
MONEY *MAKES YOU* HAPPY



*Get Started With
Your Financial Freedom:
It Is Just A Page Away!*

Alfio Bardolla

Financial Coach and Entrepreneur

ALFIO BARDOLLA

**MONEY MAKES
YOU HAPPY**

WARNING: All Rights Reserved. Any part of this book cannot be reproduced in any form without written consent by the Author and the Publisher.

It is explicitly forbidden to transmit the following book to other people, neither in paper nor in electronic format, regardless of money being involved in the transaction.

The strategies mentioned in this book have been developed through years of study and specialization, therefore it is not guaranteed that you will reach the same results – in personal, professional or financial growth – with the sole reading of this book.

The reader takes upon him or herself full responsibility for his or her own choices, fully acknowledging any risk that may be inherently connected with any form of investment.

The main purpose of this book is financial training – it will not, and should not, substitute any form of medical or psychological treatment when required. If you deem you've been having physical or psychological issues of any kind, I recommend seeking the advise of a specialized person.

All Rights Reserved – Any copy of this ebook, or part of it, without written authorization is prohibited.

Contents

Acknowledgments	VII
Introduction	8
1. What is «Financial Freedom»?	13
2. Why you should pursue the Financial Freedom	16
3. The psychology of money	23
4. Starting point: your Money Map	27
5. Obstacles between you and wealth	74
6. The language of money	82
7. The hamster's wheel	103
8. What leverage means	140
9. An important trait that entrepreneurs and investors share: they make mistakes	155
10. Using other people's money	163
11. Getting rich slowly	167
12. Financial Freedom Tools	170
13. Getting rich quickly: investing in companies	179
14. Getting rich quickly: network marketing	187
15. Getting rich quickly: options trading	192

16. Your investment potential	208
17. Achieving goals: «goal getting»	217
18. Learning more	237
19. Your road to Financial Freedom	239

Acknowledgments

Writing acknowledgments at the end of my first book is equal to making a balance of my own life and thinking about people that, in one way or another, were important to me and my personal growth. I'll start from those who helped me in the writing process.

A big thank you goes Marco De Veglia made an important contribution, with his graphics and his precious support on the marketing front and Patrizia Merlino.

The beauty of this job is that you get to know a lot of different people, and you realize how each and every one is different yet special.

To my parents, Alfredo and Fiorella, my sister Tiziana and my brother Luca – life is easier when one can look in any direction and know you're there and, whatever may happen, you'll be there, and I can rely on the best of families. True wealth is not measured by money but by those things a person has that cannot be bought.

There are people and books that deeply inspired me. Among them, Jim Rohn's book was simple and amazing; Richard Bandler, the father of neurolinguistic programming, helped me to understand how my brain works and how to use it properly; Anthony Robbins, the no. 1 trainer in the world, is a perfect example of an

entrepreneur in the field of training; Robert Kiyosaki, the father of personal financing in the USA, was able to turn complex concepts into inspiring words; Robert Allen with his books created the market on real estate investments in the USA. In Italy, special thanks go to the financial trainer Roberto Re, who's now a friend: with his courses, I understood who I wanted to be and where I wanted to go. I also wanted to thank Luciano Marini and Piero Marcucci, from whom I learned so much about companies and management control.

I would also like to thank my team, the people who take up the challenge, every day, of making it happen and let everyone chase their dreams. They all stood by me for so many months: Pietro Geroni, who organized the commercial network; Federica Parigi, whose help was crucial in marketing activities.

A very special thank you goes to my publisher, Sperling & Kupfer, with honorable mention to Francesca Martinelli, Elena Maraschi and Ilaria Cardani, for their passion and commitment in doing their job, and the vital help they gave me with this book.

Introduction

Welcome to the world of Financial Freedom!

If you chose to buy this book, you have done so for the reason that, in one way or another, you have to handle money and deal with issues like creating and managing it.

My book, as well as my activities as a financial trainer, are not only about money. They're about freedom. That is the main objective: set people really free to decide their future. You cannot say you're a truly free individual if you haven't developed the right approach to money. It is often money that stands in the way of our freedom. Money is energy in movement: the more you have, the higher the energy you can develop to make your dreams come true. Despite what it may appear at first glance, there's a strong spiritual component in my profession – and in those of people who are working with me: we want to help other people to be able to not give up on their dreams.

By the end of this book, you will have learned what you need in order to achieve and maintain financial independence.

Alfio says



The real obstacle between you and your financial independence is not what you don't know, but what you think you know.

The story of my life

I was born in 1972 in a small town near Sondrio, called Chiavenna, in the North-Western part of Italy. Up until I was 18 I lived in that valley, playing ice hockey and doing what any other kid was doing: going to school, playing sports, studying as little as possible.

After graduating from high school, I moved to Milan, to attend university. In the same period, I founded my first company – Infosystem – a small IT startup with which I hoped to earn what was necessary to pay for my studies and not ask my family for money. I had already attended a few workshops at bank institutions, learning that it was possible to borrow money from several banks at a time.

But in reality, I was spending so little time managing my company, equally dividing my time between university studies and hockey. In little time, Infosystem amassed a significant quantity of debts – in part due to my poor (at the time) abilities in managing, administrating, selling and marketing.

As it always happens, one day «all the chickens came home to roost», the day of reckoning arrived and I had to open my eyes to what I had deliberately ignored up to that moment: I wasn't capable of managing a company, even a *really small* one. I looked for shelter. I found new associates, and with them I founded another company in Milan, hoping to make enough money to pay for debts I had undertaken with Infosystem.

At that time, I learned how to deal with a bank when in debt – an experience that would prove crucial along the line. My new company, founded in Milan, had an associate who had unbelievable administrative and financial abilities – from whom I learned many important things about company management and control. When the New Economy struck, the new company focused website creation and design. We generated such a buzz that many people, including most of my friends, invested a good part of their savings in this venture.

Everybody was excited about this New Economy-thing: nobody really understood the cake called Net, but everyone wanted a slice! Several investment banks approached us, offering help to go public on the stock market. The dream was coming true: the young boy from the small town moves to the city and gets big! I remember coming out of a huge bank building with exactly this sensation in mind, and the Business Plan evaluating our company in my hands. Amazing figures: we were rated between 20 and 38 million euros!

And I was the owner of an important part of those virtual millions. I was so close to becoming a New Economy millionaire! After collecting money among friends, we started to implement our business by opening a few websites, we hired a lot of people, success was in the air. Then Nasdaq collapsed. Investment banks quickly backed out, and overnight we were left there, with huge expenses, without any possibility of producing cashflow.

We were burning money too quickly, and websites weren't generating the income we expected yet. I was this close to the same situation I had experienced with Infosystem a few years before.

But luckily I've never been out of ideas, so I went looking for a new business partner. At the very last moment, I found a brilliant entrepreneur in the IT field,

the president of a newly formed group. He bought the majority of our companies and set out to cover our debts. It was an excellent solution for me: I became the CEO of a small IT company belonging to a middle-sized group, and I learned so much about managing, administrating and controlling a company. Today, all companies I'm involved with still benefit from those teachings.

During those years, I became interested in a field called Neurolinguistic Programming (NLP), which I found deeply fascinating. In a short span I read and learned all I could about the technique and the results on my ability of managing my emotional states and achieve profit were immediate. I attended courses taught by the best in the field around the world and I recall perfectly one time in which I used my credit card – knowing I was probably going to have difficulties in paying the bill – to buy a flight to the US to attend the course which was going to certify me as a trader, in order to undertake a different profession, leaving the IT entrepreneur dream behind.

After a few years, I founded the Alfio Bardolla Training Company, specialized in training courses to help people achieve financial independence by changing the way they handle money, which we called Financial Freedom. The decision to attend that course was one of the most important in my life. I decided to invest on myself. Should I lose everything else, I would not lose my training abilities.

What is «Financial Wellness»?

The «wellness» concept

The sense of *wellness* is generally associated with the area of psychophysical wellbeing. I wished to link this idea to the ability of generating money. If you've never had money issues, you can't really understand that your psychophysical wellbeing depends on a certain amount of financial security.

When you go to the gym for the first time, your personal trainer fills in a workout schedule for you to follow to achieve your fitness goals – in the same way, by following the suggestions included in this book, you'll be able to achieve extraordinary results in the financial field.

Alfio says



To achieve results you never had, you'll have to do things you never did.

Here in Italy it's hard to find a rich personal trainer, willing to teach you not only to lift physical weights, but mental ones. I would like you to think about me as a *coach* rather than a financial advisor, i.e. someone who

trains you to achieve the best economic results. I will not address specific choices concerning how to invest your economic resources, since I don't think it's the correct strategy, but I will give you tools – stimulating, effective tools – to achieve the financial wellbeing I now enjoy.

A definition of Financial Freedom

Financial Freedom is a lifestyle. Just as eating correctly and playing sports makes you fit and healthy, the goal of Financial Freedom is the achievement of good shape from the economic point of view. As in all fields, taking actions without first changing your mental approach is useless. The first thing to do is create the right state of mind, so that each action produces maximum outcome with minimum effort.

Live your dreams

One of the biggest issues in our society is that it's difficult to live one's own dreams. I was often told things like: «It's impossible», «Too risky», «Others who tried just failed, haven't you heard?», «If your idea's that good, then why has someone else not done it yet?».

Those who try to kill our dreams do that because they're the ones who stopped believing. Actually, you shouldn't follow the dream of becoming rich per se, but do your best to improve yourself, to learn, to branch out as an individual.

There are three reasons for one person to wish to become rich:

1. Changing lifestyle. A desire for a bigger house, for fast cars or simply having more time to spend with their own family.

2. Playing a part in making the world a better place. A desire to help people experiencing difficulties, to create a foundation, to give a hand to those who need it.
3. Becoming a better person. To become rich, you'll have to grow stronger, both in a psychological and emotional sense. You'll have to take up challenges, achieve goals, acquire good habits

To own that car, a big house, tangible assets or to enjoy financial independence, to contribute to a better world or to become a better person – those are only results of your dream.

Most people dwell on their past, living in dreams realized years before. It's the case of skilled professional athletes: they reach the highest achievements, win gold medals, spend their lives looking behind their shoulders.

And there are those who plan, but on a small scale. They set minor goals for themselves, afraid to fail – it's one of the easiest ways to avoid responsibilities, for both successes and failures. Donald Trump, the well-known tycoon I made a few courses with, used to say: «Plan to become a billionaire, if something goes wrong you'll still be a millionaire!»

Alfio says



Chase huge dreams. Small-sized ones are powerless.

Why you should pursue the Financial Freedom

The importance of money in highly-developed societies

In highly-developed societies, money plays a fundamental role.

For anything you want to do, you're going to need money: studying, going on vacation, bringing up children, taking care of medical issues, creating something for yourself or for others, helping other people. For each and every activity I mentioned, you need to have a healthy amount of money. We are presented with lifestyles that require higher and higher economic resources: a bigger house, luxury cars, branded apparel. The media siege we are experiencing creates «necessities» on a 24-hour clock: cell phones, faster internet connections, etcetera. That's why you need to be financial savvy: *when you can realize your wishes, you are free to really choose your lifestyle and to decide autonomously what to do with your own time.*

You won't learn how to handle money at home or in school

«Go to school, get high marks, get a degree, get a

good job, even better if it's with a bank.» That's what my parents always told me. I had my future set out for me as a bank clerk in the valley where I was born. That's the attitude on money I inherited from my family. Ask yourself where you learned most of the things you know about money. If you are lucky and come from a rich family, you probably learned from them part of your ways of creating, managing and investing money. If you weren't that lucky, your financial knowledge is probably coming from your parents, partly, or significant others in your life. School and university are not meant to create entrepreneurs and investors.

Even my highly-specific degree in Banking, Financial and Insurance Economics, with specialization in Financial Intermediation, though it provided me with useful notions on how to become a good bank clerk, or an operator in the insurance or financial field, gave me nothing on how to become a financially independent individual.

I wasn't taught how to manage money, nor how to generate it. Our education can be divided into two parts: a first stage, in which we learn how to read, write, count, and a professional stage, in which we learn principles upon which the career we have chosen (or, more frequently, towards which we were directed by somebody else) is based. The most important training is always lacking, the one that allows us to spend our days in the most serene way: financial training.

Several studies have shown that people with an average income who win the lottery usually end up with the same amount they had before winning within a short period of time, since that was the *set point* in their mind. In a shockingly brief span they bounce back to their previous financial status. The contrary is also true: the clearest example being Donald Trump, who lost everything and, in a couple of years, having regained the mental set he had lost after a series of

setbacks, rebuilt and regained his whole fortune from scratch. Why is this happening to Donald Trump and not to those who suddenly find themselves on the rags-to-riches train? Because a millionaire is not a millionaire only because of his or her money. They are a millionaire because of their attitude and mindset.

When looking for success stories, I found out that «classic» training (graduation, degrees, masters) do not count when it comes to the ability to generate huge amounts of money. Bill Gates (owner of Microsoft), Ted Turner (CNN), Steve Jobs (creator of Apple and the Mac), Henry Ford (who first built assembly line-produced automobiles), Thomas Edison (inventor of the light-bulb and founder of General Electric) are only a small example of people who changed history and our lifestyles, without ever having a degree.

Some of the entrepreneurs I met never even reached Eighth Grade, but they own companies that employ thousands of people – including several graduates.

As we will see in this book, your education does not influence results from a financial point of view.

Retirement issue

I personally believe we're moving from a system in which the State takes care of its citizens, to one in which, financially, this is not going to be the case, and this will overturn current market strategies. If retirement could be the sought-after goal in the past, within a few years, new retirees will experience a drastic decrease in their lifestyle, so that they will have to find, in one way or another, other sources of income, or generate assets that will allow them to live comfortably.

No-one teaches you how to handle money

I often find myself in the company of people that had a great deal of success in their jobs: lawyers, doctors, CEOs. But beneath the surface, as you will see by reading the next chapters, they're financially weak. If for any reason they should stop working, they would be broke within 6 months. This is because they left school without any financial ability and didn't have parents who could teach them a few simple economic notions. Most of them work hard, up to 16 hours a day, but they are always on the brink of financial disaster. It's not working harder that will get you there. It's working smarter. You generate wealth only when, with little effort, you achieve big results.

You get poverty when, with huge efforts, you achieve small results.

Money makes you happy

Tulip Financial Research, a British research company, surveyed millionaires' expenditure profiles. As I'm trying to demonstrate in this book, you don't become a millionaire by accident. They all had the ambition of becoming financially free. A fifth of those interviewed was born stunningly poor, on the verge of survival. Their level of education varied: some people had left school at the age of 11, others had graduated from university. Their school results were below average. As far as lifestyle is concerned, we would expect them to be squanderers, driving around in their Ferrari (even though the majority of them drives a Mercedes). Research shows, by contrast, that the average millionaire doesn't spend more than \$360 for a suit, or more than \$140 for a pair of shoes. Only 1 out of 10 millionaires spends more than \$300 for their

shoes. For every millionaire spending more than \$300 on a pair of shoes, you'll find 8 people spending the same amount who are not millionaires. \$235 is the average they spend on a watch. Obviously excesses do exist, and those are the ones seen on TV. Mike Tyson's famous manager, Don King, spent \$64,100 in shoes within two hours of shopping, buying 110 pairs, with an average expense of \$582.73/pair. The same goes for clothing: for every millionaire spending more than \$1,000 there are at least 6 non-millionaires with an income around \$50,000 per year. A millionaire out of 100 spends more than \$15,000 on a watch. (Source: *The millionaire next door*.) On the other hand, they spend an average of 9 hours a week following their investments, more or less the same time an average person spends in front of TV. As for the famous «money won't make you happy» part, 97% of the millionaires interviewed declared that they were happy. Rich people are not happier than average because of their money, but because they know they can make their own destiny, and this feeling of control over their lives is one of the major factors contributing to their happiness.

What is financial intelligence?

An economist in the 1800s once said: «If we divided wealth in equal parts and distributed it among all citizens, you will see that in a short period it will go back to the hands of those who have it now». He said that because being rich is a habit, and a lifestyle. Unfortunately, so is being poor. Taking Pareto's Law on peoples' wealth as a foundation, we can approximately infer how many people out of 1,000 are going to be rich. On a personal note, after leading courses for so many years, I perfectly agree with this principle. If I give out 10,000 dollars to a thousand people, within

a year 80% of them will own zero, or in any case an amount inferior to the initial sum; 16% of them will have covered inflation (so they'll be able to pay me back with 10,300 dollars); 4% of them will own more than 100,000 dollars. 20% of this 4% (i.e. 0.8%) will own more than a million dollars.

How can there be, within the same timespan, such different results? Actually, it's quite simple: some people are financially smarter. One way or another, they were able to develop a winning mindset regarding their relationship with money. If you think I made up those figures, just try and think of Larry Page and Sergej Brin, the founders of Google, who started out in 1998 in a garage – where they built their first personal computer with used hard-disks and Lego bricks – and in six years' time owned a company listed at 25 billion dollars. And after two more years, it was worth 127 billion dollars!

Table 1

FINANCIAL INTELLIGENCE		
TODAY	%	NET WORTH IN ONE YEARS' TIME
10.000€	80	0€
10.000€	16	10.300€
10.000€	3,2	>100.000€
10.000€	0,8	>1.000.000€

Alfio says



It's not important where you start from, or how much you start with, but where you want to go.

The majority of people doesn't have the ability to generate, maintain, manage and protect a huge amount of money. Yet, since in life you will always have to deal with money, you might as well understand how it works.

At first, it is difficult to generate it, then to manage it, finally to protect it. Each stage requires new strategies, new knowledge, new abilities. Let's start from the most important thing connecting those stages: psychology.