



# FINANCIAL INTELLIGENCE: (A SKILL FOR SUCCESS)

Building a Strong Financial Foundation

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# Introduction

Financial Intelligence is an important topic for everyone who wants to become wealthy. Being financially literate gives you control of your money, and it's the sure way to become wealthy. Knowing what you need to know puts you a step ahead in this journey of creating wealth.





## What is Financial Intelligence?

Financial intelligence is the ability to understand and use financial information for decision-making and wealth creation.

Financial Intelligence refers to the ability to understand and manage one's financial resources effectively. It involves making informed decisions regarding income, expenses, investments, and financial goals.

It involves collecting, analyzing, and interpreting financial data from various sources, such as banks, businesses, governments, and markets.

# Importance Of Financial Intelligence

Financial Intelligence is crucial for both personal and professional success.

## PERSONAL SUCCESS


- Financial intelligence helps individuals meet their financial goals, whether it's buying a home, funding education, investing in stocks or real estate, starting a business, or saving for retirement.
- Individuals with strong financial intelligence can navigate economic uncertainties, plan for the future, and make sound financial decisions.
- It reduces financial stress and enhances overall well-being.



## PROFESSIONAL SUCCESS

- Business leaders and entrepreneurs with strong financial intelligence can make informed decisions about investments, cash flow, and profitability.
- Employees who understand financial concepts can contribute more effectively to their organizations.
- Financial intelligence can also help detect and prevent financial crimes, such as money laundering, tax evasion, fraud, and terrorism financing, by identifying suspicious transactions and patterns.

# Key Component Of Financial Intelligence



## Understanding Income and Expenses

This entails recognizing all sources of income and detailed understanding of expenses.



## Budgeting

Creating and Sticking to a Budget is Fundamental. This involves tracking Income and Expenses, setting financial goals and allocating funds accordingly.



## Debt Management

Debt management involves strategies and techniques to effectively handle and reduce one's debt.

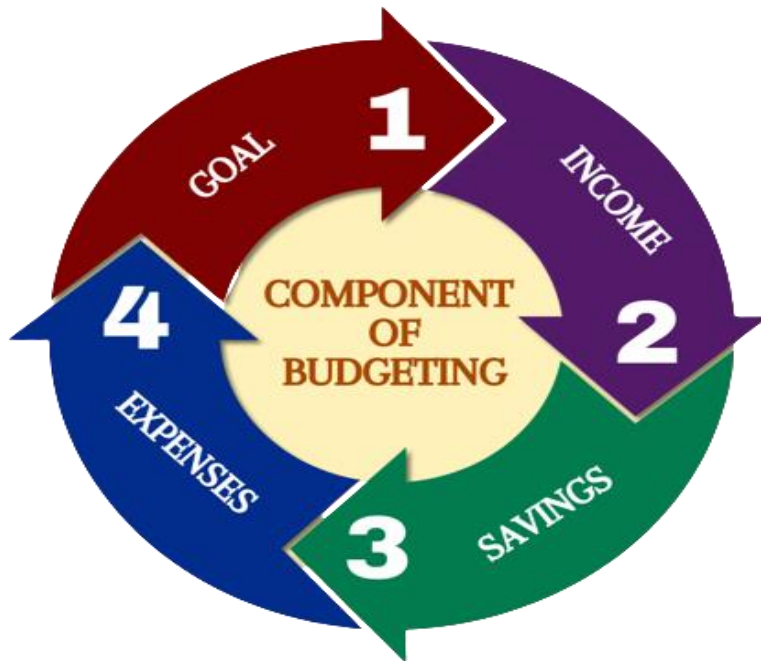


# Budgeting: Foundation of Financial Intelligence

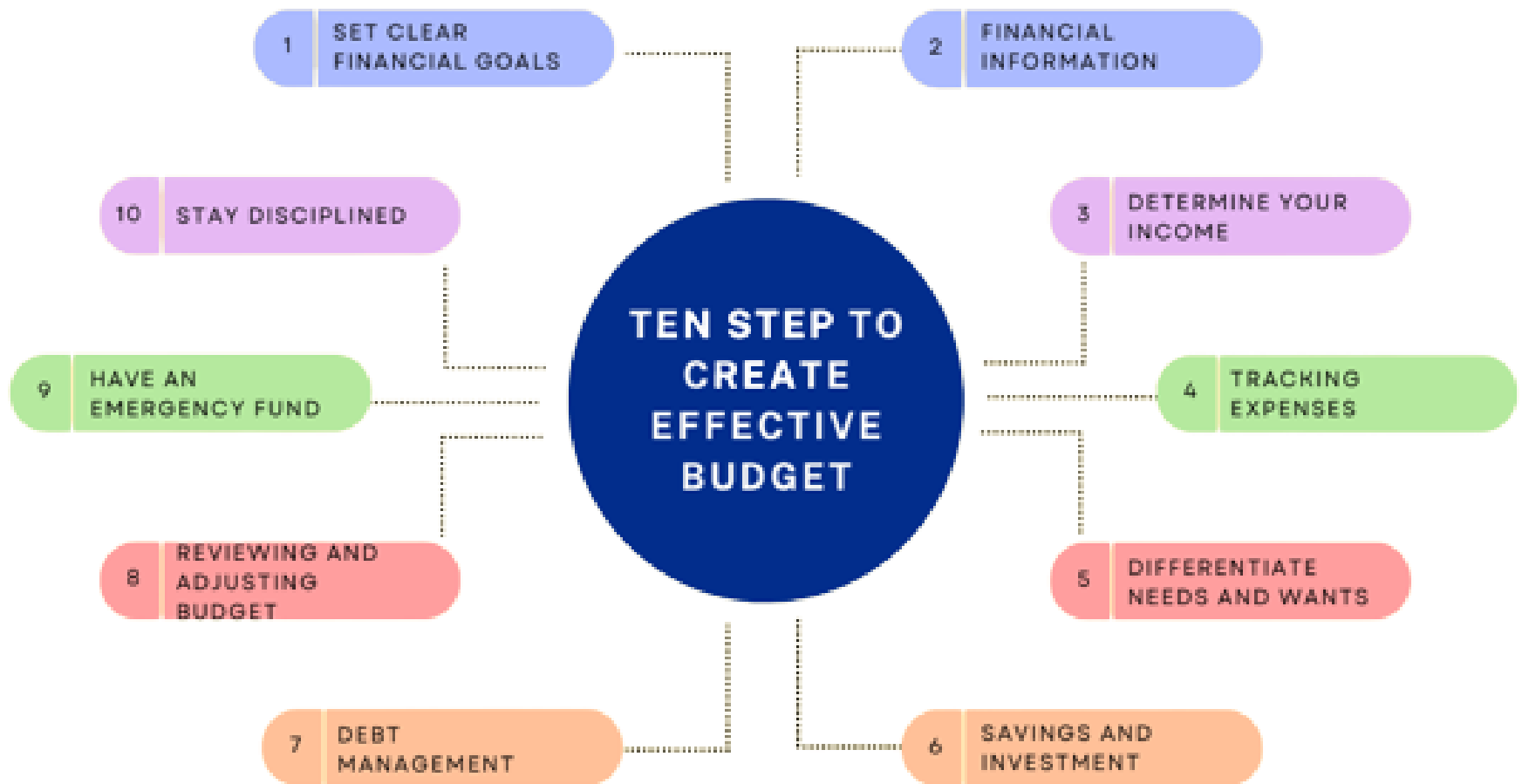
## What is Budgeting?

Budgeting is indeed the foundation of financial intelligence . It involves planning and managing your income and expenses which is crucial for achieving financial stability and success. It is an essential skills for building wealth and securing your financial future.

## Components of Budgeting



# Ten Step To Create Effective Budget: Strong Financial Foundation



# Debt Management

## What is Debt Management?

Debt Management refers to the process of effectively managing and reducing one's debts. It involves creating a strategy and implementing various techniques to repay debts in a timely and organized manner. Here are some insights to consider:





# How to develop your financial intelligence and grow your wealth

## Have Plan of Action



Create a comprehensive financial plan of action that you can manage and implement on a daily basis.

## Learn to pay yourself first



Pay Yourself First means just what it says. When you earn a naira, the first person you pay is you and make it AUTOMATIC. Financially intelligent people consistently save at the very least 10% of their earned income and utilize it for investment purposes or compound their money for long-term gains.

## Minimizes Purchasing Liabilities



liability is simply anything that takes money out of your pocket in the short or long-term. You don't have to buy something immediately. Try waiting a day and see if you still need it.

## Strategically Spends Money



Great money managers understand the long-term consequences of making even the smallest purchase decisions. They know that an accumulation of seemingly insignificant small purchase decisions will usually result in long-term consequences that will either add to their debt or provide them with opportunities to earn profits.

# How to develop your financial intelligence and grow your wealth (Cont'd)

## **Seeks Professional Financial Advice**



You must understand that you don't know it all. Hence, seek professional advice from experts who have a long history of financial success.

## **Keeps Learning New Money Strategies**



Never stop learning about money, finances, investments, property, shares, etc., read books on personal finance, attending seminars or workshops on financial topics, or taking online courses on finance.

## **Interacts with Successful Money Managers**



interact and socialize with successful money managers. You must understand that through each interaction you will gain deeper insights and knowledge that could be critical to their next major financial decision.



**Case Studies of  
Financially Intelligent  
Individuals**



# SARAH FINANCIAL STRATEGIES

Sarah is a 32 years old professional Data Researcher with a stable job and a keen interest in financial intelligence. Here's an overview of her financial situation and strategies.

- **Set Clear Financial Goal:** She has clear goals of buying a home in five years, retiring early and creating Emergence fund.
- **Budgeting:** Sarah diligently track her income and expenses. She budgets for all her expenses including housing, transportation, groceries and entertainment.
- **Debt Management:** She has no high debts and uses credit cards responsibly Paying them off in full month.
- **Savings:** Sarah saves at least 20% of her income each Month, she contributes to her company cooperative and also create an emergency fund account.
- **Investment:** She diversifies her investments primarily on Real Estate Investment.
- **Emergency Fund:** Sarah has built a robust emergency fund equivalent to six months worth of living expense.
- **Networking:** She participates in financial forums and investment groups to learn and exchanges ideals with others
- **Professional Advice:** Sarah consults with a financial advisor annually to ensure her financial strategy align with her goals and the economy condition.

**Result:** Over time Sarah's disciplined approach to budgeting, Saving and investing has allowed her to accumulate a significant amount of wealth. She is well on track to achieve her financial situation and strategies



# JIM AND SUE SHARE THEIR STORY

Our parent advised us, they said we had a choice., we could work all our lives for money and live month to month, paycheck to paycheck, like most people. Or we could learn to make our money work for us and really enjoy our lives. The trick, they said, was simple. Every time you earn a dollar, you should make sure to pay yourself first.

The most important secret, we didn't have to worry about having any special will power, because we really didn't have to do anything except decide at the beginning that we wanted to be rich.

With the help of this great thing called 'PAYROLL DEDUCTION,' we made everything automatic. We created a literally automatic system to achieve wealth.

We had Jim's company take money out of his paycheck and invest it in his retirement account.

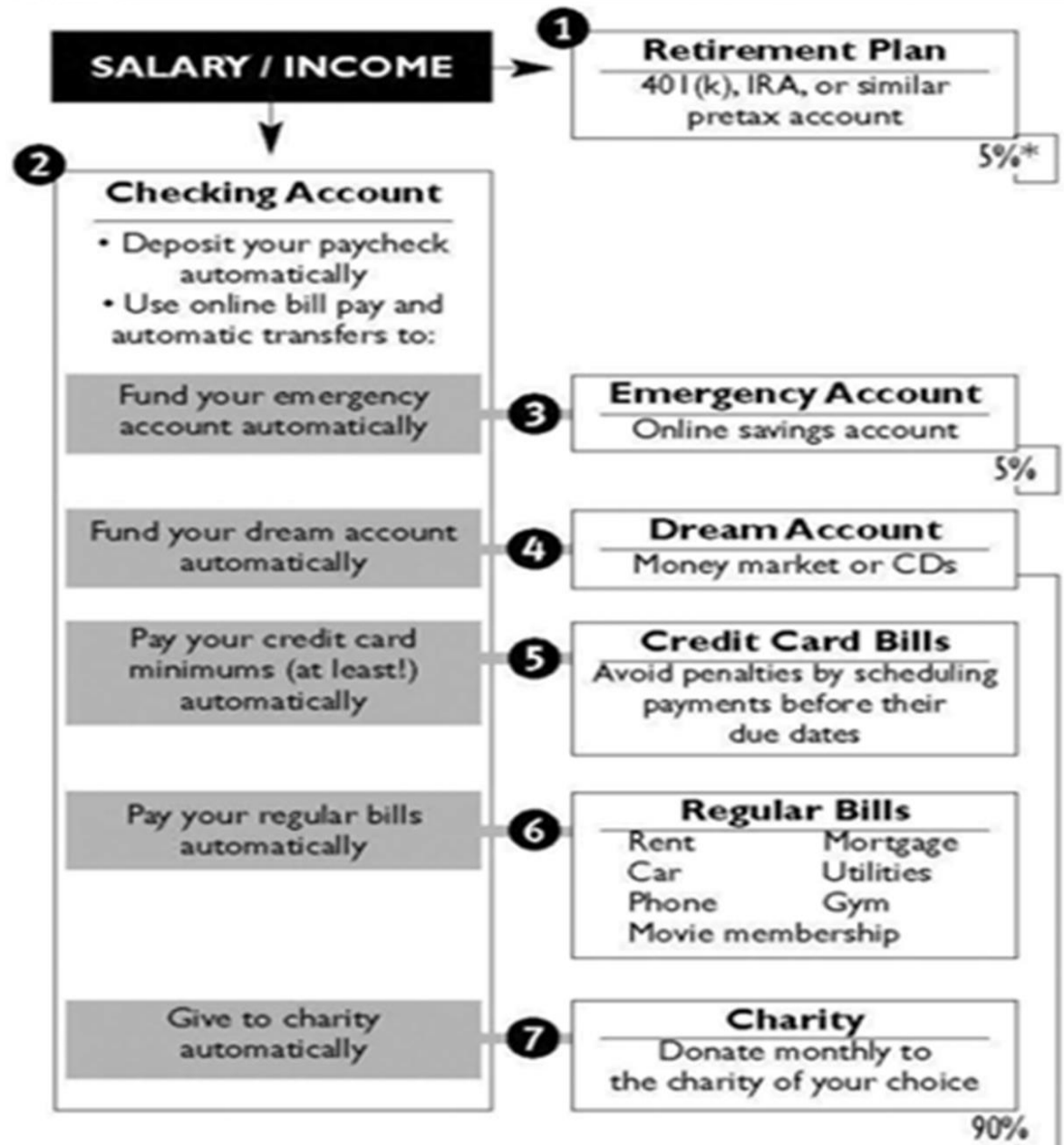
We handled our accelerated mortgage payments in a similar fashion right out of our checking account without our having to do or say anything.

We also used a systematic deduction scheme to automatically invest a portion of both our incomes in mutual funds.

Eventually, we even automated our tithing. We always used to give a little each year to charity, but as time went on, we realized how simple it would be to make the process automatic.

Result: Jimmy and Sue retired comfortably at 52, enjoying the fruits of their decision.

# AUTOMATIC MILLIONAIRE BLUEPRINT



**Automatic  
Millionaire  
by  
David Bach**

\* Your ultimate goal should be to save at least 12.5% for retirement, one hour of your daily income.



# Quotes

- Financial intelligence is not about how much money you make, but how much money you keep, how hard it works for you, and how many generations you keep it for.
- True financial freedom is only accessible when you have accurate financial intelligence.
- Enhancing your financial intelligence will make opportunities for wealth more visible.
- It takes financial intelligence to see money in front of you.

Robert Kiyosaki

- If you boost your financial Intelligence you will very likely stand out from the crowd.

Karen Berman

- Without financial Intelligence, [executives] are less informed and therefore less effective as leaders.

Fortune 500 CFO, Thomas Horejsi

- A wise man should have money in their head but not in their heart.

Jonathan Swift





**THANK YOU**