Beware Following the Herd

- Servant Leadership
- Thinking Car Insurance
- You Don't Win When You Gamble
- Common Good Thinking
- Careers
- Good Debt, Bad Debt

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for Pimlico State High School
Welcome to the first issue of Teenfinca® for 2017. Teenfinca® – Teenage financial capability – is for teenagers, and should be shared across the school and with families. Its sole purpose is to help you understand the financial world in which you live. Teenfinca® is written by experienced teachers and financial specialists who are experts in topics related to personal finance. Teenfinca® provides articles for you to read and think about individually, and discuss with your peers, teachers and parents. Several financial life skills are introduced in each edition. If your school has a financial literacy program, your teachers have the option to use Teenfinca® as a resource within that program. Each issue is accompanied by a set of activities, available from The Wealth Academy website, that teachers may use.

In this issue we have articles that relate to:
• blindly following others (herd) when making financial decisions
• the importance of the common good
• how student leaders can help with the school financial life skills program
• careers in business and economics
• young entrepreneurs
• the continuing issue of gambling
• the different types of debt
• supernannuation, and much more.

Teenfinca® is an educational resource. It does not sell or promote financial products or services; rather, it is designed to help you understand such products and services, and the financial concepts on which they are based.

Remember, your financial future will be your responsibility when you are an adult. Start your learning journey now.

Kind regards

Ken Swan
Director
The Wealth Academy
Helping youth to become financially capable
The concept of the ‘common good’ is an important concept to discuss and learn about while in school. It is important because the common good is ‘like glue that keeps our community together, and arguably has contributed to world history in very positive ways.

What is the common good?
The common good is described in many different ways and across many different contexts. A simple definition provided by Dictionary.com is: the advantage or benefit of all people in a society or in a group. (In spite of our difference, we shall work for the common good.)¹

In the business literature, it is defined slightly differently. The BusinessDictionary defines common good as: ‘The good or wellbeing of an entity such as a company or an association. The concept is that the good of the entire group can be more than the good of each particular component.’²

As these definitions demonstrate, the common good can work across society and also within the various entities in society. This has the potential to create a lot of tension when the specific interests of some groups within a society have a view of what is good or appropriate that is different from the views of other groups in that same society.

We see this in debates about the:
• environment — for example, the future of coalmining
• education — for example, what content should be taught in schools
• law — for example, how people should be punished for various crimes, and
• finance — for example, how money is used by governments.

Discussions about the common good are far-reaching.

Examples such as these have a common good benefit for the broader community.

Money and the common good
There are often strong views about how money can stop people from thinking about the common good. Often, these views are justified, especially when we see greed and selfishness, or people being taken advantage of.

The truth is that some people can make decisions about money which can affect others detrimentally. But the way that money is used can also benefit others.

SCHOOLS
When schools commit to teaching students about the use of money, there is a greater likelihood that students will learn about the appropriate and inappropriate uses of money. This is good for individuals and the broader community. There is potential for a greater community benefit.

Most schools also provide opportunities for students to develop, manage and enact strategies to fundraise for local community causes.

FAMILIES
Families can also implement common good financial thinking in various ways. When everyone contributes in some way towards a family holiday or the purchase of a new item for the household, each is contributing towards the common good.

During times of community emergency — for example, flood or wild fire — family members can contribute financially, or through giving their expertise and time, to help others. This is a common good activity.

BUSINESS
Many businesses in a community want to help others. Not only is it good for their business reputation, but more importantly they are showing a community commitment and the spirit of giving. Schools are often the recipients, but there are also many other groups who benefit as well.

COLLECTIVE IMPACT
The fact is that, when we work together across a community, we can make a greater collective impact to benefit the community. This relates not only to the time we give, or the funds we donate, but also to how we use our money and the financial decision-making which informs that use.

Collectively, people can make a bigger difference.
Most students are familiar with the term servant leader. According to Robert K. Greenleaf, who first developed the term, the servant leader begins with the natural feeling that a person wants to serve others.
Servant leadership is a philosophy and set of practices that enrich the lives of individuals, build better organisations and ultimately create a more just and caring world.1
So how does this relate to learning financial life skills? Throughout society we find people demonstrating a commitment to servant leadership in areas of societal need. It may relate to environmental concerns; community issues such as poverty, health and wellbeing; or in the traditional context of politics. In all cases we see people who are willing to serve others wanting to make a positive difference.
We believe that an emerging societal need is better education in financial life skills. A lack of financial education leads to lasting problems for individuals, families and the broader community. Servant leadership should also apply to this need. It can happen at a school and community level, when people with expertise in financial concepts share their knowledge and skills to help others. It can also happen when people just want to lead by generating conversations and discussions related to the financial decision-making that affects individuals and families.
Students can demonstrate servant leadership by generating such discussions; so too can school educators, parents and local businesses.
Servant leadership is not a philosophy that just sits on a shelf, or is an entry in a policy document. It should be active and visible, based on real-world needs.
Financial life skills is a high-priority need for all communities. Be a servant leader and act to make a difference in your community.

### SERVANT LEADERS

#### Be a mentor of financial life skills

Whether or not you are a formally recognised student leader in your school, if you have an interest in financial life skills you may like to become a peer mentor. As a peer mentor, you could encourage discussion and debate about financial concepts and topics with other students at your school.
Here are four e-posters that you could use to generate discussion with peers or students in lower grades.

1. **BE CAREFUL PLACING PERSONAL DATA ON YOUR PHONE**

   **Possible questions include:**
   - What are some of the benefits of budgeting?
   - What are the potential consequences if people choose not to budget?
   - How often should budgeting occur? Explain.

2. **IF YOU UNDERSTAND ETHICS YOU CAN BETTER IDENTIFY ETHICAL PRACTICE**

   **Possible questions include:**
   - What is the key message in this poster?
   - Why is this message so important?
   - How does this message relate to financial decision-making? Explain.
   - Give examples when students may make financial decisions based on peer activities.

3. **BUDGETING BRINGS BENEFITS IN THE SHORT AND LONG TERM**

   **Possible questions include:**
   - What are some of the benefits of budgeting?
   - What are the possible consequences if your personal data is accessed by others?
   - How can you keep your data safer?

4. **HOW DO YOUR PEERS INFLUENCE YOUR FINANCIAL DECISIONS?**

   **Possible questions include:**
   - Why is this an important message?
   - What are the possible consequences if your personal data is accessed by others?
   - How can you keep your data safer?

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FIRST PART-TIME JOB: HAVE A PLAN

Finding your first job can be hard. It’s almost a case of catch 22 as employers want you to have experience, but you can’t get experience without finding a job first! You need a plan!

Where's that part-time job?

Grab a piece of paper and start to list who you can approach for a part-time job. It could be friends or family, or even the local shopping centre. Think about your interests. You want to be able to cast a wide net, rather than putting all your eggs in one basket, waiting and hoping for that call about a dream job. You want to be able to approach a part-time job. It could be friends or family, or even the local shopping centre. Think about your interests. You want to be able to cast a wide net, rather than putting all your eggs in one basket, waiting and hoping for that call about a dream job. You want to be in a position where you get multiple offers and have the luxury of choice.

What do I put in my CV if I've never worked before?

Starting at the top – don’t use an email address that’s hotmail.com is not going to cut it. List your high school and recent school reports. Give an overview in your CV, describing your performance at school and your strengths, such as time management skills, good self-presentation, and customer service skills. Finish off the overview with what you’d like to study after Year 12, and your long-term career goals. Be sure to add your interests; these give an insight into your personality and what you like to do in your downtime.

Your 'socials' matter

Like it or not, employers will Google you, either before or after the interview. If you have pics or posts that you don’t want a prospective employer to see, tighten up on your privacy settings before you start sharing. Once you get the job, if you are ill and need to miss a shift, DO NOT check in at the beach or the café – defs not a good look!

Your first job won't be your last

If you’re doing letter box drops or pizza deliveries for your first job, remember that it’s more about the experience and the soft skills that you’re learning, rather than the job title or job description. Your weekly pay will help you to get over any embarrassment you might feel. My first job was washing cars, but I liked it because I was outdoors every Saturday, made some great mates, worked on some great looking cars, got paid well, and always had money when I went out with friends or when I wanted to buy my first car.

Finding your first job can be hard

Abdul Khan, FINSIA

GRADUATE ROLE IN CORPORATE FINANCE

Despina Kalykakis, Consultant at Ernst & Young

Graduating high school in Greece in 2012 seemed like such a great accomplishment for me. In my mind I would then get a job, move out of home and graduate with an Economics Degree four years after finishing high school.

Unfortunately my personal circumstances changed and my family and I moved to Brisbane, Australia. Due to the language barrier I was required to complete my TAFE degree to then be accepted into university. But it was one of the best things that could ever happen to me.

I met so many students going through the same journey as me. Suddenly, moving overseas seemed so much fun. In addition, I found a part-time job in hospitality and was able to support myself financially. Although I still lived at home, I began to feel independent.

University life

I was determined to work hard when I got accepted into a Bachelor of Business (Finance). Working hard for me meant not only studying and staying on top of my university workload but also meeting people from the industry.

At the beginning, networking for me equated to asking the ‘silly’ questions during consultations hours and making sure the lecturers knew who I was. I was surprised with the amount of resources lecturers were able to provide (both in an academic but also in an industrial level), once I showed my interest.

In addition, I made the time to attend every event of the societies at university hosted and spent a lot of time getting to know as many people as I could. Yes, I can admit at times I felt I was stepping outside of my comfort zone, but I believe this is what lead to what I have today, a Diploma in Business, a bachelor degree and a rewarding graduate role with Ernst & Young.

Professional career

As previously mentioned, I worked in hospitality for a couple of years. But there was this one day in my third semester of university that I said to myself, "Despina, you have enough theoretical knowledge to get an office-based role and I also have the connections (through networking) to do so.”

Not long after that day I started working at the Australian Bureau of Statistics as an analyst. I was a bit worried about starting full-time employment while still a second year student. Thankfully though, every person in my team was helpful and supportive in both my analyst role and my university requirements.

My hard-working attitude, my new skills and my passion for finance, differentiated me from many candidates when applying for the corporate finance graduate position within Ernst and Young. This role has been exactly what I had in mind when I first started university. What I enjoy most about this role is problem solving, logic testing and number crunching in a team based environment.

My tips

Making life changing decisions, such as selecting a career path, can be tough but do not hesitate to ask questions. Parents, teachers, lecturers and friends are all willing to help. This skill has allowed me to be more confident in myself in my early adult years.

I would strongly encourage everyone to pursue a hobby. Life is not only about getting a job and always trying to be the best! It is also about enjoying yourself. I worked so hard in my first couple of years after school and did not realise how important it was to enjoy other things in life.

Lastly, find a mentor to guide you through your professional development. There were times where I felt lost and unsure of the future, but with the assistance of my mentor I am currently living my dream.

Despina Kalykakis

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Entrepreneurs

High School Is The Best Place to Nurture Entrepreneurs

Huffington Post

Entrepreneurship continues to be a buzz word in Australian schooling. So it should be.

A recent report in the Huffington Post reaffirms the importance of building student entrepreneurial skills while in high school.

Cathy Anderson’s report mentions:

- technology is changing our working lives so rapidly that 40 per cent of the jobs we currently do will be obsolete within 10-15 years
- the need for students to have entrepreneurial skills to help them survive in a world that is changing so rapidly
- the need to have young people thinking as entrepreneurs
- the education venture Phronesis Academy which has a programme that helps Year 9 and 10 students learn how to think like an entrepreneur.

The reality is that when students leave high school they will disperse into many different directions following their dreams. Unless students move into careers with an entrepreneurial aspect, they will have minimal, if any, formal opportunity to think and act in an entrepreneurial way — something which could help them in all aspects of their life.

The Wealth Academy believes good entrepreneurial thinking must also include good and informed financial decision-making. Entrepreneurs will be unsuccessful in their efforts if they do not have financial life skills!

Find out more:

The Pint-Sized CEO

The New York Times

We often hear about teenagers with that entrepreneurial spirit, some of whom are quite successful.

Moziah Bridges is a young American entrepreneur. He started making bow ties when he was 9 years old. He is now 14 and in charge of his own company, Mo’s Bows and is reported to have built a $200,000 business.

Moziah has quite an extrovert personality. He is certainly not shy when it comes to promoting his products. You will see evidence of this in the links provided below.

For students this age, it is almost impossible to be an entrepreneur without the supervision and guidance of parents or an adult who can mentor you. Without such a mentor, a teenager could find themselves in lots of trouble legally and financially. So while it is good to have an entrepreneurial spirit it is essential that this is balanced by appropriate decision-making.

Find out more:


“Bridges had the idea for Mo’s Bows when he was just 9 years old. His grandmother, a retired seamstress, taught him ... how to sew, and soon he was making bow ties and selling them online...”

16 Year Old Software Tycoon

ABC Radio

Taj Pabari is an Australian teenager on a mission. At the age of 11 he created a technology website and in 2014 he founded his company FiftySix, which created electronic tablets for the not-for-profit and private sectors. He employs 10 full-time staff and nearly 20 part-time contractors worldwide.

This is quite impressive entrepreneurial progress for a 16year old.

He says, “I was inspired by people like Steve Jobs and Bill Gates and when I saw them changing the world I thought why don’t I try and change the world too?”

“The kits we create help kids to learn about computer science, as children put it together like building blocks.

“it gives young people from the age of six to 16 the opportunity to build tech and create tech instead of just consuming it.”

Taj is an inspiration for all potential young entrepreneurs. While Taj has a great idea, he also has good support networks.

To be successful this is important.

Find out more:


“... why don’t I try to change the world too?”

Stashd: Endless Fashion Inspiration

News.com.au

Jessica Watson was a school-leaver with high hopes for her future in fashion. Unfortunately her career adviser told her that she would never get a job in fashion — advice that left her quite upset.

A friend’s advice helped her refocus on her goals. Her friend said, “Jess, this is one woman, at one university, in one city, in one country, in the world ... Don’t let one person’s opinion of you change what you want to do. Just think a little bigger.”

Jessica went to New York to learn more about fashion. At 21 she travelled to Silicon Valley to learn more about technology and its application to fashion.

She then returned to Australia to start Stashd, an app aimed at fashion discovery.

“The app is like the Tinder of fashion, where you can swipe through fashion products to discover new on trend and undiscovered brands. Understanding the user experience that progressed from browsing through catalogues, to then opening multiple browser tabs, Jessica saw that the new era of shopping would move to a more mobile experience.”

Entrepreneurs need to be resilient. Jess certainly is.

Find out more:


“... just think a little bigger”
Over 2015, a total of 10.6 billion transactions were made using ATMs, EFTPOS, cheques, direct entry and credit cards with a value of $16.3 trillion. This is an average of 205 million transactions with a value of $312 billion every week.

EFTPOS is the largest of the payment systems in terms of the number of transactions, with 4.3 billion transactions over 2015 or 179 EFTPOS transactions per capita. Over the past five years, 17.2 billion EFTPOS transactions have been made.

Roy Morgan Research shows that customer satisfaction for banks was 81.9% as at May 2016. It has now been 80% or above since October 2012.

Of all Authorised Deposit-taking institutions banks account for 93.2% of customers. This has increased from 87% five years ago.

Use of EFTPOS has more than doubled over the past five years. This compares with use of credit cards and direct entry which have doubled over the past 11 years.


For teenagers the amount of data you upload and download should be a high priority consideration.

- Consider the amount of data you need to access!
- Consider the amount of data you want to access!
- Consider the amount of data you need to upload (share)!
- Consider the amount of data you want to upload (share)?

If you do not think about your data usage, you may find unexpected and large phone bills if you have a postpaid plan.

COMPARATIVE ADVANTAGE

What is the principle of comparative advantage?

The principle of comparative advantage tells us that countries will produce and export products in which they have a comparative advantage, and import products for which they do not. For example, Australia does not produce iPhones, which are manufactured in China, but produces minerals which are used to produce components of iPhones. By exporting minerals and importing iPhones, Australia trades according to its comparative advantage and is better off.

Every country will have a comparative advantage in at least one product, even if other countries could produce the products it demands at lower cost. There will be gains from specialisation and trade even if one country produces all products more efficiently than others. It is comparative rather than absolute advantage that matters.

In the early nineteenth century, David Ricardo provided the now famous example of how the Portuguese could produce more cloth and wine, as the countries could trade cloth and wine for mutual benefit.

Consider another example, this time a university professor and her personal assistant (PA). Assume that the university professor can prepare a lecture in one day and can write an email in 15 minutes, while it would take the PA ten days to prepare the same lecture and 30 minutes to prepare an email. The professor is more efficient at both tasks, and has an absolute advantage in both, but it makes sense for the professor to prepare lectures and the PA to write emails as the professor does not have a comparative advantage in emails. It would be too costly, in terms of lost time preparing lectures, or writing research papers, for the professor to write her own emails.

Further regarding the relevance of the principle of comparative advantage to Australia, consider how, in the past few years, Holden, Toyota and Ford have announced that they are shutting down car production in Australia. Mitsubishi shut down production in 2008. It turns out it was economic for car manufacturers to produce cars in Australia only if they were protected by import tariffs that made imported cars more expensive. After tariffs were progressively cut over the 1990s and 2000s, car manufacturing in Australia became less economically viable.

“Trade has proven much more effective than foreign aid in lifting living standards globally.”

Australia never really had a comparative advantage in car production, due to a range of factors including the small domestic market and relatively high labour costs. It makes sense for Australia to undertake instead economic activities that we do have a comparative advantage in, such as mining, and exporting the products of these activities to earn the foreign exchange that will allow us to import cars that can be produced more efficiently elsewhere, whether in Japan, Germany or the US, for example. The tariff cuts since the late 1980s resulted in substantially cheaper cars and clothes, for example, in real terms relative to what they would have been, which has been of great benefit to Australian consumers.

Now the shut-down of the car industry will undoubtedly have adverse effects, through direct job losses and knock-on effects on businesses in the supply and support chains. Indeed, job losses in many countries around the world, particularly in manufacturing, have been blamed on trade. Part of President Trump’s appeal was his criticism of US trade with Mexico and China which he claimed led to job losses. It is undeniable that trade creates winners and losers, but the overwhelming message of economic theory and evidence is that, overall, countries are much better off from free trade than restricting trade. It provides a larger pie, and part of the additional pie can be shared with the losers with appropriate policies, such as through retraining and relocation assistance for affected workers. Free trade results in more dynamic and productive businesses that are globally focused, which can result in more interesting and higher paid jobs.

The globalisation that the world has seen since around 1990, associated with a huge expansion of trade and investment flows, has resulted in hundreds of millions of people in developing and emerging economies being lifted out of poverty, particularly in China and India. The liberalisation of world trade was immensely practical.

Trade has proven much more effective than foreign aid in lifting living standards globally. Western critics may decry the low wages, in terms of our dollars or pounds, being paid to workers in factories in Vietnam, sewing clothes for western labels, or in China, assembling iPhones, but these workers are well paid relative to other workers in their economies and the investment and jobs are helping to rapidly increase living standards in these economies. Higher income means greater investments can be made in education and other public goods to the benefit of all.

A rising tide lifts all boats, as they say.

BICENTENARY OF RICARDO’S PRINCIPLES OF POLITICAL ECONOMY AND TAXATION

It is a book that is still relevant in a world that is debating once more the merits of free trade, as seen in the recent US election of Donald Trump, who has critised trade deals such as the North American Free Trade Agreement (NAFTA). Also, trade was an important element in the debate during the 2016 referendum, the so-called Brexit, held to decide whether Britain should remain in the European Union.

While Ricardo made a major intellectual contribution through discovering the principle of comparative advantage, he was also immensely practical. He involved himself in the policy debates of his day — a major one being around the corn laws. He had previously made a fortune through speculation on the outcome of the battle of Waterloo in June 1815, which allowed him to retire to the country and write his Principles.

The author, Gene Tunney, is CEO of Adept Economics and Specialist Adviser at Effective Governance.

This article is relevant to the topic of International Economics in senior Economics syllabus documents.
GAMBLING: A COMMUNITY ISSUE

BAN GAMBLING ADVERTS DURING SPORT

Gambling makes no financial sense. The gambling industry continues to record huge profits because people continue to lose their money. As an adult, people can choose to do what they wish with their money, including losing it while gambling. One of the main issues that many people in our society are concerned about is the saturation gambling advertising that occurs in prime-time television, especially sports broadcasts, which can influence the views of children and teenagers.

Recent university research indicates that such advertising can influence the behaviours of young people. Every school student should understand the marketing tricks of gambling companies - for example, using well-known sports people, or always showing the smiles and laughter of people while gambling. Of course, they would never show the detrimental impacts of gambling.

FIND OUT MORE:
Want to find out more about this recent research? Wide-ranging ban on gambling ads during sport broadcasts will help those with problems: expert. 2017: www.abc.net.au/news/2017-03-17/why-all-gambling-ads-should-be-banned-during-sporting-matches/8363232 Accessed 2017-04-11

IMPACTS OF GAMBLING ADVERTISING

The Australian Gambling Research Centre states that gambling advertising:

- typically depicts gambling as exciting, glamorous and skilful, promising easy financial and social rewards
- youth appear to be especially influenced by gambling advertising, and
- bonus offers for sports betting appear to increase internet gambling particularly among problem gamblers.

As an Australian teenager, you will be placed in situations where you are encouraged to gamble. That situation may be at home, or with friends when socialising. Regardless of the situation, you will have to make a financial decision whether to risk your money. Will gambling for you happen never, sometimes, often, or always? How will you manage it? Do you know and understand all of the implications?

Good financial decision-makers understand the implications of their decisions. Gambling is one context where the advertising presents scenarios that may be far from the truth. Gambling companies may also be targeting young people because they have limited experience in making informed financial decisions.

FIND OUT MORE:

WHY DO MANY SPORTS STARS HAVE FINANCIAL DIFFICULTIES?

We often think that our sporting stars have a privileged life. In some ways they do, with many making the most of their talents to develop successful and rewarding careers later in life. Many sporting stars, however, find themselves with little or no money after their sporting career, with many in significant debt.

Why does this happen, when they were earning such large salaries for many years?

Financial education
To become a sporting star, the athlete has usually spent thousands of hours practising skills and gaining knowledge of the sport. Because of this level of training they are specialists. At the same time, they may have spent zero or very few hours learning financial life skills and gaining knowledge of the financial world. A lack of financial education exposes them to the risk of poor financial decision-making and, unfortunately, to people who may take advantage of them financially.

It doesn't matter what career you choose, financial decision-making is important.

Management and trust
Many sporting stars have managers. Many of these managers may know the sporting world ins-and-outs, but they may not be the best people to manage the financial affairs of players. There could be a real conflict of interest for those managers who expect to manage the finances of the player if they are allowed to do so.

Trust is very important for athletes. They must trust their coaches, trainers, physios, doctors, dietitians etc. to make them the best athletes they can be. They must also have specialist financial mentors who can guide them in an unbiased way.

Gambling industry
Unfortunately, the world of sport is now saturated by the gambling industry. Relentless advertising and sponsorship of sporting teams exposes athletes to an industry that creates more losers than winners. Many players feel compelled to participate — even if they are not allowed to in their own sport — because the sporting governing body, the clubs and their sponsors, are all visibly encouraging gambling, and their peers are often involved because of that advertising.

There are many reasons why some sporting stars lose it all, including the desire to give money to their family and friends. It can be hard to say “no”!

As with all things, education is a key to informed decision-making. Quality, unbiased education is a necessity in all walks of life, including the life of our sporting elite.
Superannuation is an investment of your money that is designed to help you save for retirement. During your working life, money is set aside from your salary each pay day, put into a fund with the ‘super’ contributions of many thousands of other people, and invested so that you (and they) can access it upon retirement (or when certain other conditions apply, such as reaching a certain age, or never being able to work again).

The idea is that the ‘super’ fund grows by investing; the pool of money builds up in value over many years through the magic of compound interest (getting interest on interest earned in previous years) to the point that it is enough for you and the other members of the super fund to live in financial security in retirement.

Super plays a huge role in ensuring Australians are able to enjoy their retirement without relying upon social welfare. It is also taxed at a lower rate than other investments or salary, so the system is designed to entice you to save for your own retirement, since you will get a better after-tax return by saving in this way. Most super funds offer additional benefits, such as life insurance cover, and total and permanent disability insurance.

In this case it is ‘super’ because it comes to your rescue in your later years.

How do I pay it?
Money can be paid into your fund from four sources: from your employer, from you (‘voluntary contribution’), by government co-contribution, and from rollovers from other super funds.

Generally, if you are aged 18 or older and earn $450 or more in a month, your employer must pay a certain amount (currently 9.5% of your gross pay) into a superannuation account for you. However, if you earn less than $450 a month, if you work less than 30 hours a week, or if your work is of a domestic or private nature, your employer is not required to pay superannuation for you.

The Australian government guarantees a minimum of 9.5% of your salary as super contributions from your employer. This requirement is set out in the superannuation legislation that employers must adhere to, it is known as the ‘superannuation guarantee’, and covers full-time, part-time and casual employees.

This money comes from your employer directly, and not from your pay packet (although total remuneration ‘packages’ can be quoted inclusive of superannuation, so you should check).

However, you are able to put extra money into your superannuation yourself, although there are contribution caps regulating the maximum amount you can put in without being hit with a penalty tax. (This cap was put in place to stop very rich people saving on tax by putting a lot of money into the low-taxing super system). Your money then gets invested by the fund on your behalf, and is yours to use when you retire (or meet another condition that allows you to access your money).

How do I choose a fund?
Your super money can only go into a fund which is regulated by legislation. Private sector employees have ‘choice of fund’, which basically means you can choose the fund into which your superannuation money is invested. Usually, when you start a new job, your employer will provide you with a standard choice form, as well as documentation for the super scheme which is the employer’s default fund. If you don’t nominate a fund, the 9.5% employer contribution will automatically go into the default account under your name.

If you already have a superannuation fund, you simply notify your employer of the details on the standard choice form. It is worth shopping around and researching superannuation products to find which fund will best suit you. The government’s MoneySmart website is a good starting point for your research: https://www.moneysmart.gov.au/

Show me the money! When can I get my superannuation?
As your superannuation is meant to pay for your retirement, you generally cannot get access to your fund until you reach a certain age and retire, or reach age 65. (Note that the age of retirement is likely to be increased in coming years). There are some exceptions regarding personal circumstances — for example, if you have a terminal illness or injury you may be entitled to access your super as a tax-free lump sum payment, but this will need to be organised through your super fund as it is their decision, and has to meet the conditions in the superannuation law as well.

Find out more:
Want to find out more? Head to the ‘Know Risk’ website of the Australian and New Zealand Institute of Insurance and Finance (ANZIIF), where we’ve put together some of the best support sites available: www.knowrisk.com.au
FIVE STEPS TO PURCHASING CAR INSURANCE

Turning 18 and having the freedom that comes with getting your driver’s licence can make for some of the most exciting times in your life. But the flipside of having this newfound independence means you might have to start paying for things without mum or dad’s help. And one of those things you may have to think about as an adult is car insurance.

Possibly your eyes start glazing over at the mere mention of insurance; it might not seem very interesting to read about, but understanding how it works can save you a lot of money and headaches in the future, so we’ll try to make this as straightforward as possible.

You might think that because your car isn’t very valuable you could get away with not insuring it, but what if you crash your car into someone else’s brand-new BMW? If you’re found to be at fault then you will be responsible for the cost of repairs to that expensive vehicle (and your own).

Now, you’re probably also concerned about how expensive car insurance can be for people under 24, and the sad truth is — car insurance for young people isn’t cheap. This is because, as a P-plater, you won’t have had much driving experience, so the risk of you getting into an accident is higher than someone who isn’t on their Ps. Your premiums will continue to remain quite high until you hit 25, at which point the risk of you being in an accident and having to make a claim starts to dip.

But even though it’s a little expensive at first, car insurance is a wise investment — especially if you’re new to driving. So, let’s go through some of the steps you’ll need to take and some of the questions you’ll need to ask yourself during the process of purchasing a policy.

Decide if you need car insurance
As we discussed earlier, it’s always a good idea to have some form of cover, even if the car you’re driving isn’t worth much. But if you still doubt the need for insurance, the question you need to ask yourself is: ‘Could I afford to replace my car (or the cost of repairing the car that I hit) if something were to happen to it?’ If the answer is no (and for most people it is) then you should probably take out a car insurance policy.

Decide what level of cover you require
Car insurance has different levels of cover for you to choose from, and as you’ve probably guessed, the higher the level of cover, the more you’ll be covered for. Your options are:
• Third party property damage
• Third party fire and theft
• Comprehensive cover.

THIRD PARTY PROPERTY DAMAGE
If you’ve had an accident that was your fault, this type of insurance will cover the cost of damage to the car that you did damage to, but not the cost of damage to your car.

THIRD PARTY FIRE AND THEFT
Similar to third party property damage, this type of insurance covers the cost of damage to the other person’s property if you’re at fault. Fire and theft also covers you for damage caused to your car if it is stolen or catches on fire.

COMPREHENSIVE COVER
Comprehensive car insurance covers the repair or replacement of your vehicle for most things including theft, collision, fire, malicious damage and weather-related damage (like hail or flooding). Remember to always find out from your insurer exactly what you’re covered for.

Your chosen level of cover isn’t the only thing that will determine how much your policy will cost. When you buy car insurance, your insurance provider will also use the following factors to decide how much of a risk they are taking on with you, which will affect the price of your policy:
• your age
• your gender
• your driving record
• your car
• your neighbourhood
• where you park your car at night
• how many kilometres you drive.

When it comes to choosing your level of cover, everyone’s needs are different. Remember to really think about which level best suits your needs, and if you’re still not sure you can get advice from mum and dad, or your insurance provider.

Choose a car insurance provider
When choosing your insurance provider you might be tempted to just go for the cheapest option available, but the cheapest option may not cover all your needs. For example, if you’re a car lover who has put a lot of work into your pride and joy, depending on how modified it is you might need to find a specialised insurer. Or maybe you’re not planning to use your car that often, and you just need it for short trips to the shops or to your friend’s place. If that’s the case then you might want to look for insurers who will reward you for low kilometres travelled. (It could save you a lot of money!) Before making any decisions, make sure you’ve thought about all the ways you’ll use your car and what you need covered.
Once you’ve figured out how you’ll be using your car, it’s time to get some quotes, which can be done online, in person, or over the phone. It is a good idea to get at least three quotes before deciding on a provider, and always call up and talk to an insurer if you don’t understand something or if you need more information — there’s no such thing as a silly question.

**Buy your insurance**

Now that you’ve thought about what level of cover best suits you, and you’ve chosen an insurance provider that best fits your needs, you’re ready to purchase your policy. (Pretty exciting, right?) Remember to be honest with your insurer when purchasing your insurance as not giving important information might lead to insurance claims being denied in the future.

Once you’ve purchased your insurance, make a note of when your policy starts and when it has to be renewed. Remember to ask what you need to do to renew the policy once it runs out: Some insurance policies renew automatically (by charging the fee to your credit card), whereas others will need to be renewed manually.

When you’re done purchasing your policy you’ll receive a Product Disclosure Statement (PDS), which is basically a document that has in it everything you need to know about your policy. It might be a little dry and boring, but it’s definitely worth reading carefully to make sure that you’re covered for everything you need if you’ve read over your PDS and find the policy doesn’t meet all your needs, you will have the benefit of a cooling-off period (usually 30 days). This means if you change your mind in the first 30 days after joining, and haven’t made a claim for benefits on your policy, you can cancel your policy and get your money back.

**Review your policy each year before renewing it**

Once your policy expires, it’s tempting to renew it without a second thought. But things change all the time and your insurer needs to know about changes to your situation before you renew, to make sure that you’re still covered for everything you need. So before renewing, make sure you have a think about whether anything has changed. Maybe you live somewhere else now, or you park your car somewhere different. You may even have bought a new car. These are all things you need to tell your insurer before you renew.

Buying car insurance for the first time can be daunting, but with a little bit of planning and asking questions you’ll have it all sorted in no time. If you need any more information about insurance, visit www.knowrisk.com.au.

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**CYBERBULLYING IS A VERY REAL PROBLEM**

It can come in many forms: humiliation, lying, exclusion, harassment, and even threats of physical violence.

Did you know that one in four Australian kids is a victim of bullying? And did you know that almost two-thirds of girls aged 12 to 18 are victims of cyberbullying? Worse still, 25 per cent of all cyberbullies target people they don’t even know.

Cyberbullying affects us in some very serious ways. Studies have shown that victims of cyberbullying are at a much higher risk of depression, anxiety, low self-esteem, physical illness or even suicide, than non-victims. With almost half of all teens reporting having had thoughts of suicide, that’s a sobering thought.

So what can you do if you think you’ve become a victim of cyberbullying, or know someone who has?

**Find out more:**

Want to find out more? Jump on the Know Risk website www.knowrisk.com.au/insight/articles/don-t-put-up-with-cyberbullying and read our article on cyberbullying to find out.

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**SOMETIMES BEING A TEENAGER ISN’T EASY**

Your teenage years are often stressful as you work out who you are as a person, navigate tricky social situations and take an interest in the opposite — or same — gender in a romantic way. With all this going on, it’s easy to feel anxious or stressed, or to let life’s events get you down. If you don’t know how to cope with all these feelings, it can lead to things getting worse, or turning to drugs and alcohol in an unsafe way.

Fortunately, these days there are great resources around that will let you know the facts about anxiety and depression, alcohol and drug use, and a whole host of other things!

**Find out more:**

Want to find out more? Head to the Know Risk website where we’ve put together some of the best support sites available.

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**DIGITAL FOOTPRINT**

The trail you leave digitally has an ongoing cost to you. That’s not to say it’s all gloom and doom, it just means that when you are online you should be a bit more careful about what you say and share.

**Find out more:**

Want to find out how you can keep your digital footprint nice and tidy? Know Risk can help! Head to our website to find out more.

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**EVERYTHING YOU DO ONLINE FORMS PART OF YOUR DIGITAL FOOTPRINT**

From a Facebook status to an Instagram post to a comment on a Tumblr blog, just like real footprints, they can be messy, easily identifiable and very, very simple to track.

Because we’re so much more connected than we used to be, our digital footprint is easily exploited, with potential employers, recruiters, law enforcement and even universities searching and tracking our behaviour.

There are also plenty of cases where people with not so positive intentions track our behaviour for other activities, such as stalking, trolling, bullying and worse.

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**THE COST OF YOUR DIGITAL FOOTPRINT**

The trail you leave digitally has an ongoing cost to you.

GOOD DEBT, BAD DEBT: THERE IS A DIFFERENCE

Teenagers will have heard the word ‘debt’ many times, but perhaps some may not have a clear understanding of what debt is, the different types of debt, and why it is important to learn about debt.

Debt is an amount of money borrowed by one person or party (like a business) from another person or party (like a bank). The money is referred to as a loan. When a person borrows money they promise to repay the loan capital over a fixed period of time, along with a commitment to pay ‘interest’ for the use of that money until it is repaid in full.

Interest is the regular repayment required at a particular borrowing rate for the use of borrowed money. It is calculated on the loan amount outstanding or yet to be repaid. In this way, interest is the price we pay for the decision to borrow and buy now, rather than saving up to buy later. Interest is also the return that the lender makes on lending out funds in return for the risk the lender takes that you may not repay the loan.

The difference between good and bad debt

Good debt is money borrowed to purchase an investment that will return income and/or capital growth (where the asset appreciates, that is, it grows in value). In this case, interest on good debt is a tax-deductible expense and can be used to reduce tax payable on other taxable income, such as salary and wages. When it comes to investing and creating wealth, many people have achieved success using borrowed money to make investments, while others who have borrowed, that is, gone into debt, have lost their entire wealth on a bad outcome. So even good debt can lead to a bad result!

Bad debt arises when the loan is used to purchase products, assets, goods and services for personal use, and therefore the interest is not tax deductible. Examples of the use of ‘bad debt’ include taking out personal loans to buy cars, or pay for holidays, household appliances and other personal use assets that have less, little or no value in the future.

These bad debt loans are typically unsecured loans at high interest rates. The most common example of bad debt is when we borrow from the bank to buy our family home. In this case the asset (the home) we have purchased is likely to grow in value over time and we will benefit from the asset being exempt from capital gains tax. However, since the home is not an income-producing asset and is deemed a personal-use asset, the interest on the loan is not a tax deduction and therefore meets the definition of bad debt.

How to be smart now and wealthy later – 5 simple tips

TIP 1 – PAY YOURSELF FIRST

Earning money and spending it all on items that will be worth very little in the future will not make you wealthy. As money flows into your bank account, as it will over your lifetime, the secret to building wealth in the future is to capture some of that money before it flows out, and redirect it to savings and investment.

To save some of this money requires discipline. If you capture savings first, and spend second, you are heading in the right direction. We call this ‘Paying yourself first’. Try saving some of the income you receive by putting it into a separate bank account out of arms reach. The most significant benefit from this good practice is that you will ensure your lifestyle (and associated expenditure) remains appropriate and only increases at an acceptable rate and does not grow beyond your means. Over time, as you receive pay rises and promotions, you can then maintain the practice of saving. This will be very important for later in life when other needs arise, such as buying a home.

TIP 2 – EVERY LITTLE BIT COUNTS

How much should I save? Try starting with 20% of your take-home pay. Now 20% of perhaps $20,000 per annum ($4,000) may not seem like a lot saved, and you may look at your savings account at the end of the year and wonder whether it was worth the effort, but you have just started a habit that will keep you on track for a wealthy future. You will be surprised how much it adds up to over time.

You will be surprised, too, that the act of saving will become its own reward when you see your savings account balance grow. For example, you can exercise one of these choices:

1. Save 20% of your after-tax income and spend the other 80%.
2. Save 0% of your income by spending 100%.
3. Worse still, having discovered credit cards and bad debt — spend 20% more than your income!

Then, at the end of the year:

• Choice 1 will see you with 20% of your $20,000 = $4,000 saved.
• Choice 2 will leave you with $0 saved.
• Choice 3 you will be $4,000 in debt and paying interest every day, sinking you further into bad debt and a bleak financial future.

In this example, the difference between a good habit and a poor choice is $8,000 (plus interest!) at the end of the year.

TIP 3 – AVOID BAD DEBT

Avoid credit card spending or personal loans on cars, a holiday or even little things like those new runners when your current pair will do the job just fine.

The interest cost on bad debt is often very high and offers no tax relief in the interest repayments. What is worse is the potential for this debt to spiral out of control through bad habits or compounding interest. If you do not repay the debt on time and reduce the loan principle, the interest will compound and before you know it the debt can be strangling your finances.

Remember, it is not enough to make just the minimum monthly repayment on your credit cards. You must get into the habit of paying them off, in full, every month.

One trick is to ensure that you maintain your credit card limit at a very low level. Try keeping the limit below the equivalent of one month’s salary.

To save money requires discipline.

TIP 4 – USE YOUR INCOME TO BUY ASSETS

Over time, and with good savings habits and some money saved, you may make a choice to borrow. You have now been working for five years, and following the first three tips with great discipline. You have avoided bad debt and put a significant amount of money away.

Now you can consider borrowing to buy assets that produce income and have the potential to increase in value over time. You may choose to use your savings as security to borrow to make a larger investment.

This strategy is a little more complicated than just saving money, but will allow you to build greater wealth over the long term. You may be borrowing to buy shares, or to buy into a managed fund — or you can do both — towards carrying out your plan to buy an investment property.

An extension of this involves paying down the debt on these income-producing assets over time, resulting in an ongoing source of passive income.

Make a choice for ‘good debt’ not ‘bad debt’!

Use your saving habit to service (pay) interest and repayment on good debt used to buy assets that will lead to greater wealth.

Becoming wealthy is possible, but we all have to start somewhere!

by Chris Smith
Visa Private Wealth
Chris is a member of the Financial Planning Association of Australia
The trouble that a lot of people have with setting themselves a budget is that they often think of budgeting in the same way they view dieting — you can’t have this, you can’t have that. “Nope, put down the fork.” No, no, no — not so.

The truth is that having a budget can actually mean not going without — a budget is your chance to use your money in a more focused way, to work towards being able to afford more, even treat yourself to a night out, or a holiday, or whatever other goal you may have.

The thing to remember about setting yourself a budget is to not be too hard on yourself. There are absolutely unbreakable rules about making a budget, or sticking to it, and there is definitely no magic bullet that will solve all budgeting problems. In fact, everybody is different, and what may work for one person may not work for another.

The important thing to remember is that if you want your budget to work, it has to be ‘do-able’ — if it is too hard to stick to, all your good intentions will be for nothing.

The first step is to simply write down what you spend over a certain time — say, one month if you are paid weekly, or over a couple of months if you are paid monthly, so that you get an idea of your expenses over a few pay periods. Since it’s your budget, you can include as much detail as you think appropriate, but a helpful approach will be to add up ‘categories’ of expenses. And don’t get too finicky at first. Groceries, for example, but not how much spent on tea bags or toothpaste. Transport of course, but not car air fresheners or a newspaper to read on the train.

There are two overriding categories — these are ‘essentials’ and ‘extras’. The essentials are the things that need to be paid no matter what, just to keep your family or household running — things like electricity, gas and water, rent or mortgage, food and health essentials, clothing, and transport to work or school.

The extras are obvious: you can get by without them, but they’re nice to have occasionally — movies, takeaway food perhaps, or a drink with friends.

On top of these, there should also be factored in some allowance to put something aside for unforeseen expenses. These are the things that crop up now and then, and when they do they are unavoidable — dentist or doctor, car repairs, plumbing emergency and so on.

The important thing here is to keep your categories of expense relevant to your own situation. Your budget doesn’t have to impress anyone else, and it has to be useful to you. So be flexible, and change the parameters you’re working with if you find that they just don’t work.

**Set targets**

A helpful tactic will be to set yourself a target. Make it one that will achieve a useful result, like saving for some gym shoes. Fine-tune your budget to help reach your goal — for example, settle for a DVD instead of going to the cinema a few times over a month. Keep track of your spending from pay to pay, and how much you have saved to reach your target.

There are electronic or online budget planners available that can help you make these fine tunings, and your bank or other financial institutions you deal with may have one that you can access via their website.

As an example, the Australian Securities and Investments Commission’s consumer website FIDO has a free budget planner that you may find useful. It is an interactive online calculator that will show you how your expenses stack up against your income, and you can make an adjustment to one area of your budget to see how that change will affect the end outcome. The government’s MoneySmart website also has an interactive Excel budget planner that you can access here. www.moneysmart.gov.au/tools-and-resources/calculators-and-apps/budget-planner

Managing bills

Some utilities providers (utilities include electricity, gas, water and telephone) give you the option to pay monthly or quarterly. You will need to make a judgment as to which payment period suits your income pattern best. Try to spread the payment periods, having some monthly and some quarterly, so that you won’t have to find a big lump sum to pay all your services bills at once.

It is important to not let bills go too long before paying them as some incur a penalty for late payment. If you are having trouble getting the whole amount together, call the company and explain the situation. There is no guarantee that you will be allowed extra time to pay, but companies are generally practical about being paid, and you may be able to arrange to make smaller more frequent payments. Paying by instalments will at least enable you to squeeze in some of that budget fine-tuning with each pay packet.

If you are really in trouble, or a bigger unexpected expense crops up — don’t panic! It is important to contact the companies you owe money to and explain your difficulties, and that you need to discuss making arrangements. Offering what you can reasonably afford to pay to a creditor will help your case. And contact is particularly important if you have used an asset like a car as security for a loan, for example. Get in touch, before the bailiff or sheriff arrives with a wheel clamp.

If it is credit card debt you are grappling with, try to make sure you pay at least the minimum amount each month to avoid further fees on top of what is already owed. And don’t be backward about looking for advice. For example, the Australian Competition and Consumer Commission website has some helpful suggestions about where to go for help with debt problems: www.accc.gov.au/consumers/debt-debt-collection
Assistant at McDonald’s at the time, it all became too much and I sold it a year later.

Why did you get into business?
I love the idea of working for myself, spending my time developing new ideas and seeing the ideas through from initial thought to design and development to product launch. It’s not easy and takes patience and persistence to get there. Some people will have an amazing idea or product and we see the run-away success that it is, but what we haven’t seen is the years of planning, organising and sticking by their idea to get to the stage they’re at now.

Do you consider yourself an entrepreneur? Why?
The term entrepreneur is devised around the basis of taking risk. I see myself as that person who is willing to take a risk and see where it takes them. I have never made a business decision that hasn’t been a risk, with a certain degree of uncertainty that it will work or not. If I don’t know the answer to something, or I’m not sure how it is done, I will take the risk and either learn how to do it or run into it blind.

What were your immediate challenges and how did you resolve them?
I think the immediate challenges were how do I manage this whilst still working? I was always unsure about taking the risk of leaving a secure job to ‘do my own thing’, and whether it was the smart thing to do. To this very day I still work part-time, mostly for the social interaction, but also for the security. I learned to delegate, to have others complete tasks and then be super organised myself to ensure that I get the most from my day.

Did your parents have a role in helping you into business? Explain.
Yeah, most definitely. My parents were and are a big inspiration to all the business investments I make. My Dad is a business owner himself, and always pushes me to go further and take risks. They also assisted me in purchasing the vending machines as my first business, so I definitely could not have done it without them.

What are your ongoing business-related challenges?
To be at the forefront of the market, to be able to see trends before they happen, and understand different target markets’ objectives and next big thing. Another challenge is finding enough time to keep track of things, be more organised (which I’ve learnt a lot about lately) and to ensure that I am having enough of a social life so that I have time to unwind, travel and spend time with friends and family.

As a business owner, do you live comfortably with risk? Explain.
I am generally not a risk-taker, and it has been one of the hardest things to overcome in my career, personal and business life. Comfort is something that everyone warms to, and when stepping outside of your comfort zone it is often hard to stay committed and motivated. I have learnt that nothing can be achieved without risk and trying new things, experimenting and innovating all carry a certain degree of risk. Risk is something which you need to embrace and build into your mindset to ensure that you have an exciting pathway paved ahead.

Describe your marketing strategy?
Our marketing for all businesses is very much online-based. The onset and popularity of social media, as well as the fact that everyone now carries a smartphone, means that getting the relevant messages to your customers efficiently is now more important than ever.

We utilised Instagram influencers with our teeth-whitening product to build brand awareness and create

“I have learned that nothing can be achieved without risk and trying new things, experimenting and innovating all carry a certain degree of risk.”

MY BUSINESS: JAEGGER LINDSELL

Secondary school attended:
Penrith Anglican College, NSW

Favourite subject/s:
• English – English teaches everyone a very valuable skill — writing. Without being able to express ourselves in a written sense, we are unable to communicate on a professional level.
• Maths – Yep, maths — everyone’s love-to-hate subject. Surprisingly, not all aspects of mathematics are used in later life, but there are times when something just comes to you, and I can guarantee you learned that in maths class.

Tertiary studies:
• Bachelor of Business Management
• Bachelor of Media and Communication – Currently Completing

What was your first business?
I’ve always been interested in business, and always had idea after idea; they did not always come to fruition, but the thought is always there. Apart from selling cans of Coke out of a rented locker at school, my first real-life business was a vending machine operation called Vendetta. I had only just turned 18 and I owned seven snack and drink vending machines around businesses in the inner city of Sydney. It took me around 10 hours to fill the run, and as well as working full time as a First
I can’t recall learning basic money management and budgeting. School teaches us how to eventually earn money but then doesn’t show us how to manage and be smart with what we earn. I think if it were built into the curriculum, and more ‘life skills’ were taught, it would be very beneficial to the students of today.

As a business owner are you always learning? How?

Learning never stops and each and every day there are new things you discover, better ways to do things and new things that you’ve never even heard of. I think in the business world if people stopped learning and just continued with a single vision — that of their own — that we would fall into a situation of no innovation. I have the mentality that if someone asks me to do something and I don’t know the answer or how to complete the task, I still accept the task and learn as I go. I think learning on the fly is the best way to take yourself out of the comfort zone and broaden your horizons.

Finish the sentence:
• The part of being in business I enjoy most is: every day when waking up there are new challenges and two days are never the same.
• The part of being in business I least enjoy is: accounting.
• My best tip for starting a business is: research, research, research. If you fail to plan you plan to fail.
• The biggest reality check for me was: realising that there are times when it won’t be all rosy, and even through the tough times you must stick through it.
• I research my competitors to: ensure that I keep up to date with where the market is heading.
• The main issue that affects my business is: staying relevant, staying fresh and keeping it simple.
• My future success in business will: hopefully enable me to travel the world and run my businesses from abroad.
• All students should: look outside the box. If you have something you want to do don’t let anything stop you.

On a scale of 1 (easy) to 10 (very difficult) owning and managing a business is a ... 7

The difficulty of owning and managing a business essentially comes down to how well you plan, how well you delegate, how well you manage and how well you lead. If you can conquer these four aspects, you will find it easier. If you try to do everything yourself, you are tied up completing the little tasks. Find people who specialise in those areas, and don’t be greedy to do everything yourself.

Did your choice of subjects at school help you?

I think the overall structure of school, learning new things every day and striving to find new things were attributes to wanting to continue my learning outside of school.

Describe what financial life skills you learned at school? What would you have liked to learn?

I would have started much younger and not held off because I didn’t think I was ready. When I look back over the start of my business life, there was nothing stopping me from doing earlier what I am doing now. You’re always learning when you’re running your own business, and it’s never too early to start learning.

Do you try to build alliances with other businesses? Why? (Give an example if possible.)

We do build alliances with other businesses. In Boomen Creative’s situation we have built alliances with businesses such as computer and business mentors to offer our services to their clients. We ensure that the standard of work produced is of an extremely high quality to maintain these relationships. Alliances are important as you learn and form partnerships to better your own learning and understanding, as well as that of the other business which you are involved with.

Did your choice of subjects at school help you to get started in business? How?

This is a difficult question to answer as that any particular subject assisted me to where I am today however I think the overall structure of school, learning new things every day and striving to find new things were attributes to wanting to continue my learning outside of school.

Describe what financial life skills you learned at school? What would you have liked to learn?

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If you were to start your business again, how would you do it differently?

It would be very beneficial to the students of today. I thought it was due to their skill! The connection between money and happiness has long been a topic of discussion and debate. Norton’s research explored the notion that if you spend money on others it will make you happier. His research showed that when people from most countries across the world, gave money to help others they are happier than people who do not. He also proposes that these people are more successful than others.

What do you think?

Find out more:

...we spend a lot of our time thinking about money and happiness" 
Michael Norton
WHAT'S NEW

SAMPLE PROGRAMS

USE OUR RESOURCES IN:
- Business Studies
- Work Studies
- Student Wellbeing / Pastoral Care
- Literacy / Numeracy
- Accounting
- Economics / Commerce
- Mathematics
- Student Leadership

NEW RESOURCES

USE OUR RESOURCES:
- Across year levels
- On school camp
- At home
- In workplaces
- In the staffroom.

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Publishing Schedule
2017: Teenfinca® Edition 2- September

PARENTS WEBSITE

HAVE YOU VISITED THE WEBSITE FOR PARENTS?
THE SCHOOL P&C HAS THE LOGIN AND PASSWORD IF THEY HAVE REQUESTED IT PREVIOUSLY.