

Review flipping the switch: unleash the power of personal accountability using th...

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About the The book selected for discussion in the project is Cash flow Quadrant: Rich Dad's Guide to Financial Freedom. The of the book, Robert Kiyosaki, is a well known for writing motivational books. He began his career as self publisher but later he was published by Hachette Book Group of USA. The writings of him have been often being criticized as he focused more on anecdotes. He responded to the criticisms on the ground that his writings are more of motivational tool. He put forwarded the view that his books are supposed to be interesting and includes much more technical stuff. About the book The author provided an example of Rich Dad and Poor Dad. The richness is not being labeled with money alone. He had put emphasis on financial freedom. In the book, Rich Dad has been entitled as rich because he had much more free time to offer to his family. On other hand, when Poor Dad became successful as a state employee he could offer much less time than the Rich Dad to his family. Therefore richness here has been determined with free time in spite both Dad being successful. Financial freedom has been determined with stable flow of cash with free time. The author put forward the concept of four quadrants named as employee, owner, self employee and investor. According to him one can be successful and earn money in all the four quadrants if efficient decisions are taken. The words used by the persons differentiate them. It is fear which drives the employees and so they use words like security. The self employed enjoy their independence and try to structure their work procedure in such a way that provides them maximum financial freedom. Money is working for the investors and so their job is to find the place where their money can work. If wealth is determined by the number of days when people can live efficiently

maintaining their life standards then investors are in better off position. The motivation for business owners and investors is freedom while the same for employees and self employed is security. The rich can enjoy the benefits of taxes. While most people are engaged in raising their income, the rich eyes on investments. One can attain financial freedom when he is working for him but his money is working for the investors. Three types of business systems have been discussed in the book. They are traditional corporations, network marketing and franchises. The recipe to become a business owner has been discussed as well. A business owner to be successful will have to ignore the fear of rejection at first. The ability to handle different types of people is necessary. The smart investor opts for the retirement plans and takes the help of financial planner. Some investors eventually lose as they think they have good knowledge of the market but in reality they have little. The other types are lazy and are not aware of the rules of trading. The aggressive ones are smarter and know the ways to play the game. Money is regarded as the mobile element and changes hands frequently. Those who makes a billion from a million knows how to work with it. The smart investors analyze the associated risks. They train themselves in such a way so that they can take the appropriate strategies to maximize the circulation of money. The author says that people are rich when others are indebted to him while the same is poor when he is indebted to others. The irony about the quadrant of the author is that security is laying on the quadrant of business owners and the investors. If someone has the capability to produce more and more money he may be in search of jobs. The more easily one masters the art of numbers, more easily he can shift quadrants. The biggest constraint while

shifting quadrants is emotions and not technical. Control of fear and loving to take some calculated amount of risks will pave the path of shifting. Hard work and focus with determination are the recipe to silent the critics. Advices from the people enjoying the positions where someone dreams to be in will also be fruitful. It has been proved empirically that people who can be termed as wealthy maintained long term visions and believed in delayed gratification. They were smart enough to use the compounding power in their favor. The small baby steps will allow the person to shift to his desired quadrant. Works Cited Kiyosaki, R. and Lechtar, S. Cash flow Quadrant: Rich Dad's Guide to Financial Freedom. Web. 2000. Retrieved From: [http://books.google.co.in/books?id=T5mj8kpvtj8C&dq=cashflow+quadrant+by+robert+kiyosaki&source=bl&ots=Jk2xBBer\\_v&sig=sVPBkS9NNML6Zf1KMjPdiOsEJKA&hl=en&sa=X&ei=CxRwUNuxKO2cmQWC8oHABQ&ved=0CDIQ6AEwAA](http://books.google.co.in/books?id=T5mj8kpvtj8C&dq=cashflow+quadrant+by+robert+kiyosaki&source=bl&ots=Jk2xBBer_v&sig=sVPBkS9NNML6Zf1KMjPdiOsEJKA&hl=en&sa=X&ei=CxRwUNuxKO2cmQWC8oHABQ&ved=0CDIQ6AEwAA). [Accessed From: 6th October, 2012]. Print.