



## **NAPOLEON HILL**

### **Principle 16: Budget Your Time and Money**

#### **Budgeting Your Money**

Tell me how you use your time and how you spend your money, and I will tell you where and what you will be ten years from now.

Time and money are precious resources, and few people striving for success ever believe they possess either one in excess. Understanding how you use them is an important part of evaluating your progress toward success and analyzing what may be holding you back. We'll begin this chapter by taking an inventory of your progress toward success with a special emphasis on the role of time. Once you've seen how to improve your use of time, you'll be able to devote more of it to managing your money. And any review of the overall path you are following is always valuable.

#### **A Personal Inventory**

Ask the following questions of yourself, and answer them honestly; you want to identify areas needing improvement, not win a prize for a high ranking. Feeding your ego by lying to yourself about the truth will only waste the time you spend on the inventory and undermine your self-confidence.

1. Do you have a major definite purpose? What plans do you have for attaining it? How much time are you devoting to those plans on a persistent, daily basis? How often do you work on your plans; only when the notion strikes you or when you can snatch a few minutes during commercials?
2. Is your definite major purpose a burning obsession? When and how often do you fan its flames?
3. What have you planned to give in return for realizing your definite major purpose? Are you doing it yet? When will you start?
4. What steps have you taken to build your mastermind alliance? How often are you in contact with the members? How many of them do you speak to monthly, weekly, and daily?
5. Have you made a habit of accepting temporary defeat as a challenge to greater effort? (Let's hope your temporary defeats are few, but they are inevitable.) How quickly do you seek out the seed of equivalent benefit when adversity strikes?
6. How do you spend more of your time: carrying out your plans or brooding over the obstacles you face?
7. How often do you forgo personal pleasure in order to have more time to work on your plan? How often is it the other way around?
8. Do you seize every moment of time as if it were the only one you were sure you had?
9. Have you looked at your life as the result of the way you spent time in the past? Are you happy with your life do date? Do you wish you had spent it some other way? Do you regard each second that passes as the opportunity to change the course of your life for the better?

10. Is your mental attitude always positive? Is it positive most of the time? Some of the time? Is it positive now? Can you make it positive in the next second? How about the one after that?
11. How often do you display personal initiative by backing your positive thoughts with action?
12. Do you believe that you will succeed by luck or a windfall? When are these things going to happen? Do you believe that you will succeed as the result of your own efforts? When are you going to make those efforts?
13. Do you know anyone who inspires you with his or her personal initiative? How often do you seek that person out? How often do you actually model your behavior on him or her?
14. When do you go the extra mile? Does it happen every day or just when you think someone is paying attention? Is your attitude good when you do it, or do you begrudge the additional work?
15. How attractive is your personality? Do you look at yourself in the mirror every morning and work to improve your smile, your facial expressions? Or do you just brush up before an important meeting?
16. How are you applying your faith? When do you act on the inspiration from Infinite Intelligence? How often do you ignore it?
17. Are you building your self-discipline? How often do uncontrolled emotions cause you to do something you quickly regret?
18. Have you mastered your fears? How often do you display their symptoms? When do you replace them with your ambitions?
19. How often do you accept other people's opinions as fact? Do you question those opinions every time you encounter them? How often do you call on accurate thinking as the solution to your problems?
20. How often do you inspire cooperation by giving it? Are you doing it at home? At the office? In your mastermind alliance?
21. What opportunities do you allow your imagination? When do you apply yourself to problems with creative vision? What dilemmas do you have that need to be solved this way?
22. Are you relaxing, exercising, and paying attention to your health? Were you planning to start at the new year? Why can't you start right now?

This inventory is designed to get you thinking. Your use of your time reflects the degree to which you have made the principles of personal achievement a part of your life. Don't be discouraged if your answers to these questions are not yet what you'd like them to be. I have sold books to millions of people and lectured to thousands more. Many of them gained great success afterward, but none of them did it overnight. Although the benefits from success can accrue very quickly, most truly successful people need much of a lifetime to get everything they want. Those are lifetime well spent.

## **Doers and Drifters**

Your attitude toward life determines your attitude toward time. People pretty much fall into two camps on this subject.

### *Doers:*

- Have a definite major purpose
- Manage circumstances and resources
- Examine every idea they encounter before they adopt or discard it
- Take risks and assume responsibility
- Learn from their mistakes
- Go the extra mile
- Control their habits
- Have positive mental attitudes
- Apply their faith in their own success
- Create mastermind alliances to expand their knowledge and experience
- Recognize their weaknesses and take steps to correct them

### *Drifters:*

- Have no goal in life
- Are controlled by circumstances and the lack of resources
- Flit from one idea about life to the other, depending on this week's fad or what the guy on TV said
- Run from opportunity and blame others for their lots in life
- Make the same mistakes again and again
- Do only what it takes to get by
- Let their habits control them
- Have negative mental attitudes
- Never do anything to improve their situation
- Learn all they want to know from that guy on TV
- Wouldn't know a weakness if it bit them

## **How a Doer Uses Time**

My guess is that if you've made it this far, you're determined to be a doer. Great! Let's look at some places where a doer can make substantial difference in his or her life by the wise use of time.

### ***Occupation***

A doer sees work as the source of all opportunity, a route to independence and security, and a means to better the surrounding world. Doers select work suited to their education and temperaments; they engage in labors of love. Doers don't evaluate their work by the number of hours it takes. They look at it from the perspective of the amount of useful service they render by going the extra mile. Time is a tool for them, not an end. They take pride in their achievements, not in bursting out the door at 4:59:59. They don't complain about long hours; they complain that the hours aren't long enough to accomplish everything they want.

As a result, doers get paid twice. Not only do they take checks home, but they also earn the right to better jobs and bigger checks.

### ***Mental Habits***

Doers take possession of their minds through self-discipline. They make plans, and they carry them out. They direct their minds toward the objects of their desire, and they keep their minds occupied with those things. They don't spend time thinking about what they don't want.

Doers recharge their positive mental attitudes often. Their productivity gives them concrete signs of their progress toward their goals. They take these signs as indications of the great things just over the horizon.

### **Relationships**

A doer inspires cooperation from others by giving it first. Doers don't spend time arguing, nitpicking, or gossiping. And they avoid people who do.

Doers don't waste their time with drifters. They realize that defeatist attitudes can be contagious, and they don't want to be infected. They aren't selfish; they're just *particular*. Instead they associate with people who are willing to work with them. They offer those people the extra-mile service they offer everyone. In return they gain enthusiasm and support.

Doers have sympathy for drifters. They'll even point the way toward definiteness or purpose and lend a hand to anyone who has gained just that much. But they know that they can't help someone who isn't ready to help himself or herself.

They also delegate work. Doers know that you should never do anything which you can get someone else to do for you better than you can do it. They realize they have to be available to the people who are working with them, and they offer those people all the access they need.

### **Health**

Doers pay attention to their mental and physical health. They relax, they exercise, they eat right, and they see the doctor when something goes wrong. The doer knows that time spent in prevention is much shorter than time spent on repair. Doers don't begrudge themselves the benefits of sound minds and bodies.

### **Religion**

Doers are people of active faith. They let their commitment to leading their lives morally and honorably insulate them from fear and arrogance. Their consciences don't have reason to reproach them because they spend all their time in constructive efforts.

In addition, doers are people of every religion. No matter what their convictions are, they live by them to the fullest extent. Whenever they face problems, they turn to those convictions and make their decisions based upon them. They are not paralyzed by doubt, and they can act immediately.

### **Spare Time**

Doers put the time they have away from their jobs to practical uses. They romance their spouses, laugh with their children, relax alone, exercise with friends, educate themselves, campaign for good political candidates, or work on their plans for their definite major purposes. The doer is not a workaholic. Doers know that there are other things in life besides their own immediate success. They know that if they don't pay attention to those things, their success will be meaningless. But doers don't engage in activities that have no payoffs. They aren't likely to be found in front of the television sets for four hours a night. There aren't many doers who have their own barstools either. Doers enjoy life more than drifters do because everything they do brings them closer to their goals. They make all their time work for them. Doers see movies, read books, and go to basketball games, even stare up into the blue sky and watch the clouds go by. *But they know why they are doing it.* That makes all the difference between a doer and a drifter, and it's all the difference between a success and a failure.

### **Some Doers You Should Know**

William Sydney Porter sat in his prison cell contemplating the stupidity of the embezzlement that had brought him there. As near as he could figure, the only thing he had gained was a lot of spare time. And since he had several years left in his term, there didn't seem to be a lot he could do with it. But there was, and Porter did it. He began to write short stories. He wrote many of them. Then he began to sell those short stories to magazines under the name O. Henry. By the time he was released, he was already the most popular short story writer in the country. He walked out of prison into a success. Warren Avis was a doer. As an air force officer, he was constantly travelling the country and he recognized how convenient it would be for people to be able to rent a car right at the airport. While his \$10,000 in savings wasn't enough money to set up an operation on his own, he did have the gumption to put together a business plan and get a bank loan. Within eight years he had car-rental counters in airports across

America and was able to sell the company for almost eight million dollars. Avis saw an 800 percent return on his investment because he was willing to do all the work necessary to make that chance pay off. One of these men started off serving a jail term, the other serving his country. But they both recognized that in order to make their lives amount to something, they had to become doers by taking control of their time.

### **The Division of Your Day**

We each get twenty-four hours to manage. The broad divisions of that time are easy to see:

1. Eight hours for sleep
2. Eight hours for work
3. Eight hours of spare time

You can't mess around much with the first division or your health will suffer. You can occasionally steal an hour or two from your sleep, but it's a bad habit. Don't create any bad habits. The eight hours spent at work are potentially your most directly productive. You need to stay focused on your purpose and your habit of going the extra mile if this is to be the case. The preceding fifteen chapters of this book will teach you that. But in a few lines I'll give you some tips to manage that time more effectively in attaining your purpose. The last eight hours are your spare time. You need to manage them as well, or you'll find them slipping away in routine household chores, reruns of *Mr. Ed*, and listening to your neighbor talk about his new lawn mower again. This can be harder, but I have some guidelines to offer.

As you'll see, managing your time--like managing your life--requires knowing what you want to use it for.

### **Time Management on the Job**

As our society gets more complicated, there seems to be more to do. I am indebted to the writings of Alan Lakein and Stephanie Winston for some of the advice that follows; they've spent their time learning about time.

#### ***Prioritizing Your Tasks***

Make a list of all the things you need to do today, this week, and this month. Divide another sheet of paper into four equal sections. Label the top left "Important and Urgent." Here you will enter jobs that you know must be done right away in order for you to be successful. Write the day and hour each task in due next to each job. Label the top right section "Important but Not Urgent." Put things here that are essential to your work but aren't a crisis. If you pay the most attention to this section, nothing should end up in the top left category. Again, make a note next to each task about just exactly when it has to be done. *It is important to review this section every day so that nothing slips over into "Important and Urgent."*

In the bottom left, write "Unimportant but Urgent." This category, like the last one, requires you to have a keen sense of your purpose. You have to be able to make a definite decision about what matters to you. Most of things that fall into it will be spontaneous: Someone will want your advice; you may get a call telling you that you have to *act now* to buy that beautiful time share in the Poconos. You won't bother to write them down because you can either dismiss them or move them into "Important and Urgent." The category is on the sheet of paper mostly to remind you that "urgent" does not mean "important." Finally write "Unimportant and Not Urgent" in the bottom right. You might not even bother to write tasks down here since it means that you will never devote attention to them. But again, it helps to remind yourself that there are many things which can fall into this category. When you complete a task, put a line through it. Create evidence of your accomplishment as a reminder of your efficient use of your time.

#### ***Handling Paper***

Two kinds of paper will cross your desk: valuable (a sales update) and superfluous (information about the office pool). Throw the superfluous stuff away without even setting it back down on your desk. Never give it a second

thought. Handle the valuable material as little as possible. If you can, attend to it right then and there. Read updates, sign authorizations, write responses on the spot. Put reading material like magazine articles aside for a regular, dedicated time. If you can't act on a paper for some reason, make a small dot in an upper corner. The next time you pick it up, make another dot. You'll soon see how often you're handling the same piece of paper again, and you'll be motivated to do something about it.

### **Budgeting Your Spare Time**

Routine tasks will easily expand to fit the time available and eat up all your spare time unless you make a definite decision to devote it to the things you think are important. Allot your time in the following manner to make sure that you are able to do all the things you need to:

1. Spend one hour a day in quiet meditation on the following subjects.
  - a. Your plan for your definite major purpose
  - b. Contact with Infinite Intelligence, affirming your gratitude for the blessings you have
  - c. Self-analysis; identifying the fears you need to master and making plans for doing so
  - d. Ways to increase harmony in all your relationships
  - e. The things you desire instead of the things you don't want
2. Devote two hours to going the extra mile by rendering some sort of service to your community, your spouse, or your family without expecting any kind of reward for it.
3. Study and read for self-improvement for an hour.
4. Spend an hour in contact with members of your mastermind alliance or close personal friends.

This leaves three hours for relaxation, recreation, exercise, and other responsibilities. As you become familiar with these activities, you may be able to combine them with other things. You can meditate or read while commuting on the bus or train; if you have to drive to work, listen to audiotapes of self-improvement books. Carpool with a member of your mastermind alliance, and use driving time for discussion and problem solving. If your relaxation involves a worthwhile hobby, teach it to youngsters in local service groups, rendering extra service to your community. The possibilities are as many as you can make them.

Follow this schedule six days a week, and set aside one day for nothing but mental and physical relaxation and your religious and philosophical activities. You can spend much of this time with your family. You all will be glad you did.

### **Budgeting Your Money**

Many people have written good and valuable books about specific ways of managing your money. Seek them out. I won't provide you with the nitty-gritty details, but I will remind you of the importance of budgeting your money. Like time, money should be spent with a definite purpose in mind. You must create a budget for all your expenses, and you must use self-discipline in sticking to it.

Your first priority in any budget should be to set aside a fixed percentage of your income for savings. The rule is "Pay yourself first." A strong and growing savings cushion is an important weapon in your fight against the fear of poverty. If adversity or ill health strikes, adequate savings will allow you to start looking for the seed of equivalent benefit right away. You won't panic about the mortgage payment, and you'll be able to recover more quickly. Make sure that you have adequate life insurance if others depend on you. The cost of a good policy is worth the anguish you will save your dependents. Your sudden departure from this life will be more than enough sadness for them; don't compound it with the threat of the poorhouse. Allocate some portion of your income to charity. This is an important part of going the extra mile. Let's hope you never have to depend on some worthy group to help you out, but what right do you have to anyone's aid if you have never given any help yourself?

If you're in debt, you need to spend as much as you can realistically afford to pay that debt off. Don't tell yourself that you'll need only ten dollars a week spending money when you've been blowing a hundred, because once you spend that eleventh dollar, you'll decide you've already blown your budget and might as well go all the way. It's a slippery slope. And don't cut into your savings allotment to pay your debts either. Make savings a habit. Never back away from a good habit. Once you're out of debt, divide the money you were using to pay it off between your savings and your general household and entertainment expenses. You want to cultivate the habit of increasing your savings whenever your income rises, but you should also give yourself some immediate reward for doing your job.

You will probably find that circumstances arise that your budget did not allow for. There may be a health emergency, a new baby on the way, a parent who needs help. Don't let this throw you. By developing and sticking to your budget, you've increased your habit of self-discipline. You've also learned to make your money serve your purpose. You did it before, and you can do it again. Habits are an important part of budgeting your time and money. They're important to every principle in the science of personal achievement; they are, in fact, the keys to all personal achievement. The next chapter will teach you to select and control your habits on the basis of cosmic law.

### **Wealth Isn't Money**

Wealth can't be found in paychecks and bank accounts, says sales trainer Tom Anastasi.

Wealth is found in one's capabilities; money is a by-product of those capabilities.

Anastasi realized that wealth is more a mindset than a financial state of affairs one day when he came home to find several fire trucks clustered in front of what had been his condominium.

Everything he owned had burned up in the fire. Soon after, he learned that he was woefully under-insured. He had to continue making mortgage payments on a property that no longer existed. His friends, family, and the Red Cross helped with housing and expenses, but if wealth was money or assets, Anastasi didn't have any.

A few days later, while out on a call selling computers, Anastasi walked by a man sleeping on a park bench trying to keep warm under the classified section of a newspaper. If wealth was money, and that vagrant had a few dollars in his pocket, he would have been much wealthier than Anastasi.

But at that moment, reflecting on the help-wanted section of the classified, Anastasi got an idea: companies with ads recruiting programmers would soon be needing new computers.

He rushed to a newsstand and bought the same newspaper that had been covering the vagrant, and started making calls. Anastasi got more than \$1 million in new business that year. He concludes, "Your greatest asset is who you are. Wealth isn't money, but people who are wealthy often have money. They have money because they believe in their capabilities and inspire others to believe in them, too!"

### **The R2A2 Principle**

As a newsboy, I was motivated by necessity. I had borrowed the money to buy the papers. I had to sell them to repay the loan and make a profit. I learned about the power of motivation from my experience selling newspapers, and I learned other principles that I was able to successfully apply in my business activities. Here are a few examples:

1. Use OPM -- Other People's Money -- the banks'. As a newspaper boy, I borrowed money and paid off the loan. I expanded my insurance business the same way.
2. As a newsboy, I learned the value of repeat business. I returned to the same restaurant every day. As an insurance man, I sold my customers additional insurance.
3. I realized the value, as a newsboy, in selling in large places of business.
4. I made it a practice to get the money at the time of the sale 100 percent of the time.

### **Think ... And Achieve Your Goals**

*Of course, I didn't understand these principles as a newsboy. And as a salesman searching for a success formula, I didn't realize that I was using many of the same principles I had employed in my first business venture ... selling newspapers.*

Even when I established my own insurance agency and later trained salespeople to use the techniques I had found successful in my personal selling, I wasn't aware of the relationship. The connection between the principles in my earlier experiences and those I used later didn't become crystal clear until I thought them through as I wrote *The Success System That Never Fails*.

### **Is It Worth It?**

*Any time you attempt to analyze the reasons for your successes and failures or when you attempt to come to any decision concerning your future, it's only natural to ask yourself, "Is it worth it?" This I know from experience.*

Many years ago, I awakened at 3:00 a.m., wondering if it was worth it to be away from my family so much. Gradually, I realized that I could achieve wealth through building a better organization, saving money and investing it. I could do a great deal for my children, my wife and myself and be a benefactor to others. I decided "Yes, it was worth it." And it has been.

By paying the price I was able to make discoveries about the functioning of the human mind that have helped millions of others. The principles I learned I have shared with those who are willing to listen through my lectures, writings, movies, audio and video tapes and teaching.

That is why after all these years I still do my utmost, through these pages, to help you relate and assimilate those principles which I consider most important for your continued success and happiness so that whenever the question "Is it worth it?" flashes across your mind you will be prepared to answer unequivocally ... **yes!**

### **Points to Ponder**

1. Tell me how you use your time and how you spend your money, and I will tell you where and what you'll be ten years from now.
2. If you learn to budget your time and money correctly, you will have time and money for all your needs.
3. Take regular inventory of yourself to learn how and where you are spending your time and money.
4. To get what you expect, inspect!
5. How you use your time and spend your money determines the degree of your success or failure.



6. Hurry! The sand in your hourglass is running lower every second, and the glass can't be refilled.
7. Engage in study time, thinking time, planning time, with positive mental attitude.
8. The secret of getting things done is: DO IT NOW!
9. You will find time for all your needs if you have time properly organized.
10. Time is too precious to be wasted on arguments and discontent.
11. Just what are you waiting for, and why are you waiting?
12. Some mistakes can be corrected, but not the mistake of wasting time. When time is gone, it's gone forever.