



In support of **The Improving Financial Awareness & Financial Literacy Movement in Ghana** built around the strategic venues of

- *Financial Literacy Month (April)*
- *Estate & Gift Planning Awareness Month (October)*

This feature column contains some very important messages

<http://ugbs.ug.edu.gh/association>

Improving Financial Awareness & Financial Literacy Feature Column Series 017 Issue | 2021

Should We Start A New Business?

Today, many people are in the situation of having higher financial goals than their current wealth and income will support. However, few people seem to realize this early enough to do something about it. You now are in a position to evaluate your financial goals, lifestyle, family commitments, career and business opportunities. Starting a business can be a real dream come true, or a disastrous nightmare for you.

TODAY'S THOUGHT

“Empty pockets never held anyone back. Only empty heads and empty hearts can do that.”

~Norman Vincent Peale

Before starting a business, consider the following advantages and disadvantages of heading down this path.

ADVANTAGES

- ❑ **Control** — As an employee of a large corporation, you answer to at least one and perhaps several bosses. You bow to their commands and answer to their whims. As owner of your own business, you're in control. You determine the hours that you work and how that work is to be done. So, if you need to pick up your child at the airport or if you want to play golf or go shopping, you don't have to ask for anyone else's permission.
- ❑ **Sense of Accomplishment** — It is a great feeling to have created something successful from scratch.
- ❑ **Happiness** — By choosing a business you enjoy, you will spend your work hours fulfilling your own wishes, doing what you want to do.



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Alert: We believe sharing financial awareness and financial literacy can be highly contagious!



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- ❑ **Job Security** — No matter the size of the corporation or how seemingly stable it is, employees are vulnerable to being laid off at any time. Companies merge, move or just decide to downsize. Regardless of how well you perform, a corporate decision made in some far-off headquarters could seal your fate. If you own your own business, your success or failure will rest on your shoulders. You and you alone will decide whether the business will continue and what your role will be. You will not have to worry about someone unexpectedly tapping you on the shoulder and telling you to pack your bags. But if you get sick, you may be out of business just as quickly.
- ❑ **Profit Potential** — It's hard to get rich working for someone else. No matter how hard you work, it's unlikely you will be fully compensated for the value you add to the company. By running your own business, you decide what to do with your profits. You can take them out and spend them, take them out and reinvest them into other ventures, or reinvest them into your business. You decide. If you build a successful enterprise, there is no limit on how wealthy you can become. Many of today's billionaires gained their wealth by starting their own business.
- ❑ **More Family Time** — With your own business, you can hire anybody you want, including your spouse and children. Even if they're not part of the business, if you work at home, you can still see them more often than you would if you worked at a distant office. This may be a disadvantage as well as an advantage. Not everyone has the temperament to be an entrepreneur or an entrepreneur's spouse. Misalignment here can also cause serious domestic challenges.
- ❑ **Tax Breaks** — Running your own business can be an excellent tax shelter. Many home office, travel, auto, health care and entertainment expenses may be tax-deductible. If properly structured and documented, some of your lifestyle can become tax-deductible business work and expensed as such.



DISADVANTAGES

- ❑ **Financial Strain** — Unless you're independently wealthy or have some rich relatives or friends who are generous with their money, it's likely that you will have to invest substantial sums of money in the enterprise or go into debt. And there's no guarantee you'll get the money back or be able to pay off any loans.
- ❑ **Long Hours** — When you first start a business, you may need to put in a lot of hours. Until the business is up and running and you can hire more people, you'll be handling everything yourself — from the big things, like accounting, buying the right kind of insurance, marketing and dealing with customers, to the minutiae, like taking out the trash and acquiring supplies.
- ❑ **Stress** — When your livelihood depends entirely on your own decisions, you will frequently feel the strain of uncertainty. Stress seems to be a constant in today's working environment. At least as your own boss, you'll have the freedom to take breaks on days when you're feeling too much pressure.
- ❑ **Possibility of Failure** — There are no guarantees with any business. You may devote months or years to building the business, only to find it is not working.
- ❑ **Loneliness** — When you have your own business, you will not be working with scores of fellow employees -- no water cooler chats, company softball games or weekly meetings. There are solutions



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to this, however: Network on a routine basis. Schedule breakfasts and lunches with centers of influence, existing customers, potential customers, other business owners and friends. Join professional and industry organizations.

- ❑ **No Employment Benefits** — If you work for a large company, you are probably eligible for relatively inexpensive health insurance, life insurance benefits, a retirement plan and other perks. Health insurance can be very expensive for small companies. And the other benefits would have to come out of your own pocket.

On the other hand, many of the benefits you pay yourself maybe fully or partially tax-deductible. And there may be retirement plans available for small businesses that can include or take the place of big company plans.

Starting and running a business is not for everyone. However, a properly structured, well-thought-out and planned enterprise — with some good luck — can be an excellent opportunity for generating a large income and building serious wealth. If you decide to go this path, be sure to do your homework first.

Starting a business is not a sure thing, but it has many great possibilities.

If you would like to receive a complimentary digital copy of the Your *financial* PARTNER Detailed Business Plan Outline and associated article in PDF file format, -click on these links

<http://www.thefinancialawarenessfoundation.org/pdf/TFAF-Ghana-UseABusPlan.pdf>

<https://home.thefinancialawarenessfoundation.org/pdf/019.TFAF-Ghana-UsingYourBusPlan.pdf>

<https://www.home.thefinancialawarenessfoundation.org/pdf/TFAF-BusPlanDetailedOutline.pdf>



Visit The FA Association's website to learn more.

<http://ugbs.ug.edu.gh/association>



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Introducing...

The International Improving Financial Awareness & Financial Literacy Association at The University of Ghana (FA Association)



Our Mission is to Significantly Improve Financial Awareness &

Financial Literacy in Ghana. We envision a Ghana and a World where every person is well educated and has personal finance knowledge - an essential life skill - necessary to make lifelong informed financial decisions while having access to the right financial advice and the skills and tools to manage their finances. Providing everyone the opportunity to achieve and maintain their financial stability, security, and freedom throughout their lives, while they pass on their values, knowledge and assets to future generations to make their lives and this world a better place.

The FA Association Aims & Objects

- To serve as a forum for member students, faculty, staff and alumina for the discussion of matters relating to financial awareness and financial literacy.
- To foster close co-operation and brotherly relationship among Members of the Association.
- To assist the financial service industry in promoting financial awareness and financial literacy in Ghana.
- To organize lectures, symposia, picnics and fundraising to support the University of Ghana, and The Improving Financial Awareness & Financial Literacy Movement in Ghana, Student Scholarships, Faculty Grants, and other worthy causes..
- To promote and maintain the spirit of friendship among members of The Association.

Headquarters

- The FA Association Headquarters are at the University of Ghana, Department of Finance within the University of Ghana Business School, P.O. Box LG 78 Legon, Accra
- Dr. Benjamin Amoah, PhD, Coordinator +233 24 759 9606 benamoah@ug.edu.gh
- <http://ugbs.ug.edu.gh/association>

Membership

- Membership of The Association shall in general be open to all persons who are within or support the University of Ghana Community.
- At this time there will be no membership subscriptions or fees.
- Membership Application - <http://ugbs.ug.edu.gh/association>

Preview of what we will be doing

- Leadership role in **The Improving Financial Awareness & Financial Literacy Movement in Ghana**
- Assist in developing and delivering Financial Awareness & Financial Literacy Curriculum Programs for all university students, faculty & staff, and alumni
- Establishing **The International Improving Financial Awareness & Financial Literacy Research Center at UG**. This will provide ongoing longitudinal, technical & academic research to monitor The Movement and its advancements, make improvements where necessary, and provide political leadership with valuable economic insights

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- Initiate Professional Certification & Training Programs for financial service professionals.
- Establishing Incubators / Accelerators to identify, assemble, create, and help launch and nurture / guide the successful growth of new and existing businesses.
- Develop a Network of Volunteers and Ambassadors that support **The Movement** and efforts at the University and throughout the University Community.
- Fundraising for UG & UGBS



The Improving Financial Awareness & Financial Literacy Movement

Ghana has a population of nearly 30 million with an employment rate of about 41% and an unemployment rate near 6.8%. However this leaves over 3.9 million Ghanaians (13% of our population) so poor they cannot afford three meals a day for themselves and their family; in rural areas it is higher. Many are struggling to survive less than \$1.90 PPP (Purchasing Power Parity) US per day.



With COVID-19 this is getting worse while we are also experiencing increases in debt. We are not taught at home or school about planning for our future and why it's important to have a current financial, estate and gift plans to protect themselves and our families. We have a collection of serious problems resulting in a high percentage of poverty coupled with a lack of financial awareness resulting in a serious financial illiteracy epidemic. This places a HUGE growing amount of pressure on families and friends, employers, nonprofits; as well as the ultimate safety net the government. This is not just a local epidemic it's an international one.

Most people are not taught the essential principles to smart money management – the foundation to personal finance knowledge - at home or in school. Thus they don't have the proper tools to address everyday money decisions in an informed manner. This jeopardizes their financial and physical wellness, their ability to realistically achieve and maintain their personal and family financial dreams, let alone enjoy a financially secure debt free future.

To help address the lack of financial awareness and the financial illiteracy epidemic a team of dedicated concerned Ghana parties began taking an active leadership role to recognize organizations and their management, and individuals that are championing improving financial awareness and financial literacy. They

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began uniting them with other associations, organizations, nonprofits, educational institutions, municipalities, employers, the news media and concerned individuals to actively focus this vast community resource into **The Improving Financial Awareness & Financial Literacy Movement** with its semi-annual concentrated personal finance content media blitz around the strategic campaign venues

- **April shall be known as Financial Literacy Month in Ghana, and six months later with**
- **October being known as Estate & Gift Planning Awareness Month**

The plan is to touch everyone at least twice a year through these strategic campaign venues, with educational and motivating content, reminders and tools for making wise informed lifelong financial decisions and to get and keep your financial house in order by having current financial, estate and gift plans.



To learn more about **The Movement** and how it can benefit you and your family, your business and the Ghana economy and so much more take a look at **The Movement's Executive Summary / Overview** by clicking on the graphic or at this address

<http://www.thefinancialawarenessfoundation.org/pdf/TFAF-TIFA-FLMovement-Ghana-ExecSum.pdf>

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