

## Building Wealth A Dream for Everyone

There's no denying that we all want to be wealthy. For many of us this may seem like nothing more than a pipe dream, and realistically we can't all be as wealthy as the next person, but we can improve our wealth at the very least, to the point where we no longer stress over money and can lead fairly comfortable lives.

Building wealth over the long-term boils down to three simple, yet not so easy to execute steps. Making money, saving or not overspending that money, and finally, investing a good portion of it away for the future.

### Step 1: Making Money

This is the most vital part of the equation, and also the one that is most effected by outside forces and even a little luck, whereas steps 2 and 3 are primarily up to you. You can be the smartest investor and the wisest money saver in the world, but it simply won't do you any good if you're not making enough money.

The most important aspect of determining your income potential is the field you're in, and you may need to ask yourself some questions regarding it. How well are you being paid now, and what potential income will you be earning in 5 or 10 years? If you're doing something you love but it doesn't pay well, are you willing to work a job you may not like as much to make extra money? You can be the best in the world at what it is you do, but if you're stuck in a low paying field, your options are limited.

### Step #2 - Saving Money

Maybe you're already in a nice position income wise, yet you still can't seem to get ahead. In this case you're simply not doing a good enough job of saving your money. You can make \$100,000, but if you're spending \$110,000, you're getting nowhere fast.

The good news is that the potential to save is there. Like we said above, making money is the hardest part, so if you've got that down pat, you can be saving nice chunks of money away in no time with just a little effort.

To get started you should track your spending for a whole month. You need to see where all the expenses are coming from, and you may be surprised at how easily you fritter money away and possibly damaged your [credit rating](#). Once that's done you can begin to cut some of the extra fat, those expensive little conveniences that won't affect your way of life when gone. This boils down to figuring out what you need and you merely want. If you have a sizable income and aren't saving any money, there is definitely a lot of **wants** - in your spending, and that's fine. You won't need to cut them all out, even just a few could save you a good deal of money each month.

### Step 3: Investing Money

Once you have enough money saved away you can begin to invest it. Depending on your age, you may need to take on greater risk in your investing than if you were younger. No matter your age you should avoid being too conservative. Your portfolio will need at least some equity exposure to guard against inflation, which is often not considered by new investors.

### Summary

Building wealth is not rocket science, it just takes some the execution of three fairly simple steps. If you're making the money, there's no reason for you not to be saving and investing it, unless of course you plan to work all your life. No? I didn't think so. It's time to get going in that case, you have nothing to lose and your retirement to gain.

### About the Author

We've just scratched the surface looking at the topic of [personal credit report](#). Drop by today at <http://www.debtjerk.com/improving-your-credit-score.html>.

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