

The Ultimate 6-Step Guide to Building Wealth

Start Your Journey to Financial Independence Today



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Introduction

Are You Ready for Financial Freedom and Wealth?

You are about to start on a new journey, a quest, for wealth. Wealth is not elusive; it is within your grasp. This will be the start of re-wiring your brain to help you get out of debt, start saving, and learning financial discipline.

This brief workbook is a companion to my book (available at [Barnes and Noble](#) and [Amazon](#)), and outlines the 6 steps towards wealth. As you work through each step, you will find yourself learning and growing more each day.

This will create the clarity necessary for a well-thought out financial plan. Let's get going!



About James



Hello There,

I'm James Langabeer, a PhD behavioral economist, certified and licensed financial advisor, master-trained financial coach, professor, and author. My research and practice is designed to help YOU make better decisions.

You know how most people are barely getting by and living from paycheck to paycheck? My passion is to help you get beyond that, to be successful. If you are looking for growth and wealth, you've come to the right place!

James R. Langabeer

6 Steps to Wealth

- 0 Get fed up
- 1 Get motivated
- 2 Become mindful
- 3 Identify your bad financial habits
- 4 Find focus
- 5 Gain momentum
- 6 Get wealthy



Step 1: Get Motivated

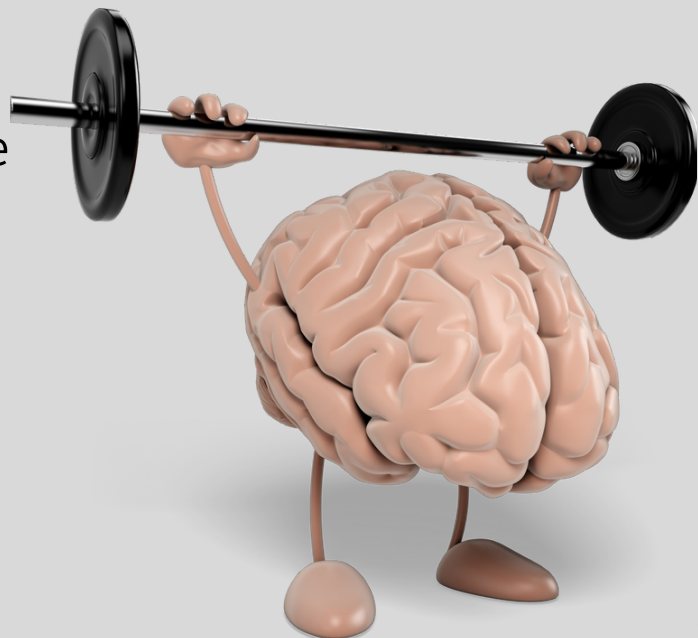
Are you ready to commit to change?

The first thing we have to prepare for, is the mindset needed on this journey. In order to get ahead, you have to get started! Ask yourself these questions:

- How ready am I to get started today?
- How frustrated am I at the current situation?

Nothing in the quest for wealth comes easy. It takes discipline, focus, and behavioral changes. Make sure you are ready to make some hard choices. Achieving wealth is not for the faint of heart. You have to be ready to fully commit, in order to begin this journey.

Change your Attitude
and Mindset!



Step 1 Worksheet

What do you need to do today to become fully ready to begin your quest?

How would others describe your "money mindset" (attitudes and beliefs about money)?

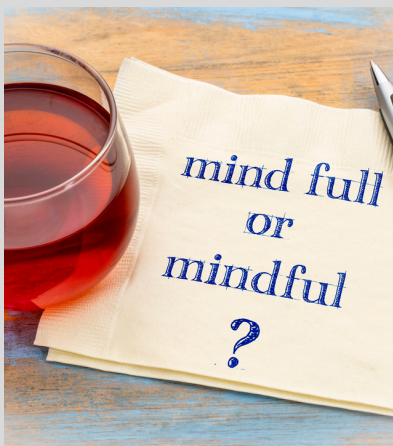
What are your financial fears? What are you most concerned about?
What steps can you take to overcome these?

Step 2: Get Mindful

Are you aware and conscious of all your choices? Our brains love to sabotage our choices. We easily fall into mental traps or fallacies. You might find yourself saying: "I can't do this. I can't stick to a budget. I don't have enough money to save anything."

You'll need to focus on training your brain to think, and act, differently. Repeat positive mantras and daily affirmations to get more mindful. Use a journal to record each financial decision you make, including the rationale and results of your choices.

Getting mindful means to be awakened, to be fully present when you are budgeting, spending, buying, negotiating, leasing, and everything in between.



Step 2 Worksheet

What does your intuition (gut) say about how you spend and save?

Regarding investing- how would you rate yourself between risky and risk-averse? What types of investments have you recently made, if any? What steps can you take to change?

Do you consider yourself more analytical or impulsive? What ways can you move yourself towards less of an extreme?

Step 3: Get Rid of Habits

Have you thought about what you do repeatedly? Those routine tendencies or patterns (incessant thoughts, actions, and behaviors) which we all fall into can make or break our financial wealth.

You need to identify which habits that are holding you back (e.g., credit card utilization, poor cash planning, too much debt, impulse spending). Then Eliminate, Moderate, or Substitute these habits!

Learn to adopt more positive daily financial habits, such as digesting daily changes in the stock market, spending time developing a budget, or finding a financial coach to help guide you. I outlined 30 mindful practices in the book, and 10 highly destructive ones. Follow those carefully!



Step 3 Worksheet

What are your 3 most consequential, self-perceived negative financial habits? For each one, identify if you are going to: Modify, Eliminate, or Substitute these behaviors?

List 3 new, positive habits can you start today?

What is one financial choice you made this week that you are most proud of?

Step 4: Get Focused

Do you have a financial plan and goals?

If you don't have a specific end in mind, you are likely to follow any path. One popular finance theory states that the process of setting ambitious and achievable goals will result in better performance. By setting intentions and goals, you put yourself on the path to success.

Start by identifying what you are saving or investing for: your education, child's tuition, better house, dream vacation, retirement? When envisioning your future, ask these questions: what does it look like? where will I be? and how much do I need?

Mindfully assess your money behaviors: Spending, Giving, Saving, and Investing. You need an optimal mix.



Step 4 Worksheet

What are your intentions for your finances? What is your long-term vision? What does wealth mean to you?

Identify your top 3 financial goals for the coming year? Prioritize them from 1 to 3. Place a dollar value on each goal and rate the level of complexity.

Goal	\$	Priority	Complexity

Consider how to immediately mobilize those goals. What do you need to do today to make those happen. Outline the short-term action items you need to complete to accomplish each goal.

Step 4 Expense Tracker

Carefully review all of your credit card, electronic, and cash expenses and fill out this budget tracking template.

Expense Category	Balance	Monthly Payment
Housing		
Food		
Entertainment		
Utilities		
Phones/Cable		
Car/Transportation		
Education/Childcare		
Healthcare		
All other expenses		
Total		

Step 5: Get Momentum

Have you laid the foundation for good finances? Financial momentum is the result of the propulsion (speed), direction, time, and gravity. Start saving more at an earlier age and you are much more likely to see positive results. You need priorities--whether that's making a higher salary, or spending less.

Focus on laying the proper foundation. Build a small cash emergency reserve, open an index mutual fund at a reliable institution, start regular contributions. Make all financial choices based on a) their contribution towards wealth position (net worth), and b) their ease and speed of implementing. Work on properly sequencing your financial activities, following the pyramid shown below.



Step 5 Worksheet

Make a detailed list of all expenses you made in the last month. Divide this number by your total monthly gross income (e.g., \$3,200 expenses ÷ \$4,000 income = 80%). This is your "Spend Ratio"

Expenses	Gross Income	Spend Ratio

Add up all of the things you own (assets) and subtract out what you owe (loans, debt, credit cards, mortgage, etc). This is your net worth.

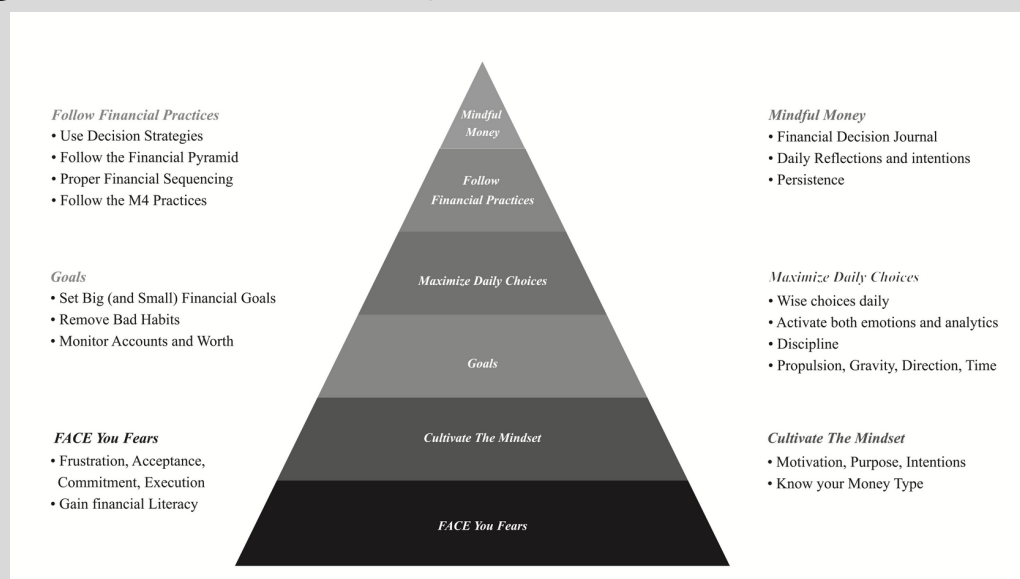
Identify some short-term activities you can do to influence your Spend Ratio or Net Worth. Brainstorm at least 3 things you can do today.

Step 6: Get Wealth

What progress are you making?

Wealth, the abundance of financial resources, is part mindset and part accumulation over time.

- Smart monitoring your key financial ratios: Equity (net worth), Spending ratio, and Net Cash flow.
- Conduct regular check-ups and write down your progress.
- Become consistent and routine with your investing and savings.
- Automate it, so you take out the guesswork.
- Get a financial coach or advisor to help walk you through the Financial Pyramid below.



Step 6 Worksheet

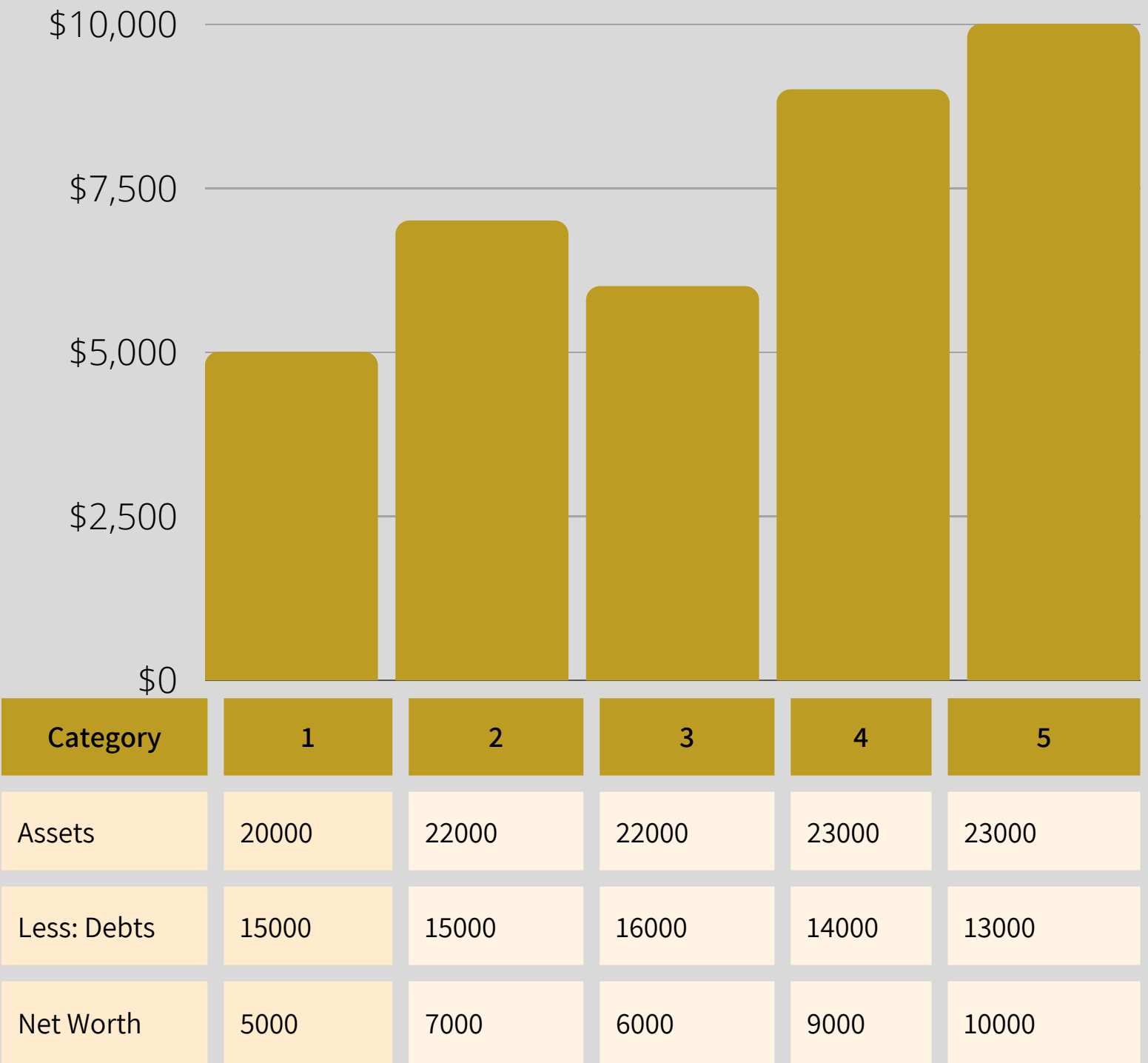
Identify 2 things that you can do today to increase your net worth.

Record your net worth for the last 3 months. Is it increasing, or decreasing? How much of that equity is due to illiquid assets (those things that are hard to sell)?

What behavioral biases (tendencies) did you notice when you started becoming more mindful of your net worth? What do you still need to work on?

Step 6 Tracking Net Worth

Use a simple table or graph to record and visualize changes in net worth.



Notes

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Next Steps

Congratulations. You've walked through the key steps toward wealth. You're on your way to financial freedom.

The 6 steps include:

1. Get Motivated
2. Get Mindful
3. Get Rid (of bad habits)
4. Get Focused (and clear on your goals)
5. Get Momentum (consistency, financial pyramid)
6. Get Wealthy

You've hopefully learned some basics, and there are a still lot of mindful financial practices yet to implement.

Next, I invite you to read the full [book](#) and schedule a 1:1 session by calling 713-742-2730 or visiting ywealthadvisors.com. Keep up the good work!



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