# Part 2

# Asset 4: The power of networking

Robert Metcalfe, one of the creators of Ethernet put forward the following formula

*V =*

This means network’s economic value equals the number of the network’s users squared. In a telephone network single telephone has no economic value. Once a new telephone is added the economic value is squared. It keeps on squaring as more networks are added.

# Asset 5: Duplicability and scalability

Network marketing is not purely sales. It is about what you can do and what others can do too. This is called duplicability. Scalability is when the business can be done on any scale much like McDonalds. For example, Henry Ford could have sold handmade cars but he chose to take advantage of economies of large scale. He chose duplicability over uniqueness much like Ray Kroc of McDonalds. This is the most important factor for a business model to succeed.

# Asset 6: Leadership skills

Leadership skill is talking to the spirit of your audience, this can be your network or employees or anyone. True leaders are made, while some might have inherited such skill, one can improve upon oneself to have some as well. This is where S quadrant people lack. They do all by themselves and do not build a team to work with. One can get this opportunity to brush their skills by network marketing as you are going to have a team of enthusiasts whom you influence to succeed because when they will succeed then only you will. You get to harness the four elements of leadership skills which traditional school do not teach you. You need this asset if you want to succeed in the right side of the quadrant

# Asset 7: A Mechanism for Genuine Wealth Creation

Wealth is not measured in size, it is measured in time. Your wealth is how long you can survive without working. According to Kiyosaki, it is an important element and can be achieved in four steps.

1) Build a business: You first have to get a source that generates income. It might take time but it is important to build one in the first step.

2) Reinvest in your business: After you earn from your business do not spend it. For example, even Kim and Robert lived very decent life after their business succeeded. This is because they knew luxury is not the second but the last step. This also includes not leaving your job. If you are earning from network marketing as well as your normal 9-5 job, keep both. Use one to pay your expenses and the other to keep on reinvesting. If you are leaving your job in this step, you are not building a business but just another job.

3) Invest in real estate: not mutual funds, stock portfolios, or other paper assets but real estate. There are two main reasons why. Number one is if you know the law, you will get a lot of tax benefits in this sector. Second, you get can easily get debt against real estate and use it to build your wealth further. This is fully explained in another book of Rich Dad universe called the ABC of real estate investing by Ken McElroy.

4) Let your assets buy luxuries: you can now let your excessive income to buy a mansion, luxury car, yacht and what not!

# Asset 8: Big dreams

Rich dad explained five types of dreamers

* Those who dream in the past: they live in the past, relieve glorious days of past and their future is doomed
* Those who dream only small dreams: they limit themselves by dreaming small, achieving it and feeling confident.
* Those who achieve a dream, and then live bored: The doctors, accountants have dreamt from their school days that they will become one and when they achieve their dreams they have no idea what to do next. They get bored of their lives as professionals.
* Those who dream big dreams, but with no plan on how to go about achieving them, so end up with nothing: they are the daydreamers. They do not have a plan as to how to go about achieving what they want.
* Those who dream big, achieve those dreams, and go on to dream even bigger dreams: this is who we want to be. In network marketing, you do not achieve dreams after a certain period of time. You live it every day in small ways.

Now it is your choice which one of them you want to be.

It does not take a MBA or a business background. It only takes the right growth attitude, patience and a plan to start this journey. You just have to relearn and unlearn sometimes.