



3 Ways to Quicken Your March to Financial Independence

Description

One of many people's goals is financial independence. When you reach financial independence, you can choose to work casually or go do what you love. It takes planning to march to financial independence sooner — before the usual retirement age.

You don't have to be precise in your steps, but every calculated step can get you farther down the financial independence path. To be clear, spending less and earning more will allow you to reach financial independence faster. Let's take a look at some examples.

Reduce “want” expenses

Reducing your expenses fall under the category of budgeting. When we experience higher inflation than usual, as what's happening now, it makes it more difficult to cut down our spending. This is when cutting “want” expenses comes into play.

Let's figure out the “need” expenses first. It is necessary for us to have food, clothing, a home, and transportation. For food, it will probably save you money by cooking your own food and reducing the frequency of eating out. Food is a “need” expense, and eating out is a “want.”

Similarly, we need clothes, but it's a want to change one's closet every season or year. A home and utilities are necessities. However, I've been to homes that are super warm and others that are cool and still comfortable. All else being equal, the cooler ones should save more on their electric utility bills.

If you must travel to work, can you make do with public transportation, or must you own a car? Owning a car requires paying for fuel, maintenance, and insurance.

Buy what you need on sale whenever possible

Some people don't care about buying things at regular prices, but little savings do add up. So, try to buy things you need on sale whenever possible, including groceries. It means knowing the prices of

what you need or want and grabbing the items when they go on sale.

I have a friend who worked briefly at a high-end clothing store for the purpose of getting employee discounts. That would be a brilliant idea if you were going to buy the clothes anyway, even if you didn't work at the store.

Be careful not to overstock, though. It feels great to buy things on sale or at a cheaper price in bulk (like at **Costco**), but if you buy more than you need and the items are perishable goods and end up going bad, it would be a waste of your money and resources.

Everyone's "needs" and "wants" are different. To quicken your march to financial independence, you might have to make some necessary tradeoffs by turning off or reducing certain "want" expenses and warming up to investing.

Invest in the financial markets

[Online brokerages](#) and the commonality of exchange-traded funds ([ETFs](#)) make it super easy for *anyone* to get started investing. You can grow your money by investing in the financial markets long term. ETFs are a passive way to invest. Simply averaging your money into a broad market ETF will do. However, if you feel up to it, you should totally try stock picking, as it can be incredibly rewarding. Here's a quick [introduction to bonds and stocks](#).

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