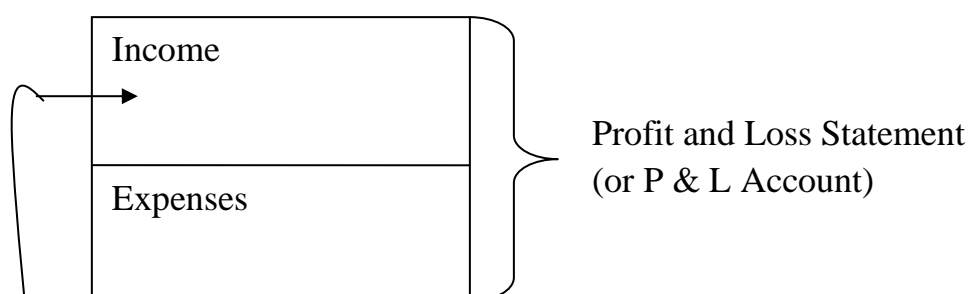


Fig. 1

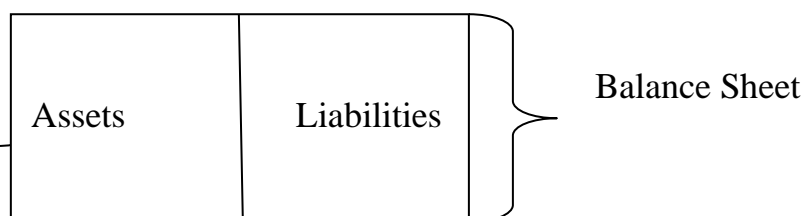


Fig. 2

Figure 1 above is an Income Statement, which is often called Profit and Loss Statement. It measures or records incomes and expenditures; that is money in and money out; according to Robert Kiyosaki.

Figure 2 is the Balance Sheet. It is called Balance Sheet because it is supposed to balance assets and liabilities.

Many financial novices expectedly do not know the relationship between the Income Statement and the Balance Sheet. It is vitally important to understand the relationship between figures 1 and 2 illustrated above.

The simplest definition of an asset to a layman is that “... assets put money in your pocket;... whilst liabilities take money out of your pocket”, according to Robert Kiyosaki, the renowned U.S. investor and educator who pioneered the Cash Flow Pattern illustrated in this book.

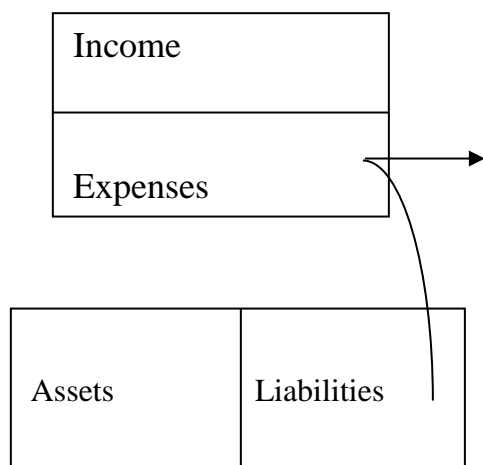


Fig 3 – Pictorial definition of
Assets and liabilities

Source: Rich Dad Poor Dad by Robert T. Kiyosaki

Now that Assets and Liabilities have been defined in pictorial forms, it may be easier to understand my definition of the entire concept in words, as follows:-

- An asset is what I own, and which puts money into my pocket; such as a house, transport vehicle, etc.
- A liability is something that takes away money from my pocket, such as a bank loan or overdraft. According to Robert Kiyosaki, “that is really all you need to know. If you want to be rich, simply spend your life buying assets, but if you want to be poor or middle class, spend your money buying liabilities. It is not knowing the difference that causes most of the financial struggle in the real world”, concludes the financial guru.

“This is perhaps because a lot of people lack knowledge of accounting and investing in real life”, concludes Kiyosaki. He further informs us that... “illiteracy, both in words and numbers, is the foundation of financial struggle. If people are having difficulties financially, there is something that they cannot read, either in numbers or words”. According to him, “something is misunderstood; the rich is rich because they are more literate in different areas than people who struggle financially”.

In Conclusion, he said... “So, if you want to be rich and maintain your wealth, it is important to be financially literate in words, as well as numbers.”

For more information on the practical aspects of Assets and Liabilities, see Chapter Twenty Two titled; Projected Trading, Profit and Loss Account, Income Statement and Projected Balance Sheet.

The cash flow pattern of a poor person, or a young person still at home, is re-produced here:-

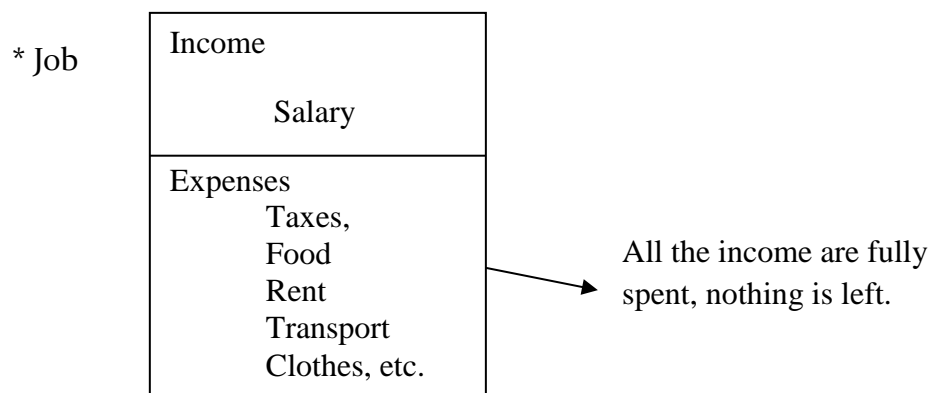


Fig. 4

Assets	Liabilities
Nil	Nil

Fig. 5

In this case, (figs 5 and 6), the poor or young person has nothing left after collecting his/her monthly salary, having spent all the income in providing for the essentials of life.

Cash flow of the middle class person

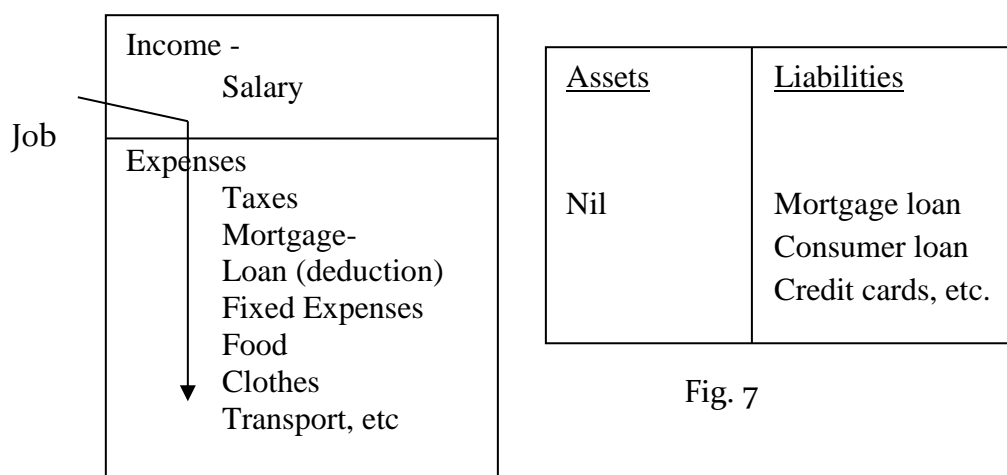


Fig. 7

Fig. 6

Cash Flow Pattern of a Wealthy Person

<u>Income</u> Dividends Interest received Rental Income Royalties	<u>Assets</u> Stocks Bonds Motors Real Estate Intellectual- Property, etc	<u>Liabilities</u>
Expenses		

Fig. 8

Fig. 9

Note: It does not mean that the rich or wealthy person incurs no expenses. Rather, the incomes of the rich cover their expenses overwhelmingly, because they have developed multiple streams of income, unlike the poor or middle-class people.

All these diagrams were obviously over-simplified, in an attempt to enhance assimilation. It is a well-known fact that everyone has living expenses such as:- the need for food, shelter, clothing, transportation, entertainment, medicare, etc.

These diagrams show the flow of cash through a poor person, middle-class and the wealthy person's life. It is the Cash Flow that tells the story of how a person handles his/her money, and what they do after receiving the money. The flaw in most people's mind is that money will solve all problems but it may actually accelerate the problem. Lots of money often makes obvious our tragic human flaws, because money often puts a spotlight on what we do not know. That is the reason sometimes when a person who comes into sudden wealth, such as, an inheritance, huge pay rise or lottery winnings- soon return to the same financial mess (or even worse than before).

This is because; money only accentuates the Cash Flow Pattern, running in a person's brain. If for instance your pattern is to spend everything you get, then most likely an increase in cash will just result in an increase in a spending spree. Remember the usual saying that... "A fool and his money is just one big party", becomes a reality.

It has often been said that we go to school to acquire scholastic and professional skills because, they are both very important. We learn to make money with our professional skills, but the reality on ground shows that jobs are no longer available to school leavers as was the case say twenty or thirty years ago. Consequently, many school leavers are idle, and waiting for white-collar jobs which are almost non-existent. And because most students leave school without financial knowledge or skills, those who pursue their profession successfully, later find themselves struggling financially. They work harder but do not get ahead in life. We found out that what is missing from their education is not how to make money, but how to spend money, i.e what to do after they make the money. It is called "**Financial attitude**", by financial analysts and consultants.

Financial attitude relates to:- what you do with the money once you make it; how to keep people from taking it away from you, how long you keep it, and how hard that money works for you. All these are very important issues, and only **Financial Literacy**, appreciation or understanding can help one remain on solid ground after making money. A person can be highly educated, professionally successful, but lack financial appreciation; which is rather very unfortunate. Some of these people often work harder than they need to, because they learned how to work hard, but not how to have their money work for them. These are some of the reasons for writing this book at this auspicious moment in Nigeria's socio-economic development.

The book promises to reveal lots of 'secrets', hitherto unknown as far as wealth-creation and economic empowerment are concerned.

Recommendations for people in paid employment.

- i. Start minding your own business, but keep your regular job. Start buying real assets, not liabilities or personal effects that have no real value once you take them home. For instance, a new car loses 25% depreciation out of the price you paid for it the moment you drive it out of the car showroom. Though a car is a necessity in Nigeria, it is not a true asset because it is mostly a liability (if you bought it on hire purchase), or through bank loan.
- ii. Adults should keep their expenses low and reduce their liabilities as much as possible; they should diligently build a base of solid assets.
- iii. For young people who have not yet left home, it is important for parents to teach them the difference between an asset and liability. Parents should get them to start building a solid asset column before they leave home, get married, buy a house, have children, clinging to a job and buying everything on credit. There are lots of young people who married and trap themselves into lifestyle that will not get them out of debt-trap for most of their working years. Some may even retire from service without owning a building of their own anywhere; this is most unfortunate.

The following types of assets are recommended for people in paid employment:-

- i. Own a business that does not require your presence, but can be managed or run by other people. Ensure that you supervise it regularly.
- ii. Buy stocks, Bonds, Mutual Funds, Life Insurance policies etc.
- iii. Buy or acquire income generating real estate.
- iv. Acquire anything else that has value, produce income or appreciates in value and has a ready market.

Finally, it is advisable for one to be on the lookout for real estate (or landed property). According to Robert Kiyosaki, the renowned American Management Consultant, "I

collect real estate simply because I love buildings and land. I love shopping for them, and I could look at them all day long.

When problems arise, they are not so bad, it does not change my love for estate. But for people who hate real estate, they shouldn't buy it". Continuing he said, "I love stocks of small companies, especially start-ups (i.e newly set up companies)

The reason is because I am an entrepreneur, not a corporate man (or employee). I like starting companies, not running them. So my stock buys are usually of new companies. Fortunes are made in new stock issues, and I love the game", he concluded. So, the ball is right in your own court. The secret of wealth accumulation has been revealed by the masters of the game. It is up to you to take advantage of the revelation if you like.

CHAPTER FOURTEEN

MAXIMIZING YOUR CASH FLOW

2.1 Introduction

Cash flow is ordinarily defined as “the movement of money into and out of a business as goods are bought and sold”. For instance, a heavy cash flow reveals that a person or organization has enough money to make payments when necessary.

Cash flow is said to be the life-blood of any business undertaking. Just as “customer is king”, cash is also seen as same. In today’s uncertain economy with ever rising inflation and high overhead costs, etc, business men with limited financial training and understanding, become financially inefficient and have difficulty surviving, let alone prosper. This is because small businesses do not distinguish between their **business capital** and **personal cash**, as both are used interchangeably for both personal and business expenses.

This is one of the reasons for non-survival of most small businesses in Nigeria. Try to distinguish between **business capital** and **personal cash**.

2.2 Tips for Managing Business Cash Flow efficiently

The following are some tips to help businessmen and entrepreneurs manage their business cash flow efficiently:-

- 1) Distinguish between business capital from personal cash. It simply means, bank your cash, regularly, and do not be tempted to spend from it. Preferably, have two people as signatories to the business bank account as a system check.
- 2) Collect your cash fast always. Do not let your debtors owe you, or your business for long periods. Learn the value of having constant cash flow by constantly collecting cash from your debtors.
- 3) Settle your bills at the last possible moment. This does not mean that one should be a bad debtor, but rather pay the bill on the agreed date as against before the due date. This helps stretch your liquidity, and puts you in a better stead to carry out your business a lot more effectively.
- 4) Move your money between your business bank accounts because it stands you in good stead for the bank’s facilities; this also helps the bank in making money from your account.
- 5) Know how much your bank charges for services like account maintenance, COT, Overdraft, etc. also negotiate the least possible rate to save money for you. Most banks in Nigeria offer COT-free banking.
- 6) Distinguish accounts that require minimum cash balance, as well as withdrawals within a month.

- 7) Always deposit your cheque the same day you receive it, otherwise, deposit it first thing the following morning (or next working day).
- 8) Be familiar with your Account Officer, make sure he/she is proactive, and genuinely wants to see your business succeed. This is because it is mutually beneficial to both of you, and, so he/she will offer and suggest to you products and services that are very competitive, as well as work out an overdraft/loan facility with good rates.
- 9) Check the financial health of your new customer before giving him/her credit facility. Ask a new customer for three business reference, and make sure you check them out to confirm credit worthiness of your new customer before granting credit facilities.
- 10) Disburse your money slowly. It is just the opposite of collecting from your debtors (at your earliest possible moment). Try not to pay a day sooner than you have to, unless you will get a discount in doing so.
- 11) Make sure your bank sends you monthly statement. Any item you do not recognize or understand should be verified, checked out and explained to you. This is to ensure that you are not being overcharged by your bank.
- 12) Inventory (or unsold Stocks) is not cash, and so it must be transformed into cash in your bank account as soon as possible, because it is basically dead-weight. If the stock is not moving, your business is not having cash-flow. Frequently review your stock and eliminate obsolete items. It is important to make forecast of your daily sales, weekly and monthly sales as accurately as possible. Ensure that you frequently meet (or surpass) your sales forecast.
- 13) Determine which items or services account for the highest percentage of your sales, and focus more on those ones. Minimize ordering those items or services that are selling poorly, or items not moving fast enough. Concentrate, more on the fast moving lines, and reduce the slow moving ones.
- 14) Shop around and make sure you are getting competitive prices, and good value for your money, products, and service. Make a proper market survey before making purchases.
- 15) Develop a policy for determining obsolete inventory and how you can get rid of them. The best way of getting rid of obsolete or dead inventory is to sell them off at your earliest convenience. Collect whatever you can get for it, even if it is only 10% of the cost (or what you paid for it). At least it will generate some cash-flow for the business instead of lying idle in your store.
- 16) Employ continuity of sales or services. This simply means entering into a contract to purchase products or services on an installment basis for a fixed period of time.

This contract should be reviewed from time-to-time to ensure maximum benefit for your business. There is merit in continuity in business affairs.

- 17) You should also 'go the extra mile' in rendering services to your customers, because it surely attracts more customers to your business. When customers are satisfied, they surely refer new ones to you.

In conclusion- these are tips when applied diligently over a period of time, pays off very well. But it takes commitment and a lot of discipline to actually see and begin to feel the benefit of having adequate cash-flow, which is the life blood of every business undertaking.

CHAPTER FIFTEEN

FINANCIAL GUIDELINES FOR SUCCESS IN BUSINESS

3.1 Seven cures for a lean purse

Almost every would-be investor that I know of complains about how difficult it is to get capital. In the book titled- The Richest Man in Babylon, by George S. Classon, there are excerpts from the book which will be beneficial to everyone. This bit is about accumulating money which could serve as **seed money** for those starting business. They are called “seven cures for a lean purse”.

- (1) Any man planning to build a fortune should start by utilizing the source of wealth which he has at hand. If one would commit to providing about 10% of his current earnings as time goes on, he would have accumulated quite a mass of wealth. – this advice is particularly relevant for people in paid employment who are going to save up for their future business establishment.
- (2) **Control your expenditures.** While some people find it difficult to draw out 10% of their earnings for savings, an aspiring entrepreneur hoping to save up **seed capital** should be able to restrict spending to 70% of his monthly income (or salary). Another counsel is to distribute your earnings (or income) in the ratio of 7:2:1 for living expenses, debt repayment and savings. So, if you are not paying off debts, you may as well apply the same discipline in your spending, and keep the fund for your future business undertaking.
- (3) **Make thy gold multiply.** A man’s wealth is not in the coins (or amount of money) he carries in his purse; it is in the income he builds, according to the book mentioned earlier. So, now that you have a little nest egg, it is needful to put it to work by investing your savings wisely.
- (4) **Guide thy treasure from loss.** Multiply your money, but do not squander your wealth, do not take **undue risks** in the name of investing. The first principle of investing (or investment) is **security** for thy principal. Protect your treasure by investing only where it is safe, where it can be re-claimed and where it can earn a fair income. Do not be taken in by promises of huge returns, as most are usually false promises. Many Nigerians recently, lost a lot of money to fraudsters who made false promises to investors.
- (5) **Make of thy dwelling a profitable investment:-** In simple terms, own your own home. Build your own house at the earliest opportunity.
- (6) **In your future:-** Devote some of your income to investment with long term value which will serve you in old age or later years. You need to provide in advance for your needs in old age.

- (7) **Increase your ability to earn, through trainings, seminars, apprenticeship, mentoring, etc.** Whatever it will take, become wiser and more skillful. This will put you in a better position in future. So, whatever your trade or occupation, you can always do with some more skills. Finally, ensure that you regularly read books on financial and economic matters, if you want to make progress in life. You should also attend workshops and training seminars. You could equally enroll for a part-time business course in the National Open University of Nigeria (NOUN) wherever you may be in Nigeria or enroll into a part- time programme in any University for that matter. Learning is a continuous process which should be sustained by everybody, especially those in business and workers.

CHAPTER SIXTEEN

ENTREPRENEURSHIP DEVELOPMENT FOR EVERYONE

4.1 Definition of Entrepreneur

The Longman Dictionary of Business English 4th Edition 2008, describes an entrepreneur as a “a person who organizes the factors of production, that is land, labour and capital to produce and sell goods or services for profit.”

In fact, the definition further states that, “the entrepreneur is a basic concept or an idea in economics, being the planner, and risk-taker; and is considered by many economists to form the fourth factor of production called **enterprise**, without which the other three cannot be effective”.

An enterprise itself is an industrial or commercial organization, and a person is said to be enterprising who possesses the following qualities- **Energy, Daring and Bold (EDB)**. A successful entrepreneur is someone who has the above-stated qualities; in addition he/she should have the willingness (or boldness) to take steps in actualizing a commercial, business, or industrial activity.

Another English Dictionary also describes an entrepreneur as “the owner or manager of a business enterprise, and who by initiative, attempts to make **profits**.” It should be noted that calculated risk-taking separates entrepreneurs from gamblers.

4.2 Starting the Business

It is common knowledge that whenever people think of starting their own business, or becoming an entrepreneur, the first thing they say is: “where do I get the money to start this business?” In fact, whenever manufacturers (or big time businessmen) want to complain, they usually say that “the banks are not giving us enough money for our business”. But, I have news for you today... in order to be a successful entrepreneur and employer of labour, money is at the very end of what you need. The reason is that there are various sources of raising money for business which we shall discuss in this book. Though money is very important for business success, there are other very important considerations before coming to the issue of “where can I find the money for this business idea”.

Some very experienced business educators have always said **ideas** are what you need most in business, not money first. The reason for this assertion is that if you have money, without good plans (or ideas) on how to increase (or Utilize) the money for profit making, then the money grows wings and could easily fly away. They also advise that “every good business plan should be able to attract the money to run it”. This is absolutely true! Yes, it is.

4.3 Requirements for becoming a successful entrepreneur

The following are therefore your requirements for becoming a successful entrepreneur:-

1. **Start a business in an area that you understand**, or one that is familiar to you. Sometimes when people want to start business, they look at what others are doing, and copy them. That is the reason they fail. WHY? The reason is because it is not their **area of competence**, that is why such business fail almost automatically. It is therefore most advisable to start a business in a field that you understand, or **something that you love doing**.

If you look carefully, and based on your experience, there must be a gap or a need that people require, and which they will gladly pay for, if you offer the service. There are lots of examples to be cited on this issue. For instance, retired teachers, civil servants, accountants, bankers, lawyers, etc. should all endeavour to engage in businesses which relate to their field, before branching off to other areas if they require to do so. The most important thing is to ensure that you embark upon business in an area which is very familiar to you. I have the following advice for people who suddenly retire (or are sacked) from service:-

- (i) Do business in a field which is familiar to you, or in your area of core competence.
- (ii) Do for money, what you naturally enjoyed doing for free. Examples abound.
- (iii) Dress formally from Monday to Friday, to avoid depression because you suddenly found yourself out-of-job.
- (iv) Have an office, join or attach yourself to a friend who has office. Get out of your home daily, if possible, and also pick up opportunities. Try to have a network of friends, or former colleagues to remain in circulation.
- (v) Print your business card, insert your telephone numbers, etc.

2. **Have a vision, i.e a big dream:**

Ask yourself the following questions:-

Where do I want to be in 5 years' time?

What do I want to become?

You must have a desire,

You must have a desire for something Big.

You must have a dream in order to succeed.

Other important advices are:

- a) **Have a purpose in life:** Your vision must be so big that you have to run with it throughout your life time. It has to be a life-long dream, and vision. Whether you succeed or not, continuously pursue your dream or goal until you achieve success.

- b) **Be specific:** Tell God exactly what you want. If you still do not understand how to set your vision, simply ask “what result do I want in my life”? The Vision must not be vague. What needs do you want to meet?

Do not just say I want to be rich. How, and how much, is important. A vision without boundaries will derail easily. If you say I want to be rich by whatever means; along the way, you may fall into the hands of 419ers; or be jailed, or be assassinated by people in your circle while pursuing wealth.

- c) Also, set goals within your vision, which will be milestones. A vision may be, “I want to set up a factory, and our products must be in every country where Coca-Cola is sold”. Then, part of your goals may be achieved when each country or continent will be conquered. The whole world belongs to big dreamers. We have a big God! Expect big things. Think Big, Plan Big. Whatever activity or relationship that does not align with your vision, jettison it without delay. Do not mingle with people of little minds, or pessimists, they will pull you down. Mingle with optimists, and people with positive mental attitude (PMA).

Without vision, you will not know:-

- (i) Who God is, and what He can do in your life;
- (ii) Who you are, and what you can accomplish in His strength.

Edison saw incandescent light before the first bulb ever glowed. Bill Gates saw a personal computer (PC), in every office and home, even while the “experts” were saying “not possible in our life time”. In order to have your big dream, you must see what is not possible today in your eyes of the spirit, as a great possibility for tomorrow.

*Remember to move **at the right time**, according to your plan. Never allow anything or anybody to hinder your vision. A day's delay may ruin your opportunity to achieve your goal. Maintain a positive mental attitude always.*

3. **Build a bridge into the future:** After you have agreed on what your desire is, your next assignment is to sit down and construct a bridge from today into your future. This means, you should draw up a plan of action on how you will achieve your dream. Without a plan, your dream will remain a dream, and never a reality until you have your final sleep. Your most important tool in planning for the future is not your physical eyes, but your imagination. SIGHT is what you see with your eyes, VISION is what you see with the mind and imagination. If you cannot imagine it, you can never achieve it. Once you have decided on what you want to be and when, put a plan on paper and make sure from that day that your words and actions agree with your desired destination. “Remember that to be a millionaire, think like a millionaire”:- It is a TV play written by **Bassey & Co**, directed by **Late Ken SARO-WIWA** in 1980's and 1990s. Your future starts from today; stop doing what does not agree with your future desire. Plan yourself out of

paid employment. What you do now, and what you say now show the way you will live when you are sixty years and above.

4. **Be focused, and be consistent:** Do not run from one dream to another dream. Your goals may change. But the vision must not change, e.g going to Ibadan from Lagos, you have three alternative routes, namely:- the old Ikorodu Road, Epe-Ijebu Road or the new Ibadan Express Road. The vision is getting to Ibadan from Lagos, it is not negotiable but you can change route if necessary. Be committed to your success. Whatever is not worth dying for, is not worth living for. The value of your dream is determined by what you are willing to give up, in order to fulfill it. If the dream costs you nothing, then it is worth nothing.
5. **Avoid Job Security:** Do not go back to another employment if you left one, or belong in another employment. Do not plan to be an employee for life. You can never be rich, or be financially empowered unless you are stealing from your employer. From today, set a goal for starting your own business in ten or five year's time. Job security is a form of bondage, and it will let you down when you are weak or old, and need security most. So, take the risk now to start your own business while you are strong. From now on, start something small in your garage or bedroom and grow it over the years. Do not wait for pension, if they pay it at all, it will not be enough for your future expenses. Just like the paradox of Christian teaching, e.g. give and receive, die in order to live.
6. **Skill:** Getting rich is not taught in schools, but you learn it on the streets by doing. Be ready to make your mistakes. An Irish proverb says, no matter how tall your grandfather is, you have to do your own growing. It is the school 'dropout' of the world that make it bigger and better e.g. Bill Gates (Microsoft), Ted Turner (CNN), Thomas Edison (inventor), Richard Branson (Virgin Airlines) etc. They all learnt on the streets, which I call the University of Life. They observed the markets of their age and introduced a needed product; (all these four gentlemen introduced products that conquered the whole world). Improve your financial and street wisdom daily.

In order to succeed in business, you should find a "need" or "gap" and fill that need. So, pursue relentlessly knowledge, information, expert opinion and experience. It makes a huge difference between success and failure; poverty and riches. Attend seminars; read books on investment; listen to inspirational tapes; read autobiographies of people you wish to be like. Money is an idea, i.e it is the right idea of a particular situation that leads to money. If you are not trained, even if you see an opportunity, you will not be able to recognize it. Success is a continuum; so, pursuit of knowledge must never end.

7. **Do not save money, but invest money:** I am sure most of us will shudder at the thought of not saving money for the rainy day. How can a banker say this? Let me

explain why it is better for you to invest money in shares and real estate, rather than saving it up in the bank.

It is a long route to getting rich, because, as you are saving money, unforeseen emergencies may force you to break the savings. Rather, investment in shares and property cannot be sold under pressure and in an emergency. Borrow against it by using the shares or property as security and; when money comes, repay the loan and keep your shares and property.

8. **Learn the Language of money:** Why is it that street traders like our Igbo brothers and other smart Nigerians make it, while professors don't? It is because they learnt and understood the language of money early in life. That is why I recommend that after university education, you should be employed for a **Maximum of ten years** so that you can learn and gain experience, before launching out.

This is also the reason we have included the following business courses into the book, such as:-

- (i) Sourcing capital for small businesses,
- (ii) Accounting Records for Small Businesses.
- (iii) Financial Literacy for everyone, etc.

For example, some people believe that it is bad to borrow money. That is bad thinking and wrong education which will keep its adherents poor forever. Rather, we should distinguish between bad and good borrowing. Bad borrowing is any money you borrow for consumption or leisure purpose, e.g. borrowing through credit card. It is eternal bondage to loans, just as taking a bank loan to go on holiday with a girlfriend. Good borrowing on the other hand, is money you borrow for investment purposes; provided you earn money from the investment regularly to pay bank's interest and leave extra cash in your pocket. That is good debt, and it is encouraged by wise people.

9. **Mind your language:** Jesus said, "What comes out of the mouth reveals the abundance of what is in the heart, and death and life are in the power of the tongue". It is the same when it comes to getting Ultra-Rich. From the way a man speaks, you will know if he has a plan to be rich or to retire poor and helpless. So, instead of speaking the language of the poor use the language of the rich from today.

Language of the poor person	Language of the Rich Person
High-paying job	How to become an employer of labour.
Save money	Invest money

Avoid risk I cannot afford it	Take calculated risk I will raise the fund.
I can do it	I will do it
That is impossible	I will try it, and make it work.
It will never work That is wrong Just to be okay	Let us examine it. I want to be ultra-rich I want to succeed in my life
Fear.	Faith
Sight	Imagination, Vision
Security of Job	Control of finances and my time.

The rich are usually known to be positively inclined and motivated in speech, thought and action hence they get ahead faster than the poor who are mostly inclined negatively. It is therefore advisable to speak positively, rather than negatively all the time if you want to be rich.

10. **Mind your own business:** As I said earlier, there is no way a person can be financially strong or empowered unless he learns how to mind his own business, i.e. run his own business successfully, or be a business owner. There are four classes of economic compartments in which all human beings exist. They are as follows:-

- a) **The first is the employee:** This is someone working for a salary and has **job security**, provided he obeys the rules of the employer. I advise that no individual should exist for too long in this compartment, as employees are deceived into bondage by a false sense of job security. No employee can ever flourish unless he is fiddling heavily with the company's funds. Test this principle, look around you, and be convinced of this principle! Do you notice the way bankers are being flushed out of their high-paying jobs in recent times? There is hardly job security, anywhere these days. So mind your own business.
- b) **The next group is the self-employed people:** Professionals, such as doctors, lawyers, accountants, traders, middlemen are in this group. They are slightly better than paid employees. This is because they can make good money at the height of their practice, and then invest the money (if they are wise) for future returns. The major drawback is that the professionals and people in this category need to be there daily, in order to earn money. Also, younger professionals and new technology may render their practice obsolete. This category of persons also require financial literacy to succeed in their undertakings, otherwise they may fail woefully.

- c) **The next category is the business owner:** My advice for everyone is that after some years of tutelage you should become a business owner. The advantages are that, as a business owner, you can employ others to work for you, have several companies or branches, and you do not have to be there physically for the business to move. Another advantage is that all your personal expenses are business expenses, so that the taxman is more lenient with you than a simple employee or a self-employed man. For a business owner, your money is working for you, rather than you working for your money. Also, all your expenses are company expenses: company house, car, steward etc., so you spend your money before the taxman can get at it.
- d) **The last category is the investor:** He is the person who buys shares in quoted companies, invests in hard currencies, and real estate. The investor has freedom to spend his time as he wants while his money is working for him. The investor is highly favoured by the tax laws because every economy pampers investors. To become an investor, you need the skill of converting earned income into portfolio, and passive income. Earned income is either your salary as an employee or profit made by self-employed one-man business. Portfolio income are, the dividends, rent or capital appreciation on your stock or shares. Above all, the investor requires education and financial literacy to remain in control of his investments. If in doubt, ask the Dangotes, Otedolas, Jimoh Ibrahims, the Mike Adenugas, et al. This is part of the secret of their business success. They are always improving their knowledge, both educationally and professionally.
11. **Real estate:** Advice of my banker: Location, Location, Location is very important to the banker/investor.
- Do not borrow more than 50% of cost of construction, otherwise it will be perpetual bondage. As soon as the investment starts to yield income, endeavour to repay your loans to the lender.
12. **Respect time, for time is money:** The way you utilize your time will determine whether you are going to be rich or not. Success is 99% perspiration and 1% luck, so says an American Millionaire. After you have left your employer after each day's work, spend your private time to develop your potentials, and plan your exit from paid employment. Just think! Just walk around sniffing for opportunities! Just try your hands on some new ideas.
13. **ACT on your dreams:** According to a popular adage, the cemetery is filled with a lot of genius with unrealized dreams. Be bold, money follows courage. Money multiplies money, just as investment follows huge populations. Listen to opinions but act only on facts.
14. **Lastly, give back to the society that allowed you to have wealth. Jesus said, "give, and you shall receive".** In order to make your wealth enduring, give to the

less privileged in the society. Remember where your wealth came from. Go back regularly to say thank you to God.

Source: The Nigerian Banker (Jan-March 2009), Published by CIBN, Lagos.

CHAPTER SEVENTEEN

“ASIAN TIGERS” DEVELOPMENT MODEL, THROUGH THE MICRO-FINANCE BANKING SYSTEM (MFBS).

The incontrovertible fact remains that Micro-Finance Banks (MFBs) serve the informal sector of the economy, i.e. those not being taken care of by the conventional banking system. They are the engine room of every country's economic development, and so they must not be neglected if we as a nation desire to attain the vision 2020 Economic Programme of the Federal Government. Year 2020 is already with us, yet the 2020 Economic program is in shambles.

As earlier stated in this book the idea of Micro-Finance Banking was “borrowed” from the “Asian Tigers” i.e. India, Indonesia, Malaysia, Singapore, Thailand and Bangladesh, where it has been successfully used to transform the economic system of those countries. In fact, the success story about Micro-Finance Banking System in the world cannot be complete without mentioning these Asian countries for the following reasons; they harbor very large populations, examples are as follows:-

(a) **China** which has population of about 2.0 (two) billion persons has effectively used the vehicle of Micro-Financing and MFBs to develop its economy. Though, China is not regarded as one of the “Asian Tigers”, it has long achieved the status of a world super power through the tacit development of its human and material resources; and also through the instrumentality of Micro-Finance Banking being used by its citizenry. Nigerians could easily recall the wonders that China performed in the last Olympic Games which it hosted few years ago. The country's display was a technological wonder of the 21st century. They hosted, and came first on the overall medals table for the first time in the long history of the Olympic Games.

(b) **India** with a population of between 1.5 to 1.6 billion people, made up of diverse ethnic groups and many different religions is also highly populated. The country does not even have any known economic resource at all, but through the instrumentality of MFBs, it has been able to turn around the economic fortunes of its huge population. India has also launched its own satellites; it also manufactures cars, trucks, computers, etc, all through its own resources. Why should Nigeria not do better than India with our resources, and other vast minerals which abound here?

(c) Most of the other countries mentioned as “**Asian Tigers**” also possess similarities with China and India as stated above, so they cannot be treated individually or separately for lack of space. It is a fact that those Asian Countries used the instrumentality of Micro-Finance and MFBs to achieve their goals of economic empowerment for its huge population. They also went the “extra mile” by adopting other strategies to achieve those goals. In this connection therefore, let me take the case of India as an illustration, since its population is about three or four times that of Nigeria, with diverse religious sects just like Nigeria.

The systems adopted by India (and few others) for Micro-Credit delivery are as follows:

- (a) **Direct Method:-** Micro-credit funds were previously disbursed by government agencies **directly to beneficiaries, not through the banks.** The disadvantages of this method are many, e.g. these agencies do not possess the mechanism for credit administration, training, supervision, loan insurance by people who do not have the necessary skills and expertise in credit administration, management and control. This is the method of funds disbursement being practiced by many state governments in Nigeria today. The proper method is to establish Micro-Finance Banks (MFBs) for loan disbursement and proper credit administration, for the benefit of all. The situation however improved, when the Indian Government changed this method of loan disbursement by setting up Micro-Finance Banks in most parts of the country.
- (b) **Indirect Method:**
- i. Intensive loan collection at regular intervals, at or near the borrower's premises was adopted by Grameen Bank of Bangladesh, one of the "Asian Tigers". This reduces the borrower's transaction cost, and increases pressure to repay the loan plus interest.
 - ii. **Incentive to repay:** discounts for prompt repayment of loans are given to borrowers. In both cases the banks' costs are increased. However the question is whether the costs bring about more than proportionate reduction in default rate, and improves the cash flow. The results proved the better of the two approaches when MFBs were set up.
 - iii. **Compulsory savings** which was adopted by Grameen Bank, Indonesia BKK Bank, Kenyan KREP Bank, etc. They provide information about the borrower's(s) capability and ability to repay promptly.
 - iv. The requirement is that the borrower subscribes to a Private Insurance Scheme that pays an Indemnity in the event of project failure. This has not been easy as the Insurers are unable to effectively assess the size of the risk. It has also further been complicated by adverse-risk selection, and consequently high premium than the borrowers can hardly afford.
- The Nigeria Agricultural Insurance Corporation (NAIC), shall take care of this aspect for Nigeria's Micro Finance Bank operators and their customers by insuring their crops against failure. The NHIS (National Health Insurance Scheme) ought to insure the health of MFB customers in Nigeria as additional incentive.
- v. **Group Lending:** In this instance, reliance is placed on structure in which monitoring and encouraging loan repayment is partly delegated to the borrowers, and not entirely by the lending Institution. Members are involved in the screening process and exposure of loan defaulters. Lending is made to the group(s) of

borrowers, rather than to an individual. This is the method adopted there, and it has proved to be quite successful. Nigeria could equally borrow a leaf in this regard, and adopt it in their operations.

Advantages

- It reduces administration cost of lenders and borrowers.
- Default is reduced due to peer pressure, and in addition to lenders' pressure to repay the loans.

Small groups of between 10-12 persons are better for effective monitoring of one another; and the group being more likely to be homogeneous it has less temptation to exploit one another.

Disadvantages

- There may arise the tendency of some members with intent to default, or to exploit the situation of group guarantee. But with proper monitoring by the lender, this risk is greatly minimized.

For lending Institutions such as Micro-Finance Banks, lending schemes would depend on the followings:-

- Relative level of administration costs.
- The strength of peer pressure or monitoring, and the extent of within-group exploitation tendency. **Where peer pressure is strong, group lending will be more effective on account of group guarantee.** This method has been effectively used in Asian countries and with proven results in totality.

(d) The Solidarity Group Approach: This has the following features:-

- Formation of **self-selected group of borrowers** (numbering between 4 to 8 persons). Grameen Bank favours 4 members per group. They are also referred to as self-help groups (SHGs). Some MFBs in Nigeria adopt SHGs instead of Co-operative Societies.

The group takes responsibility for the loan of members.

Several groups form a centre of about 30 persons or members. This forms **the 2nd tier collateral liability**. Their meetings serve as a forum for all activities of their members. There is also the Mobile Banking and frequent meetings, which are also mandatory, for all members of the groups.

Advantages: It reduces unit cost of lending and training, bank supervision and monitoring.

Disadvantage: It is managerially demanding during group formation stage and initial establishment. Effective training is required to make the members self-reliant, to prevent

the group from collapsing after establishment as was the case of the Malawian Mudzi Fund.

Comment:- The Solidarity Group Approach is equally recommended for Nigeria in view of its multiplicity of ethnic and religious groups.

Conclusion and Recommendation

From the Indian experience related above, and others, certain deductions, inferences, and conclusions could be drawn as follows:-

- i. India with a population of about 1.5 to 1.6 billion citizens has a large population of poor people, just like Nigeria. Its population is about three or four times bigger than Nigeria's, yet the country is better managed than Nigeria.
- ii. Ironically, Nigeria is the sixth largest exporter of crude oil (alias "Liquid gold"), and has Foreign Reserves of over \$35 billion (Thirty five) billion US Dollars, but it is listed among the 10 poorest nations of the world. India with no known exportable economic resource is not listed among the poorest nations despite its huge population and level of poverty.
- iii. India's emergence as one of the economic giants amongst developing nations has nuclear satellites, not because of its economic resource but as a result of well through-out economic programmes involving the large population of its poor citizens. The country also manufactures cars, buses, tricycle and truck, etc.

The lesson is that, if India with a population of almost three or four times the size of Nigeria, with no known economic resources, could navigate through the waters of economic deprivation and poverty; there is absolutely no reason why Nigeria could not do better than India and some other poor countries of the world. Additionally, most of the "Asian Tigers" used the instrumentality of micro-financing, and the Micro-Finance Banks to develop their home-grown industries to world standard. Presently, India and her neighbours supply Nigeria (and other countries) most of her drugs and pharmaceutical products.

For Nigeria to attain the goals of Vision 2020 Economic Programme, it should wake up from its slumber and adopt the best economic model as revealed in this paper. Could you ever imagine the level of economic prosperity which Nigeria would have been enjoying, if it had at least ten (10) functional oil refineries (as Africa's largest crude oil producer) and exporter? For your information, do you know that some South American countries such as:- Brazil, Venezuela and Argentina, each has not less than 18 to 20 (eighteen to twenty) refineries fully operational in their countries? This is just "food for thought" for all Nigerians.

The Federal Government through the CBN should direct every State Government to establish a State Micro-Finance Bank, with branches located in every Local Government

Council Area in the State if we are serious about empowering Nigerians everywhere. In this regard, the NIRSAL National Micro-Finance Bank could serve as a leader in this regard.

CHAPTER EIGHTEEN

FINANCIAL INTELLIGENCE FOR ALL AND WHY PEOPLE WRITE BOOKS

The theoretical framework for the Study of Financial Intelligence was set by organizational development experts/academics like Dennis Dennison, Edward Laura and Alfred Pheffaer of USA. It has since gained momentum in academia, as research and academic institutions have developed programmes on the subject of financial intelligence.

There are four broad areas of understanding financial intelligence, namely:-

- i. Understanding the foundation;
- ii. Understanding the art and science of accounting,
- iii. Understanding trend analysis, etc. and
- iv. Understanding what we call “the big picture.”

These four principles of financial intelligence lead to excellence, informed decision making and proper evaluation of facts and realities of any given situation.

Financial intelligence is important because it helps one to secure a place in today's business world and in life generally.

The Bible says: “money answereth all things”. But we should read this along with the scripture that says: “the love of money is the root of all evil”. Please, note that we should not be motivated by the love of money, but by the thought of the good we can use money to do in our society.

Financial intelligence constitutes the knowledge, the skills of understanding finance and accounting principles.

It teaches you how money is applied profitably and diligently.

It inculcates the techniques and approaches of expending assigned funds, such as:- salaries, allowances, profit from businesses (or corporate/company net profits), entrepreneur endeavours, or even gifts and inheritances.

At the Corporate Level:- Financial intelligence emerged as best practice and core competence principle for improved financial results, as well as increased employee's morale and reduced employee's turnover.

This lecture was delivered by Akwa Ibom State Governor, Mr. Udom Emmanuel, at the monthly “Holy Ghost Service” of the Redeemed Christian Church of God (RCCG) at the Redemption Camp, Lagos-Ibadan Expressway on 11th October 2020, under the theme – “The Bright and Morning Star”. The Governor, a Chartered Accountant and former Banker promptly acknowledged that the choice of the theme, “the Bright and Morning Star” and “Financial Intelligence” as a sub-theme made him quite comfortable because he was on a comfortable turf.

In the lecture, he also outlined attitudes and traits that are common to the financially intelligent person (both youth and adult), no matter their status in life. The governor said that financially intelligent people:

- ❖ Are Action oriented: “they create what I call comprehensive and workable financial plans that they may implement and manage diligently”.
- ❖ Have a saving mentality: they utilize their savings for investment purposes and compound their money for long-term gains. He said “for example, Joseph in the Bible was financially intelligent and through saving, he saved Egypt from famine”.
- ❖ Shy away from liabilities: when they buy, they search for the best at lowest prices before making a final decision.
- ❖ Set short, medium and long-term goals. You cannot live a life purposefully without setting goals to motivate you.
- ❖ Regularly seek professional advice to multiply their wealth. How we mitigate our risk will determine who is more successful than the rest of us.
- ❖ Absorb, imbibe and adapt the characteristics, habits and rituals of those who had made successes of such practices.
- ❖ Never stop learning about money:
When God wanted to give Solomon wisdom, He gave him wisdom and also gave him money.

On the “Foxes” that militate against financial intelligence, he said that “little foxes” are the situations that take away resources from our businesses, and incomes. He identified some of the foxes that reduce financial intelligence as:

Instant gratification, which is the fox that keeps people perpetually in debt. Financially intelligent people will defer gratification, and be led to spend a fraction of profits and invest the rest for the joy of tomorrow. He also said that they prefer to endure the “cross” today, because it is not safe to spend everything we earn.

The second “fox” is living in denial. Governor Udom Emmanuel explained that when we say, “I am not interested in money; or money is not everything,” we are living in self-denial. According to him, “the Bible says: ‘Money answereth all things,’ and we can’t claim to know more than the Bible. Although we are warned not to worship money, we need money for our well-being and that of others. We even need money to spread the gospel.’

The third fox, according to him is, the blame game: i.e. blaming others and looking for excuses. He noted that blaming others and finding excuses is human nature, but you must be conscious of this, because blaming everyone for our inabilities and manufacturing excuses for our failures affect our financial intelligence. “You are the captain of your own ship,” he stressed. “We have to find a way of getting rid of the foxes that steal our financial intelligence,” he reiterated.

Using what you have; the God-loving Governor went back to biblical teaching, saying, “Remember that in Proverbs 22:1, the Bible says: A good name is rather to be chosen than

great riches, and loving favour rather than silver and gold.” He said, “Make money God’s way; and reject making it Satan’s way! Also, the problem in today’s world is that many people have sight, but they don’t have vision at all. Have a vision, run with it; it is for an appointed time, that is what the Bible says.”

In Habakkuk 2:3, the Bible says: “For the vision is yet for the appointed time, but at the end it shall speak, and not lie; though it tarry, wait for it; because it will surely come, it will not tarry.”

In conclusion he said, “you should know that all what you have is what you need to get to where the Almighty God has destined for you. Remember that all your treasures are within you.”

Culled from Real Life Forum by Bisi Daniels, Sunday Sun issue, page 12, November 1st, 2020.

Why People Write Books

The answer to this question is provided by Mr. George Orwell, whose real name is Eric Arthur Blair, the 18th century English author of the then popular book, “Animal Farm” – alias “all animals are equal, but some are more equal than others”.

It was a political satire which mirrored what was happening at that time in England. Mr. George Orwell said, “putting aside the need to earn a living,” there are four great motives for writing a book:-

- ❖ The first reason is what he calls “sheer egoism,” ie the desire to be talked about and to be remembered after death.
- ❖ The second is “aesthetic enthusiasm” – the desire to share an experience which one feels is valuable and ought not to be missed.
- ❖ The third reason is what he calls “historical impulse,” ie – to discover facts and store them for posterity.
- ❖ The fourth reason why people write books, according to Orwell, is for “political purpose,” ie – the desire to push the world in a certain direction through writing a book or books.

I strongly believe that the above-stated reasons are strong enough to motivate anybody wishing to write books of any type in the world, despite the present internet age. However, it is very important to encourage our reading and writing culture in order to bring about economic and political development to our country.

CHAPTER NINETEEN

SOURCING OF CAPITAL FOR SMALL BUSINESSES, AND ROLE OF MICRO-FINANCE BANKS

In our discussions so far, we had assumed that the small businesses always had sufficient funds to initiate start-up. We also assumed that the would-be-entrepreneur always will have sufficient working capital to carry on his/her business operations. But that is not always true. Lack of capital has been identified as a major problem facing small businesses in Nigeria.

So in this chapter, we are going to focus our attention towards the sources of Finance for small businesses.

There are various sources of finance that are available for small businesses, but that to a large extent depends on the nature of the business, the size of the business and its legal form. Let us now discuss the various sources of finance.

SOURCES OF CAPITAL FOR SMALL BUSINESSES:-

1. Personal Saving,
2. Borrowing from banks,
3. Borrowing from friends and relations,
4. Borrowing from Bank of Industry Limited,
5. The small and medium enterprise equity investments scheme (SMEEIS), and
6. Other sources of finance.

PERSONAL SAVING

Perhaps one of the most assured sources of finance for a would-be entrepreneur is the personal savings of the entrepreneur. In most cases even before a business is put on the drawing board, the owner or the prospective owner is expected to provide the initial capital.

Practically, most people over the years do save money for the rainy day. This rainy day savings are usually kept aside for eventualities and unforeseen mishaps that require money. So, when people begin to think of starting a business, the first money that is invested in the business is the personal savings of the would-be-entrepreneur, if any.

BORROWING FROM FRIENDS AND RELATIONS

Apart from sourcing money from personal savings, some businesses are set up or financed by money borrowed from friends or relations. For example, a fresh MBA graduate may approach his or her family, friends and relations for finance to start a small

business. In some cases, the finance is provided either as a gift, or soft loan to be repaid at mutually agreed terms. Although we have identified these mentioned sources of funds, the fact is that it is not easy to come by since repayment by the borrower is usually doubted by friends and relations.

BORROWING FROM BANKS

A key function of a bank is to lend money to individuals and organizations. Small businesses may be owned by individuals or by organizations, and they too are entitled to approach banks for various loan facilities. Let us now discuss the various types of finance that are available from the banks:-

i. Bank Loans

Banks normally grant loans to eligible business organizations to enable them undertake capital investments in sectors like agriculture, industry and commerce. Loans when granted are for specific reasons like purchase of manufacturing equipment etc. Loans are usually repayable over a fixed period of time and at agreed interest rates. Usually as expected, most banks will insist that the borrower provides security when borrowing from the bank. Lack of security is the main problem faced by young school leavers and prospective entrepreneurs.

ii. Bank Overdraft.

Bank overdrafts are given out in most cases to firms and organizations for enhancement of working capital. Most organizations when they obtain bank overdrafts, deploy them towards purchase of raw materials for manufacture of goods or to procure finished goods for resale. Usually bank overdrafts are for short periods of time, like for one year. In practice, overdrafts are renewable on expiration of its tenure.

iii. Lease Finance

A lease is a contract whereby one party (the leasee) hires equipment from another party (the Lessor), in a way that the leasee uses the equipment without purchasing it. In return, the leasee pays lease rentals, and at the end of the lease period may have the option to purchase the equipment- or it returns to the owner.

Lease finance is becoming a more popular type of finance for firms that do not want to purchase equipment. Individuals also embark upon leasing contracts for their businesses.

BORROWING FROM THE BANK OF INDUSTRY LIMITED.

The Bank of Industry Limited is Nigeria's oldest and largest industrial financing institution. It was reconstructed in year 2001 out of the Nigerian Industrial Development Bank (NIDB) Limited, which was incorporated in 1964

The bank's authorized share capital is set at \$ 400 million. The mandate given to the Bank of Industry Ltd (BOI) is "providing financial assistance for the establishment of

large, medium and small scale projects, as well as expansion, diversification and modernization of existing enterprises, and rehabilitation of ailing ones”.

The Bank of Industry (BOI) Limited can assist the following:

- Small, medium and large enterprises excluding cottage industries.
- New or existing companies seeking expansion, modernization or diversification.
- Credit-worthy promoters who will be required to provide their project cost excluding land.
- Borrowers whose management capability, financial situation (including availability of collateral and guarantee), character and reputation of borrower is expected to be sound.
- Clients with demonstrable ability to meet loan repayments as stipulated.
- Borrowers with no record of unpaid loans to erstwhile Development Finance Institutions and other Banks stand a good chance of being considered.

A PRACTICAL BUSINESS IDEA FOR DISCUSSION

Fruit Juice Production

Fruits grow abundantly in Nigeria. These include mango, orange, pineapple, guava, paw-paw, Cashew and Citrus. Fruit are obviously very rich sources of essential minerals and much needed vitamins, essential for body growth and nutrition. Besides, it has been observed that fruits are also taken as refreshments by both young and old with the demand higher during periods of hot weather. The very deep market for this product makes it a good investment for a prospective investor. For instance, Benue state and some middle-belt state produce huge quantities of oranges.

The author strongly believes that Nigeria has the wherewithal, in terms of manpower and economic resources, to turn-around the fortunes of this nation, thereby relieving us of this **economic quagmire**. Perhaps when this is done, Nigeria may well achieve its goal of Vision 2020 Economic Development Programme, if all hands are truly on deck. The author shall supply full details of this proposal at the appropriate time if requested to do so.

CHAPTER TWENTY

BANK LENDING, MORTGAGES AND SECURITIES

Before lending to its customers, bankers usually attach much importance to character of the borrower. The following are the factors of credit worthiness which bankers consider before lending:- they are five and include Capital, Capacity, Collateral, Conditions and Character.

In Summary

Capital- Means the assets of the borrower or company.

Capacity- is the earning power, viability or profitability of the business concern or the borrowers.

Collateral- this stands for the asset that was pledged as security for a loan (or lending) request by the prospective borrower.

Conditions- this refers to the borrower's experience and capability in the activity, or business performance of the applicant for the banking facility.

Character- this refers to the integrity of the person wishing to borrow money from the bank.

According to Prof. Uzoaga, a former Lecturer of Banking in the University of Nigeria, Nsukka, he stated that: "Character of the borrower is a very important consideration for the banker in a loan or lending proposition." However, he further stressed that a man in possession of the excess of the first four factors but lacks character is not qualified for a loan, because one without character can have the money but refuses to repay the loan.

The question now is this:- how will the banker determine the character of a customer who wishes to borrow money from the bank? Customers must operate their bank accounts for at least six months period before applying for banking facilities, as this period would enable the bank to study the customer's character, through the intending borrower's method of banking operations and other interactions with the banker.

Additionally, the Central Bank of Nigeria (CBN) recently introduced what it called KYC system also known as know your customer initiatives (KYC). Through this method, banks are mandated by the CBN to ensure that they get to know properly who their customers truly are. Banks therefore hold frequent interactive meetings with their customers and which offers bankers a means of getting closer to them. Some banks consequently set up Customers' Relations offices through which they maintain closer relationships with customers, rather than the old system whereby bank customers were regarded as mere account numbers by most bankers.

Consequently most banks now hold quarterly meetings with their customers; they also undertake more intensive visits to customers especially the small, medium and self-employed operators to find ways of developing mutually beneficial relationships.

Finally, most banks also organize what is called “Customers Forum” and End-of-Year parties which gives room for fruitful interactions between the banks and their customers. At this fora, bank customers have opportunities to discuss or ventilate their feelings regarding the bank and its officers. It is however observed by Banking Professionals and others, that the KYC Scheme has really brought a lot of improvement in Bankers/Customers relationship because they now realize that the “Customer is King”, and cannot be treated with levity, anymore.

Consequently, the banks have recently become an interesting place for pleasant and mutually beneficial business interaction, unlike what obtained in the past.

WHAT IS A MORTGAGE?

A mortgage refers to a legal agreement that conveys conditional right of ownership of a property (typically landed), by its owner to a lender as security for a loan (www.businessdictionary.com). In Nigeria, where the majority of the citizenry are of the middle class socio-economic standing, purchasing a home fully funded by private capital might be a herculean task and will probably take many years of savings to accomplish.

A mortgage however reverses that system. How? Instead of saving for about 20 years to finally be able to afford a home, a mortgage can help you purchase the home, and then pay gradually over a period of that same 20 years.

The body set up by the Federal Government to cater to this in Nigeria is the National Housing Funding (NHF). There are also several other commercial mortgage facilitators, and almost every bank has a mortgage arm from which clients can obtain a loan.

How Does The Process Work?

Mortgages are also loans which mean that they come with interest rates. Typical mortgage ***interest rates in Nigeria range between 7-10% for the NHF and between 15-25% for commercial mortgage institutions***. Aside from the interest payable, the potential buyer must also have a certain percentage of the total amount needed for the purchase readily available; ***this amount is known as equity*** and should range between 30-70% of the total cost of the home.

Another important factor to consider is ***the tenor of the loan***; this is the length of time required to pay back the loan. ***In most situations in Nigeria, the maximum amount of time given is 20 years***. When approaching any mortgage institution for a loan, the most important factor they will consider before approving your request is your income. ***Ideally, mortgage payments should not take more than 25-30% of your monthly income***, this ensures that you still have enough to be able to take care of other responsibilities and hence, do not default on your loan payments.

What Documents Do You Need?

Requirements may vary depending on the institution but the items listed below are always constant as follows:-

- A Comprehensive statement of account (12 months or more, as required by the lending bank.)
- Employment and confirmation letter (if employed)
- Certificate of Incorporation of business (if in business)
- Nationally accepted means of identification
- Utility bills
- Application form (provided by mortgage institution or lending bank.)
- Original title deed of property (To confirm that property is not in contest).

Please take note that similar documents as stated above are also required by banks whenever they are considering lending to borrowers seeking Bank Loans or Overdrafts from their banks. Consequently, all the above-stated processes and documents pertaining to Mortgage Agreements for Mortgages or NHF also apply to bank customers who seek loan and overdraft.

In Nigeria, a lot of people are still very skeptical about taking home mortgages; however, this is one of the surest and easiest ways of owning your own home. I advice that you sit down and do a proper analysis of the financials to see if a mortgage can be in the works for you.

Also, if you're concerned of being overly burdened with paying off interests, I recommend trying out the National Housing Fund as their interest rates are significantly lower. However, this will only work if you're seeking a small loan as their maximum loan amount is ₦15million. On the upside, if you don't have a lot of equity, this will still work for you as the NHF can finance up to 90% of the cost of the home.

Home Ownership & Mortgages in Nigeria.

The number of people who own their Homes is one of the very major indices of measuring economic growth and the development of the people of any country; that is after food and clothing. In Nigeria, the ability of a majority of individuals to use their private resources to build their own homes have been hampered by dwindling purchasing power, high interest rates, high inflation, a weak national housing strategy, among others. Resort to alternative sources of funding like accessing Mortgage Loans or commercial loans, etc have left many financially disadvantaged and emotionally scaled.

Mortgage transactions have been entered into by desiring home owners without sufficient information, or non-disclosure of all the obligations required by the Financial

or Mortgage Institution or Co-operative Society from the intending home owner. Allegations of high interest rates- which are usually compounded-wrong and hidden charges and debits to the Mortgage Loan Accounts, non-availability of legal documentation securing the Mortgage transaction, short term and astronomical increase in costs of building materials, non-delivery of full or half completed homes with weak structures, unilateral increase in the value of the Mortgage Loan, etc remains rampant with no visible and timely protection for the desiring home owner, from either the Housing Regulators or the judicial system.

The Housing Regulators are handicapped to discharge their statutory duties by many factors which include insufficient legal, regulatory duties by many factors which include insufficient legal, regulatory and budgetary constraints.

This Alert is our further contribution to assist you in making an informed decision when contemplating or entering into a Mortgage arrangement in your quest to own your own Home. Where you are undertaking an outright purchase of a property, we have on our web site- www.oseroghoassociates.com- a September 2002 Alert/Checklist to assist you also in that process.

What is Mortgage?

A Mortgage is a form of security, on land or a complete building or buildings, given by a person for a loan advanced to that person to acquire land or a landed property. The Mortgage naturally gets terminated when the debt is repaid. ***The person taking the Loan is called Mortgagor while the Lender is called the Mortgagee.***

It is essential and much more preferred that you have a Mortgage Agreement that is in writing. This written document enumerates the terms and conditions of the Mortgage, including the repayment plan with interest rates to be charged on the loan, the powers of the Mortgagee or Lender to exercise his power of sale or appoint a Receiver to sell the property without resort to lengthy litigation, insurance, etc.

The absence of a written Mortgage Agreement means that only an equitable interest would be created when the Lender disburses to the Borrower the loan to purchase the property. This is in contrast to a Legal Mortgage.

An equitable interest could arise in the following situations: (a) By a mere deposit of title deeds by the borrower to the Lender. (b) By an agreement to execute a formal legal mortgage between the Borrower and the Lender. (c) By a mere equitable charge on the property. The above latter mentioned methods of creating an equitable Mortgage all have the unpleasant handicap of requiring the Mortgage or Lender to go to Court to enforce his rights where there is a default in the repayment of the Mortgage Loan by the Mortgagor/Borrower.

The reliefs open to the Mortgagee with an equitable Mortgage, depending on the wording of the equitable Mortgage or the transactional documents available, include (a)

an application to a Court of Law for specific performance of the agreement between the Borrower and Lender to execute a Legal Mortgage (b) A Court Order for foreclosure so that the lender can recover the amount lent from the sale or otherwise of the property. (c) An Order of Court authorizing the Lender to sell the property himself or appoint a Receiver/Auctioneer to sell the property to recover the amount owed.

Checklist for Negotiating a Mortgage or Bank Facility (Loan or Overdraft).

In considering whether to finance the purchase of your home yourself or resort to a Mortgage arrangement, you may need to consider the following:-

1. Your housing budget and affordability vis-à-vis your other daily needs. Note that the standard housing budget for an income earner is an average of 30% of your current monthly income.
2. The Location of your desired home and home prices in that location.
3. Choosing a property and undertaking property visitation. Visit the property at least twice, on different days and times of the day. On at least one occasion, visit the property independent of any agent, and maybe with a spouse or a friend, for independent decision. Never negotiate these visitation or home prices, etc on the telephone or by email.
4. How much you currently have to finance the home purchase?
5. How much you require to borrow? If you need to borrow, how do you obtain the Loan? If through a Mortgage Institution, which to choose? Ensure you visit all the financial institutions and listen to the substance of their pitch as opposed to the esthetics. Do not be embarrassed to ask many questions on situations that are unclear. Obtain referrals from present clients where possible.
6. Have you disclosed up-front the full terms and conditions of the Mortgage Loan? Have these terms and conditions been formalized in a written Agreement. Where not possible, for whatever reason, withdraw from the negotiation.
7. Inquire about any one-off or other major instalmental costs in the Mortgage and compare with your affordability? What happens to all your contributions should you elect to exit from the Mortgage arrangement or choose another Mortgage Institution or financing option?
8. Choose a Solicitor for all your due diligence before you execute any document or write any Cheque or effect any payment. Ensure that he investigates the title to your desired property that it is free from all registered encumbrances. If there is none, have him prepare one and insist that it is executed.
9. Also choose a registered Estate Surveyor & Valuer to advice and provide independent information about properties, their locations, market prices and

funding options including Mortgage Institutions. A fixed retainer as opposed to a commission agent is suggested to maintain the attention of the Estate Valuer.

10. Where there is a contractor in the mix, request for a copy of the construction contract as the outcome of that contract is your property. If not allowed, do not write a Cheque or execute the Mortgage Agreement.

Mortgagor's Covenants.

Some of the covenants that you as a Mortgagor should expect to find in a Mortgage Agreement include:-

1. Punctual payment of both the principal amount and the interest on the Mortgage Loan with provisions for penalties for late repayments, etc.
2. Insurance on the Mortgaged property with the Mortgagor and the Mortgagee's interest disclosed on the Insurance Policy.
3. Repayment of the Mortgage Loan to be made during a defined and certain period. Exemptions to be indicated.
4. Right of the Mortgagee to consolidate the Mortgagor's Mortgages where there are more than one Mortgage Loan or property.
5. Power of sale by the Mortgagee and condition precedent to the exercise of that power or similar rights.
6. Mortgagor's right to lease or grant Licenses subject to Mortgagee's consent.

Handicaps to Mortgage Business in Nigeria.

There are many reasons why many Nigerians are unable to own their own homes or access mortgage facilities to own one. In stating some of these reasons for your appreciation, you would be more vigilant when choosing a Mortgage firm or other financial Institution. Some of the handicaps include:-

1. Unavailability of long term funds for long term financing of housing projects.
2. High inflation.
3. An inefficient land tenure system which has been described as cumbersome, bureaucratic and one of the most expensive in the world when transferring title. There is also a lot of real estate whose titles are not registered.
4. Similar to 3 above is a cumbersome land registration, titling and conveyance procedures.
5. Low levels of participation by employers and employees in the National Housing Fund Scheme (NHFS), non-remittance of deductions by employers under NHFS,

reluctance of financial institutions to invest in the NHFS as a result of low interest rate returns from the Scheme, etc.

6. Deviation of the Mortgage Banks from their core Mortgage business to more profitable short term businesses like Commercial banks.
7. Insufficient legal and regulatory framework for Mortgage finance.

Conclusion

Ensure that you are always well informed and calm at all times when negotiating a property transaction. Undertake all due diligence that you can humanly have undertaken. In the short run, it is wiser to pay professionals a token fee than have your interest compromised in the long run. This is especially as the old adage recommends that “prevention is better than cure”. Lastly, remember that once your money leaves your possession and control, it can become very expensive to get it back or have its value delivered, should things go terribly wrong.

SECURITIES FOR BANK LENDING

Definition of Security

The advanced Learners’ Dictionary defines security as, “Something valuable such as landed property or life assurance policy, given as a pledge for the repayment of a loan or the fulfillment of a promise or undertaking”. Security is also defined as “document, certificate, or something showing ownership of property (especially bonds, stocks and shares of government securities) for money lent to an individual or organization.”

From the definitions above, it could thus be seen that securities are tangible instruments (such as Certificates) evidencing ownership of property, or stocks, shares and government bonds/securities. It also includes title deeds such as Certificate, etc, or other evidence of property ownership.

PURPOSE OF SECURITY

Bankers require security before lending to their customers in order to be assured of the safety of the advance, and also for the following reasons:-

- (i) It is a well-known fact that bankers can only lend part of the deposits or funds in their possession. As these funds are depositors’ money, the banker has to ensure that customers would be capable of repaying the money (or ensuring its safety) by obtaining appropriate security from the borrower(s).
- (ii) Bankers have to ensure that money lent will be re-paid hence the necessity for accepting securities from borrowers (which will be disposed of) in case of default.

- (iii) It is also an acknowledged banking norm or practice that securities must be obtained from borrowers before any lending could be undertaken. The Central Bank of Nigeria regulations also stipulate that no bank should lend money without obtaining adequate and tangible security. This measure is to ensure banking prudence among bankers, and also guard against excess liquidity in the economy.

TYPES OF SECURITIES

There are various types of securities for lending but the following are the most common: Land or buildings, life assurance policies, stocks and shares, Debentures, Cash Deposits, Domiciliation of Payment, Guarantees, etc. others are:- Bills of exchange, promissory notes and documents of title to goods (evidenced by a trust letter or deed), etc.

LAND

Land or property

In Nigerian as well as English Law, the word 'property' refers to land and whatever is attached to it like buildings and economic trees standing on it. The definition of land in both the English and Nigerian Law is quite wide, but section 5.3 of the Interpretation Act Cap. 89 of the Laws of the Federation of Nigeria, 1985, give a definition of land. This statutory definition defines land as: "That immovable property which includes land and everything attached to the earth, or permanently fastened to anything which is attached to the earth and all chattels real".

Definition of land according to the statute above, also includes abstract incorporeal rights, like a right of many and other easements as well as profits enjoyed by one person over the ground, and building belonging to another. In English law there is a similar principle which states that whatever is affixed to the soil belong to it.

Land or landed property (which also includes building), are the commonest and most acceptable security for lending by bankers (and finance houses) in the country. The reason is because unlike other types of securities, land appreciates in value over the years and it is equally marketable and reliable as a security for bank lending. In contrast however, chattels and other movable assets do not possess this intrinsic quality which land possesses, hence its ready or easy acceptability by bankers as security. However, it has to be emphasised that for our purposes, property refers to land and buildings (especially developed land). This is because, banks and financial institutions in Nigeria accept only developed land (or properties) as security instead of undeveloped land. Land will also be used here to include both developed and undeveloped land, but there may be need to differentiate one from the other as the need arises.

TITLE TO LAND

Title to land in Nigeria can be evidenced by any of the followings despite the changes brought into our land system by the Land Use Act of 1978 which also recognized these titles to land.

The various titles are:-

- (a) Deeds of Freehold;
- (b) Deeds of Conveyances and Leaseholds;
- (c) Assignments of Freeholds or Leaseholds
- (d) Certificate of Occupancy (C of O)

It is however worthy to note that the land Use Act of 1978 apart from recognizing the above-mentioned titles to land, also converted all interests in land to either a statutory right of Occupancy, or Customary right of Occupancy for lands located in urban centres and rural areas respectively.

LAND USE ACT OF 1978

This Act brought a lot of radical changes to the Nigerian land ownership system, and it is of extreme importance to bankers and students alike.

As stated in the preamble to the above Act, the main objectives of the Land Use Act are: “to ensure, protect and preserve the rights of all Nigerians to use and enjoy land in Nigeria, and the natural fruits thereof in sufficient quantity, to enable them provide for the sustenance of themselves and their families”. As a consequence of this, the Act thus vested in the Federal Government or its agencies (and the state Governors) all land (both State and federal). They are to hold the land in trust and administer it for the use and common benefit of all Nigerians. The Act further stipulates that what any person in Nigeria can mortgage or alienate is his Right of Occupancy and for which he/she requires the prior consent of the Governor of the State; otherwise it is void and cannot be enforced by the courts.

The following are the main provisions of the Land Use Act of 1978:

- (i) As from the 29th March 1978, no individual could have freehold interest in land, but however it recognized those already having such (and similar interests) before the enactment of the Act. Consequently, it became un-lawful for any person to prepare freehold conveyance or other similar titles to land as from that date.
- (ii) The Act introduced the use of Certificate of Occupancy throughout Nigeria as the acceptable legal title to land, viz.

(a) Statutory Right of Occupancy

It is granted by the Governor of a State for land located in urban centres of the state

(b) Customary Right of Occupancy

It is granted by the Chairman of a local Government Area for land located in the rural areas. Consent to Mortgage a customary right of occupancy to land is granted by the local government Chairman, whereas the consent to mortgage a statutory right of occupancy is granted by the governor of the State or any other functionary to whom it is delegated by the governor.

- (iii) Section 50(i) of the Act defined developed land as, “land where there exists any physical improvement in the nature of road development services, water, electricity, drainage, building structure (including fencing), or such improvement that may enhance the value of the land for industrial, agricultural and residential purposes.”
- (iv) As a result of the Land Use Act, only developed land became recognized by bankers as security for lending. This is primarily as a result of the fact that the Act stipulates that in case of compulsory acquisition of land or revocation of right of occupancy by a State Governor, compensation for undeveloped land is limited to an amount equal to the rent (if any) paid by the occupier during the year in which such right was revoked.
- (v) Though there are provisions under Section 29(4) of Land Use Act for payment of compensation where land has been compulsorily acquired, the maximum payable for one hectare of undeveloped land in Lagos metropolis is ₦7,500.00 only. This amount is considered the highest compensation payable anywhere in Nigeria; and it is also partly for this reason that bankers do not accept undeveloped land as security. This is because the amount of compensation payable for un-developed land is too meager.
- (vi) The Certificate of occupancy thus became the most important and acceptable title document to land in Nigeria. However, it is absolutely un-necessary to obtain the certificate in connection with leases, conveyances and assignment of land, which were executed, stamped and registered before the date the Act was promulgated. Consequently, the above-named documents are still regarded as valid title documents, and are accepted by bankers as securities for lending. But for the transaction to be valid, the appropriate consent to deal with the property must be obtained from the authorities as stated earlier.

(b) Difference between a Charge and a Mortgage:

A Mortgage as defined above, is the conveying (or conveyance) of an interest in land or property with the understanding that this right will be reconveyed to the borrower after repayment of the debt.

A charge on the other hand conveys some legal interest on the mortgaged property rather than a legal estate. The value of a charge by way of legal mortgage is that the banker (or chargee) has the same (or similar rights) and remedies as if it was created under a term of years absolute. A charge conveys nothing but merely gives the chargee certain rights over the property.

(c) Nature of legal Mortgage

A legal Mortgage is a security created by contract between the bank and the borrower, for the repayment of a debt already due (or to become due soon thereafter). It should be noted however that the debt is totally independent of the mortgage, which it exists to secure. Consequently, if a house which is mortgaged to secure a loan is destroyed by fire or flood, the debtor is still liable to repay the debt. Hence bankers always insist on borrowers taking up insurance policies to cover any property being offered as security.

(d) Nature of Equitable Mortgage

An equitable mortgage is created where the mortgagor (or borrower) deposits the title deeds (or documents) of the land or property, accompanied by an informal document or memorandum of deposit under hand. A mortgage is also equitable where the mortgagor has only an equitable interest in the land, it means that the depositor (or borrower) has an equity of redemption after repaying the debt.

It is normal practice (under equitable mortgage) that the deposit of title documents should be accompanied by a Memorandum of Deposit. But a Memorandum of Deposit may not be necessary if it can otherwise be proved that the deposit was made with the intention of using the title documents as security for a debt. This intention is presumed in the case of a deposit of title documents with a banker, but it is for the depositor (or borrower) to prove the contrary.

However to be on the safer side and to avoid controversy, it is advisable to obtain from the depositor some memorandum (or any document at all) signed by him however informal, which evidences that the deposit is intended as security for a debt.

It should be noted that a simple deposit of title deeds accompanied by a memorandum of deposit is not required to be stamped or registered since the interest of the mortgagee is created not by the memorandum, but by the deposit of title documents. An equitable mortgage evidenced by a memorandum of deposit, and an Irrevocable Power of Attorney requires stamping and registration. But ordinarily, an equitable mortgage does not necessarily require such elaborate formalities. Note that an equitable mortgagee has

nearly the same rights as a legal mortgagee, but those rights cannot be exercised without the court's help.

DISADVANTAGES OF EQUITABLE MORTGAGES

- (i) In case of default, it cannot be enforced by sale except by order of a court. As a result of the consequent court proceedings, most bankers do not readily accept equitable mortgages.
- (ii) A subsequent purchaser or mortgagee of the legal title without notice of a prior equitable mortgage takes free of the equitable interest. In conclusion therefore, it is clear since the commencement of the Land Use Act 1978, that what is being mortgaged is infact not the land, but the right of occupancy whether arising by operation of the Act or not. However, one must not lose sight of our definition of land, which includes improvements upon the land, and cannot be transferred or mortgaged in any meaningful sense without the land itself. And for bankers therefore, what is being mortgaged is the improvement or development on the land by way of buildings and rights to them, and not the land itself (which is vested in the Governor) by virtue of the Land Use Act 1978.
- (iii) It should also be noted that the general attitude of some bankers who would not accept any other document of title except certificates of occupancy is not correct. This is because the Land Use Act of 1978 also recognizes other previous title to land as discussed earlier in the chapter.

THE POWERS AND REMEDIES OF A LEGAL MORTGAGEE

It is normal practice to set out the powers and remedies of a legal mortgagee in the instrument of legal mortgage. They are as follows:-

- (i) The right of foreclosure is a right which the banker (or Mortgagee) can exercise if the mortgagor fails, after due notice to make repayment of the debt when due.

Where there is any discrepancy, the banker has to reject the document but if there is none then he has to proceed further. The photocopy of title document has to be handed over to the bank's solicitor who would conduct a search at the Land Registry.

The purpose of the search is to confirm that the borrower is infact the owner of the property. Secondly, if the borrower is truly the owner the search will reveal whether the property was previously mortgaged or charged in favour of any other person; bank or finance house. It will also reveal if there were any encumbrances or encroachments on the land.

The production of the original title document of land showing the customer or borrower as the owner is not always a conclusive evidence that he is the true owner of the land, or the interest in question. The bank's solicitors must trace the customer's root of title as

prescribed by law, after which a Certificate of good title is issued by the solicitor if satisfied as to the borrower's title. It is equally important for the banker to conduct a search at the company's Registry (now called Corporate Affairs Commission) if a company wishes to borrow. Banks also conduct a physical inspection of the property whereby a bank's staff visits the property to ensure that its location and structure are acceptable to the banker. A certificate of physical inspection is equally issued to certify the state of the property in question.

(i) Valuation of the Property

Having been satisfied as to the borrower's title, the next step is to ascertain the value of the property being offered as security to the bank. It is the practice among bankers to ensure that the value of property offered as security far exceeds the amount of facility being requested by the borrower. This is very important in order to ensure that in the event of default, the amount realized from the sale of such property would cover the debt plus accrued interest.

The valuation could be undertaken by a senior and experienced bank official if the amount of facility being sought is not much. This is sometimes allowed by bankers in order to save the customer from the clutches of professional estate valuers whose charges are usually quite high.

Bankers do not normally accept valuation reports prepared by the customers' own valuers for fear that such reports could have been inflated in order to assign a higher value to the property than it is actually worth. The only exception is where the valuation report was prepared by one of the bankers' approved estate valuers (otherwise it would be rejected by the bank).

A valuation report is normally undertaken by firms of professional estate valuers. The report is a confidential information/report submitted by the estate valuer and designed to guide the banker by enabling him decide whether the security offered is appropriate or adequate. Property valuation is normally based on its 'open market' value. This refers to the estimated price at which the property would easily or readily be disposed of in case the borrower defaults. The banker having ascertained the value of property being offered as security would ensure that its value far exceeds the amount of facility being sought by the borrower. As a rule bankers do not lend more than a fair percentage of the value of property offered as security.

For instance, where a property is valued for say ₦100,000.00, the banker is not obliged to lend more than ₦60,000.00. This is often done in order to leave the banker with a safe margin, so that in case of default the bank might be able to realize a reasonable amount on disposal of the security.

(iii) Obtaining the necessary consent

Under the Land Act of 1978, the Mortgagee has to obtain the consent of the Governor of the State (or Chairman of the Local Government Council) in all dealings on land.

It is mandatory to obtain this consent before any assignment, letting, or parting with possession of State land under the Land Use Act of 1978. It should also be noted that a right of occupancy under the Act is not valid, without the Consent of the State Governor or the Chairman of a local Government (for land Located under the local government).

Also, alienation (or parting with the property) is both illegal and void if the consent was not obtained. The consent is not super-imposed on the right of occupancy, but rather is an intrinsic component of it. It should also be noted that the acquisition of non-state land by an alien from a Nigeria citizen requires the consent and approval of the state Governor, otherwise such transfer will be rendered null and void. It has to be emphasised that the statute also provides that a covenant not to alienate (or transfer property) with the Governor's consent shall be implied in every lease of state land. In practice however, all leases of state land contain an express covenant to that effect, but the effect of the provision in the statute is that even in the absence of an express stipulation in the lease, the covenant will nevertheless be implied, and the lease is to be deemed to contain it. The breach of this covenant is not a contravention of a statutory prohibition which attracts the sanction of illegality and voidness; it is a breach of contract and is redressable by the award of compensation or by forfeiture where that is provided for in the lease.

(iv) Execution of the legal mortgage

Having obtained the necessary consent, the next step is the signing of the instrument of legal mortgage by both parties, (i.e the Mortgagor and mortgagee).

The mortgagor is required to sign the legal mortgage in the presence of the banker manager, his Assistant or Branch Accountant, who will also sign as a witness. If the mortgagor is a limited liability company then its managing Director will sign with the company Secretary; after which they affix the company's seal to the document.

This document is then counter-signed by the banker's Managing Director, (or any Director so delegated), and the banker's Secretary after which the banker's seal is affixed to the document.

If the customer is illiterate, special care has to be taken to comply with the provisions of the illiterate protection law regarding the execution of documents by illiterate persons. Failure to comply with the provisions regarding illiterate persons may result in the security document being un-enforceable, or altogether void. The banker has to ensure that the deed contains an illiterate jurat, and the execution of the document must be done in the presence of a Magistrate.

The jurat is a kind of certification by the Magistrate to the effect that the wordings of the legal document has been read and interpreted to the borrower who understood its

contents. Thereafter, the borrower appends his/her mark, or right hand thumb impression on the document. It is also required that any person who completes this security document at the request of the illiterate person, must write inside the document his/her own name as the writer thereof, his address and the fees charged (if any) in accordance with Illiterates Protection Ordinance (Cap 83).

CHAPTER TWENTY ONE

THE FINANCIAL OR BUSINESS PLAN

Introduction

As we discussed in our earlier units, a business plan is a document that sets out what a business is going to do and how it is going to do it. As we have continued to say, the business plan is a large picture made up of smaller plans or pictures. One of those plans or pictures is called the financial plan.

The financial plan addresses all the key issues relating to the financing of the small business. In practical terms, it does appear that the financial plan is the most important of all the plans because in the first place, **it clearly shows the would-be-entrepreneur the total financial picture of the project in terms of total project cost, financial inflows and outflows.**

Again as you are aware, banks when called upon to finance a project are usually interested in the **financials of the project**. The banks want to know every detail of the financial implications of the project being submitted to them for appraisal and lending of funds. Banks want to know what the profitability of a project will be and besides, the cash flows.

The financial plan is expected to capture all this information and provide them in a manner that other third parties can read them. By third parties, we mean either the banks or would-be-investors.

1. CONTENTS OF A FINANCIAL PLAN

To explain the standard acceptable contents of a financial plan, we shall list them, and then go ahead to present a practical example of a plan. The following are contents of a financial plan:-

- Estimates of Project Cost including Land, Buildings and things like steel structures, etc.
- Utilities-costs
- Machinery and equipment costs
- Pre-operational expenses
- Working capital requirement
- Financing plan
- Projected income statement
- Projected cash flow statement

- Projected balance sheet

Practical example of a financial plan

A company is engaged in the extraction of palm kernel oil (PKO) from palm kernels. The company now plans to add a vegetable oil refining plant to its operations so that it can convert the palm kernel oil (PKO) to vegetable oil through refining.

The company has approached a bank to help it finance the acquisition of the vegetable oil refining plant. Below is the financial plan of the proposed plant.

TASK

You are requested to study the plan carefully and ensure that you understand it very well.

FINANCIAL PLAN

The objective of the financial plan is to determine the financial outlays and inflows of the project, with a view to establishing the commercial viability of the proposed venture. To be able to do this, the following should be established:

- Startup costs for the project
- Revenues of the project
- Expenditure of the project
- Profit and loss profile of the project

Estimates of Project Cost	N
Land for the project	4,000,000.00
Civil works and foundations	<u>5,000,000.00</u>
Subtotal	= N 9,000,000.00 (a)

Steel Structures

Includes H Beams, U Channels,)
Angles, checker plates, Railing Pipes and)
Roofing materials)
Total of Steel Structures	= N13,000,000.00 (b)
Totals of (a) and (b)	= N 22,000,000.00
Storage Tanks	= N

2 Units crude oil tank	-200 tons	-	3,000,000
1 Unit refined oil tank	- 300 tons	-	2,000,000
1 Unit fatty acid tank	- 50 tons	-	850,000
1 Unit water storage tank	- 20 tons	-	750,000
1 Unit furnace oil tank	- 20 tons	-	750,000
1 Unit diesel oil storage tank	- 20 tons	-	<u>750,000</u>
Sub Total		=	<u>₦ 8,100,000.00 (c)</u>
Utilities			<u>₦</u>
1 Unit 500 KVA Transformer	-		3,500,000.00
1 Unit 500 KVA generator	-		10,000,000.00
1 Unit water bore hole	-		<u>500,000.00</u>
Total		=	<u>₦ 14,000,000.00 (d)</u>
Grand Total		=	<u>₦ 44,100,000. (e)</u>
NB:- Grand Total = a+b+c+d		=	<u>₦ 44,100,000.00 (e)</u>

Proposed financing Plan

Particulars	Project Sponsor	Bank ₦	Total ₦
Land, building and steel structures	9,000,000	13,000,000	22,000,000
Machinery and Equipment	20,800,000	77,940,000	98,740,000
Storage tanks	-	8,100,00	8,100,000
Utilities	14,000,000	-	14,000,000
Pre-operational expenses	1,450,000	-	1,450,000
Sub-Total	45,250,000	99,040,000	144,290,000
Working Capital	30,617,994	-	30,617,994
Total	75,867,994	99,040,000	174,907,994

Contribution Ratio

Project	=	43.3%
Bank	=	<u>56.7%</u>
Total	=	<u>100%</u>

Schedule of Financial Assistance Required

Financial assistance is required from the bank to be applied as follows:

~~N~~

1.	Construction of steel structures to house the vegetable oil plant	=	13,000.00
2.	Contribution towards purchase of the vegetable oil refining plant	=	77,940.00
3.	contribution/purchase of storage tanks	=	8,100,000.00
	Total	=	<u>N99,040,000.00</u>

Projected Loan Disbursement: 1/11/2009

MORATORIUM: 6 months from disbursement date to enable plant to be delivered on site plus commissioning.

Projected 1st Repayment due date: 30/4/2010

Quarterly Loan Repayment: **~~N~~ 8,674,693.00**

Interest rate: 10% per annum, per quarter.

Expected dated of last installment: **31/12/2012**

Financial projections

The financial forecasts and projections have been arrived at on the following **bases** and **assumptions**:

Bases

1. The forecast include results as shown by the financial statements for the year ended 31st December 2009.
2. The audited financial statements for the six months ended 31st December 2009 and the projections for the year ended 31st December 2009 have been prepared on a basis consistent with the accounting policies normally adopted by the company.

ASSUMPTIONS

1. **Project Year:** Year 1 of the project is the year 2009,
2. The loan of ₦ 99, 040,000 will be disbursed at about the first week of November 2010. The impact of the Loan therefore on revenues will begin to show in year 2011, which is regarded as the 1st year of the consolidated project.
3. The vegetable oil plant will commence operation: latest on 1st April 2009 and working on 2 shifts per day. If the production plan for the year 2009 appears threatened, the plant will operate at full capacity to cover anticipated production gaps in year 2009. From year 2010 and beyond, the plant will run according to the production plan.
4. There will be no significant changes in Government regulations that will affect labour costs and other operating expenses beside the ones in force in year 2009.
5. There will be no drastic change in the political and economic climate of the country that will adversely affect the operations of the company.
6. Government will continue to see the need to protect local manufactures from foreign invasions.

Depreciation

Depreciation of depreciable fixed assets is calculated to write off the book value on the straight line method at the following rates:

ITEM

Land and Building	2.5%
Motor vehicle	15%
Furniture and Equipment	10%
Plant and Machinery	10%

Project Implementation Schedule

Loan Application and approval:	14 weeks from June 2009
Loan approval and disbursement:	Latest date 1/11/2009
Plant and Machinery arrive Nigeria:	Latest date End of February 2009.
Installation and test run of plant:	March 2010 (4 weeks)

Plant commences operation:

Latest 1st April, 2010

Revenue projections

From the proposed production plant, the following is the revenue profile for the project in year 1, (year 2009):

Projected year 1 Revenues

Product	Quantity sold (tons)	Price per ton ₦	Total Revenue ₦
Refined Vegetable oil	12,498	145,000	1,812,210,000
Palm Kernel cake (PKC)	18,418	5,000	92,090,000
Palm Kernel Sludge (PKS)	1,315	4,000	5,260,000
Fatty acid	657,84	100,000	65,784,000
Total			₦ 1,975,344,000

Year 2 Revenues are same as year 1 Revenues,

Year 3 Revenues are projected to increase by 5% over year 2 revenue, due to increase in selling prices occasioned by increase in raw material inputs prices.

Year 4 Revenues are same as year 3 revenues.

Year 5 Revenues are projected to increase by 5% over years 3 and 4 due to increase in raw material input prices.

Summary of projected Revenues

Year	Revenue (₦)
Year 1- (2009)	1,975,344,000
Year 2- (2010)	1,975344,000
Year 3- (2011)	2,074,111,200
Year 4 – (2012)	2,074,111,200
Year 5 – (2013)	2,177,816,760

Production Materials and Their Costs

Cracked Palm Kernel	₦ 45, 000 per ton
Bleaching earth	₦ 88,000 per ton
Citric acid	₦ 200, per ton
Phosphoric acid	₦ 300 per kg

Vegetable Oil Packaging Costs

The refined vegetable oil will be sold in two ways:

1. Direct to vegetable oil distributors who will purchase the vegetable oil in tanker loads. In this case, the vegetable oil tankers will come and load vegetable oil at the factory.
2. The refined vegetable oil will be filled into plastic jerry cans of 9 liters and 18 liters capacity respectively and also sold to the market. The purpose of this is to ensure that the brand of vegetable oil will be in affordable units and prices to the market.

CHAPTER TWENTY TWO

PROJECTED TRADING, PROFIT AND LOSS ACCOUNT, PROJECTED CASH FLOW STATEMENT AND PROJECTED BALANCE SHEET OF THE PROPOSED VEGETABLE OIL REFINING PLANT.

	₦ 2009	₦ 2010
Sales	1,975, 344,000	1,975, 344,000
Opening Stock	30,000,000	40,000,000
+ Cost of Manufactured Goods	1,576,320.178	1,588,266,114
(Less Stock at Close)	40,000,000	50,000,000
= Cost of sales	<u>1,566,320,178</u>	<u>1,578,266,114</u>
Gross Profit	<u>N409,023,822</u>	<u>397,077,886</u>
DEDUCT	₦	₦
Selling and distribution expenses		
Administrative expenses	10,265,716	10,336,014
Total Expenses	32,263,476	28,557,671
Profit before tax	42,529,192	38,893,685
Tax provision	366,494,630	358,184,201
Profit after tax (Net profit)	117,278,281	114,618,944
	249,216,349	243,565,257

PROJECTED CASH FLOW STATEMENT (₦)

SOURCES OF CASH	₦ 2009	₦ 2010
Earnings before		
Interest:	382,494,630	370,184,201
Depreciation.	19,137, 615	19,137,615
Total sources of cash ₦	401,632,245	389,321,816

SOURCES OF CASH	₦ 2009	₦ 2010
Loan Repayments	NIL	NIL
Interest and Bank charges	26,024,079	34,698,772
Taxation	16,000,000	12,000,000
Total use of cash	117,278,281	114,618,944
Cash Surplus/ (Deficit)	159,302,360	161,317,716
Opening Cash Balance	242,329,885,	228,004,100
Closing Cash Balance	10,000,000	252,329,885
₦	252,329,885	480,333,985

PROJECTED BALANCE SHEET (₦)

	31/12/2009	31/12/2010
ASSETS EMPLOYED	₦	₦
Net Fixed Asset		
INTANGIBLE ASSETS	198,538,111	179, 689,000
Preliminary Expenses	55,000	55,000.00
CURRENT ASSETS		
Stock-in-trade	180,000,000	290,000,000
Raw Materials	140,000,000	300,000,000
Debtors and prepayments	60,012,378	70,000,000
Cash and Bank Balances	<u>12,000,000</u>	<u>7,767,313</u>
TOTAL	<u>590,605,489</u>	<u>847,511,409</u>

CURRENT LIABILITIES	₦ 2009	₦ 2010
Credit and Accruals	53,000,000.00	70,000,000.00
Bank overdraft	15,000,000.00	14,000,000.00
Tax provision	117,278,000.00	114,618,944.00
Total =	185,278,000.00	198,618,944.00
Net current Assets	404,327,489.00	648,892,465.00
Grand Total ₦	589,605,489	847,511,409.00
Financed by		
Share Capital	₦ 1,000,000.00	₦ 1,000,000.00
Profit and loss Account	341,031,503.00	584,596,479.00
Directors Current account ₦	247,573,986.00	261,914,930.00
Shareholders Fund N	₦ 589,605,489.00	₦ 847,511,409.00

CONCLUSION

In this chapter, we discussed the financial plan and went ahead to use a practical example to demonstrate what the financial plan should look like in real life. For our real life example, we used a Vegetable Oil Refining Plant. We did also advise that you study the worked example carefully, so that you can understand a Financial Plan Properly.

SUMMARY

We have fully seen that the financial plan is a very important document both for the entrepreneur and the bank that is expected to finance a would-be-project. It brings out all the fine details of a project as far as finance is concerned. (for further information, please contact the author).

ABOUT THE AUTHOR

Dr. Charles Obiora Ukemenam, is a retired Banker, Financial and Management Consultant. He holds both Masters and Doctoral Degrees from the University of Benin, Edo State Nigeria. He is also a Fellow of the Chartered Institute of Bankers (FCIB), London and Nigeria respectively; Member, the Institute of Management Consultants of Nigeria, IMCON, etc.

After serving in executive positions in some top Nigerian banks for a total period of twenty-five years, he retired voluntarily, and went into Business Education and Management Consultancy services.

He is currently the Managing Consultant/ CEO of ITCN Consults (Nigeria), Enugu. He was as well a Course Facilitator (or Lecturer), Department of Business and Human Resources Management, National Open University of Nigeria (NOUN), Enugu Study Centre for a period of five years. During that period, he handled Post Graduate programmes, such as PGD (Post-graduate Diplomas), MBA, M.Sc, MPA, etc, and also supervision of final degree projects in the Department above-stated.

He was equally a former Senior Lecturer in Banking and Finance at two Polytechnics, namely:- IMT Enugu and Federal Polytechnic Oko, Anambra State for a period of six years in both institutions.

He is the author of **Practice of Banking for Students and Professionals**, published in 2001; including Financial Literacy and Entrepreneurship Development: Tools for Wealth Creation, published in 2011 and other books in motivation, self-development and entrepreneurial studies currently under publication.

ABOUT THE BOOK

Success and Motivation in Small Business and Entrepreneurship, is a book which is greatly in demand especially in present day 21st century when millions of school leavers cannot find ready-made “white - collar jobs”, anymore. Every year, universities and other higher institutions turn out thousands of graduates who cannot gain employment in offices because vacancies no longer exist to absorb new graduates, hence the urgent need to think outside the box.

The purpose of this book therefore is to teach unemployed graduates, retrenched/ retired workers, and others the importance of financial literacy for people wishing to embrace self- employment (or entrepreneurship), because white- collar jobs no longer exist. The book is properly designed and structured to fill this yawning gap in our country- and the world today.

Robert Kiyosaki, a renowned American investor and Management Consultant wrote that: “illiteracy, both in words and numbers, is the foundation of financial struggle. Something is misunderstood; the rich are rich because they are more literate in different areas than people who struggle financially.

In conclusion, he said..... “So, if you want to be rich and maintain your wealth, it is important to be financially, literate in words, as well as numbers”. I agree totally and wholly with Mr. Kiyosaki, the renowned investor cum Management Consultant.

Author

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