

SUCCESS

10 Success Lessons from Warren Buffett (2022)



Want to hear some of Warren Buffett's success lessons?

Buffett has made his billions through making smart investments in the world of stocks and shares, essentially making him the smartest investor to ever walk the planet.

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- 2. Be Careful When it Comes to Borrowing
- 3. Have a Clear Definition of Success
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Warren Buffett's Success Lessons

Naturally, people want to hear Buffett's advice when it comes to being successful in your own life, which is why you're viewing this article!

Here are 10 success lessons from Warren Buffett:

1. Spend Your Money Wisely

The first of Warren Buffett's success lessons is to spend your money wisely. This also ties in with a few of the other lessons Buffett explains, but will get to those shortly.

Try not to waste your money on the things that you don't need, and spend it wisely on the stuff that you do need. Also make you save so that you can invest in yourself later on when you're ready to.

"If you buy things you don't need, you will soon sell things you need." – Warren Buffett

2. Be Careful When it Comes to Borrowing

If you're someone who takes out loans quite a lot and maxes out your credit card, then you're not going to become rich are you. You're going to end up with debts that are ever increasing and it'll start snowballing if you're not careful.

Warren Buffett has never borrowed a large amount of money, and he suggests to those with outstanding loans that once they've repaid and are free of debt, they should begin saving what they can to be able to invest later.

3. Have a Clear Definition of Success

You'll find that despite being a billionaire and one of the richest people in the world; Warren Buffett doesn't really measure his success based on the amount of money he has.

There was actually a point in his lifetime where he was willing to give almost all of his cash to charities.

Instead of gauging success based on wealth, Buffett states that success is more about having lots of people around you that love you and that you love too, especially as a man of his age.

So have a think about what you're definition of success actually is. Check out this post I've written on redefining your definition of success, which will help you to understand more about why this is crucial in life.

"That is the ultimate test of how you've lived your life." – Warren Buffett

4. Don't Be Afraid to Be Different

The truth is that most people will copy others that have already become successful.

I don't blame them, I do it too more often than I should, but it's not always a great way to go. If you're forever copying others, you're never able to give anybody your own personality and image, your own ideas and visions.

It's normally always the people that dare to be different, who are discovering the next big thing which people fall in love with. Warren has stated that the average person will be the one that is copying other people, but he didn't want to be average.

He wanted to be different and judge himself by that of his own standards.

5. Reinvest Profits

In business reinvestment is always a great key to consistent growth, but especially when it comes to something such as stock trading.

After all, if you make money in the stock market and spend the profit, you're only going to have the same amount to invest next time. And that's not going to help you with quick growth at all.

This was something that Warren Buffett learned fairly quickly. One of his first ventures was purchasing a pinball machine with a friend and putting it in a local barber shop.

He didn't go out and spend his share of the profits from this machine on stuff he didn't need. He went out and purchased more machines to place in other shops.

Then when this venture ended, he again reinvested the profits into the stock market, which served him very well in the future from doing so.

6. Persistence is Key

Persistence is the key to mastering any skill, you know that. You've just got to keep pushing until you get through the barriers to success.

In 1983, the Nebraska Furniture Mart was purchased by Warren Buffett, mainly because the way that Rose Blumkin, the founder of the mart, did business appealed quite well to him.

Rose was an amazing negotiator and she used to completely undersell the big shots as part of her business strategy. The Furniture Mart didn't start out as a large store. Over time it grew from just a small pawnshop into North America's biggest furniture store.

The reason this furniture mart became so successful and was able to beat its competitors was because Rose had the persistence and determination to turn it into what it eventually became.

7. Think About Things in the Long Term

When it comes to stocks and shares in particular, investing in the long term will most likely be able to reap more benefits than hoping to make a quick buck.

It's the same with bank interests. The longer you're prepared to tie your money up for, the larger percentage of interest you will get.

"No matter how great the talent or efforts, some things just take time. You can't produce a baby in one month by getting nine women pregnant." – Warren Buffett

8. Don't Let Small Expenses Creep Up on You

Small unexpected costs can kill businesses without them even realizing until the last second. Whether it be postage costs, packaging costs, missing stock gone unnoticed, you name it.

If this happens too often without people realizing, then costs will be a lot higher than what people make them out to be and the business could potentially be losing large amounts of money.

9. Always Assess Risks

When you're an entrepreneur, taking risks is pretty much essential, but you should always be assessing the risk that you are thinking of taking.

When you assess a risk and weigh up the potential advantages to disadvantages, it will always help you make a better choice for yourself.

10. Know When to Quit

The last of Warren Buffett's success lessons is to always know when to quit.

In stock trading, particularly, knowing when to quit is so damn important. If you don't know when to accept mistakes and losses, you will make the whole much bigger, and begin to lose even more.

Buffett says you need to know when it's time to accept a loss and move on, before it ends up sinking your entire ship.

Summary

Here's a quick recap on Warren Buffett's success lessons:

1. Spend your money wisely
2. Be careful when it comes to borrowing
3. Have a clear definition of success
4. Don't be afraid to be different
5. Re-invest profits
6. Persistence is key
7. Think about things in the long term
8. Don't let small expenses creep up on you
9. Always assess risks
10. Know when to quit