

Introduction

Better to Be on Top of Your Finances Than Underneath a Loser

What gets your heart racing, buckles your knees, then makes you want to get on top and ride it for all it's worth?

While we may have discovered what that means to us sexually, the same kind of excitement is possible when you get in sync with your financial mojo.

As with lovemaking your financial journey begins with self-exploration. Chapter One contains a couple of questionnaires. One asks you to indicate how you feel about the four ways to make money, and the second asks how you feel about problem solving and creativity, risk, stress, and motivation. By examining how you align with these areas, you can first determine which avenues get you excited, then how to personalize those methods to increase your chances of reaching financial climax.

There is a chapter devoted to each of the four ways to make money, which I fondly refer to as *fourplay*. In the spirit of full disclosure, there is a fifth method; and even though it may not get me breathing hard, I've included a chapter on this method for those of you who gravitate toward the safe, do-it-like-our-grandparents-did-it approach. Anyway, back to fourplay. Each chapter contains the various ways to make money. Then, depending on how you responded to the second questionnaire, you can select which particular technique fits your comfort level and personality.

While self-exploration and experimentation certainly have their value in our sexual and financial lives, there's a lot to be said for research, whether from humans or media, such as magazines, books, videos, or the Internet. In lovemaking the human body is designed to function in a certain way. Do this and you'll get that. Touch here and this happens. Finances work pretty much the same way. Do this—put money in the bank—and you'll get that—interest will be added to your account. Relying on the financial hit-and-miss technique can result in a disastrous outcome and take a long time (if ever) to recover from. The more we can learn from others before we put our skin in the game, the less time we'll spend figuring it out through trial-and-error, and the faster we'll get to where we want to be.

Learning the art of moneymaking is much like learning the art of lovemaking. In the beginning we tend to be clumsy and often make some missteps. There is little (if any) education offered either at home or in a classroom, so we are left to figure it out on our own. Eventually, with practice and maybe a little luck, we find our groove and our winning combination for success. *The Financial O* gives you the confidence and information to power through the awkwardness and to get you on top of your finances.

Whether we're talking about losing our heart or our money, how we evaluate risk and then come to terms with it can increase our chances for success. Even though you'll have the opportunity to explore your risk tolerance later, I thought it prudent to introduce some basic principles here that apply across the financial gamut.

By definition, risk is the potential that something we do or don't do will lead to an undesirable outcome. Even though risk is a part of everyday life, most of us have learned to manage risk by making choices to either avoid, accept, mitigate, or transfer it. Often times we make automatic choices, such as fastening our seat belts, obeying traffic laws, and securing doors and windows on our home and cars. These are all examples of how we can reduce our exposure

to risk. Other choices take more thought, such as deciding which insurance to purchase (an example of how to transfer the risk) or deciding whether or not to engage in a certain activity, such as motorcycle riding or rock climbing (examples of how we can either avoid risk or accept it).

When it comes to matters of the heart, most of us decide that finding someone to share our lives with outweighs the possibility of getting our hearts broken. That's not to say we don't take precautions: keep our guard up for a while, engage in a variety of activities and discussions to see if we align socially, politically, and religiously, postpone intimacy, maybe even do a background check.

In the world of finance, avoiding risk is the same thing, plus some math. When we're dealing with investments, the precautions are about doing your homework and evaluating *calculated risk*. We evaluate the probability of success or failure before an action is undertaken, and we accomplish that evaluation through a multi-action approach: research of a particular industry, investment or activity; evaluating competition; and crunching numbers to estimate the viability of a specific endeavor. Calculating a risk can range from Googling, reading articles, and speaking with current employees of a potential employer, to spending months gathering information and calculating the feasibility of a new product idea.

No matter which investment paths we choose to travel, doing research is imperative to our success. That's not to say success is guaranteed, but decisions made in haste, clouded in emotion, or without proper investigation can cost us more than you bargained for. A "logic time-out" can offer the information and perspective necessary for a better chance of long-term success. This includes who we decide to partner with or who we choose for our team. The best time to manage expectations, outline work and take care of finances is in the beginning to make sure there is a good fit.

Speaking of emotion, let's not forget the role emotions play in both camps. Oh yes, we can push all the right buttons to get the desired results during sex, but there's some sort of feeling going on even if it's just the pleasure of the act. Sex is personal, nakedness is exposure, and wherever we're at on the topic of when, where and with whom to have sex, there's an opportunity for emotions to influence your decisions along the relationship continuum.

Financial matters are no different. No matter how much money we have, emotions influence money decisions, from the toy we thought we'd die if we didn't get, to which charity we donate to, to which products we buy, to how we invest. As with our sexual lives, there are pre- and post-decision emotions going on in our financial lives, and a lot of life going on in between.

Have you ever bought a hot stock because everyone else did without checking out whether it was right for you? Jumped into a business venture because the pitch was energizing and the upside exciting? Felt guilt or shame after putting out for something you didn't really need (or even want, for that matter)? It's easy to get caught up in the heat of the moment when emotions are driving the decision process and our brains are in park. Managing our emotions in the financial arena enables us to better manage our finances. Each chapter contains suggestions on how to keep your emotions in check.

What gets you to your special place is unique to you. Sexually. Financially. You deserve the big O, baby. Read on!