



Investment and Budgeting Handbook for Athletes

Dan Nybondas

Haaga-Helia University of Applied Sciences

Bachelor of Business Administration

Thesis

2023

Abstract

Author(s) Dan Nybondas
Degree Bachelor of Business Administration
Report/Thesis Title Investment and Budgeting Handbook for Athletes
Number of pages and appendix pages 33 + 18
<p>This is a product-based bachelor's thesis made for professional athletes who are looking for investment options and to create financial stability so that once their career as athletes is over, the transition to a new career is easy. There are plenty of examples of athletes who have spent all their money either during their careers or a few years their career in athletics is over. With the handbook, the aim is to create awareness in athletes to make financial good decisions in their daily life, short- and long-term.</p> <p>The literature reviews laid the foundation for the theory part of this thesis as well as the base for the theory part of the handbook. The theoretical framework was split into 3 parts but mainly focused on the budgeting and investing concepts. The main parts were then divided into smaller subchapters that contained key theories and different investment options. Once the theoretical framework was completed, interview methods and choosing of interviewees were decided. Semi-structured, qualitative interview methods were chosen since they would give the most data regarding of the objectives of the final product. Interviewees were chosen based on the target reader of the handbook.</p> <p>The results of the interviews showed that there is a need of guidance and useful resources for athletes when it comes to both investing and budgeting. The handbooks key contents were combined based on the results of the interviews and theories.</p>
Key words Handbook, Athlete, Investing, Budgeting,

Table of contents

1	Introduction.....	1
1.1	Background to the topic.....	1
1.2	Research question OR Project Objective.....	3
1.3	Delimitation or Project scope.....	4
1.4	Benefits.....	4
1.5	Key concepts.....	5
1.6	Project Management Methods and Report Structure.....	5
2	Theoretical framework for the handbook.....	8
2.1	Professional Athlete.....	8
2.2	BUDGETING.....	9
2.2.1	Cashflow.....	9
2.2.2	Balance Sheet.....	9
2.2.3	Cash flow statement.....	9
2.3	INVESTING.....	10
2.4	How to start investing.....	10
2.5	Actively managed investing.....	11
2.6	Passive managed investing.....	11
2.6.1	Mutual funds,.....	12
2.7	Exchange-Traded Funds.....	13
2.8	Index funds.....	14
2.9	Other investment options.....	14
2.9.1	Real Estate.....	14
2.9.2	Art.....	15
2.9.3	Jewelry and Watches.....	16
2.9.4	Forestry.....	16
3	Research Methods or Project Management Methods.....	17
3.1	Research design.....	17
3.2	Data collection.....	18
3.3	Data Analysis.....	18
3.4	Choosing interviewees.....	19
4	Construction of the handbook.....	20
4.1	Introduction.....	20
4.2	Budgeting.....	21
4.3	Explanation of investing.....	22
4.4	How to start investing.....	22

4.5	List of investment options	23
5	Conclusion.....	24
5.1	Reliability and Validity	24
5.2	Further investigation	25
5.3	Reflection on Learning.....	26
	References.....	27
	Appendices	33
	Appendix 1. Interview questions and answers	33
	Appendix 2. GANTT CHART	39
	Appendix 3. Handbook.....	40

1 Introduction

This is a product-based thesis of a bachelor's thesis for the Degree Programme in International business in the major specialization of accounting and finance in the Haaga-Helia University of Applied Sciences. The purpose of this thesis is to create a guide for athletes to follow when they are making financial decisions. The end goal is to create a recommendation plan for the athlete to make decisions to create a "safety net" to secure a steady flow of income and to have a sustainable financial situation after the athlete's career is over. What to think of at the start of their careers? What to do with the first paycheck when it comes? How to create a circle of good financial decisions? Lastly, the thesis will have a simplified example of how an investment plan could look like during an athlete's career, the example tries to create a complete picture for the athlete how small steps early in the career can lead to a financially stable, secure, and smooth transition into the next chapter in their life.

In this chapter, the background of the thesis will be addressed, and the reader will be given the reasoning behind the motives to writing this thesis. After the assessment of the background, the purpose and key objectives of the thesis will be introduced, and the research and investigative questions will be presented. In addition, the demarcation will be included in this chapter. The international aspect of this thesis will also be included in the chapter due to the requirement of the mentioned aspect to be included in the thesis of the Degree Programme of International Business in Haaga-Helia University of Applied Sciences. Finally, the chapter will go through the benefits, key concepts, and the project management of this thesis.

1.1 Background to the topic

Athletics or sports are for many just a hobby with benefits foremost on the physical aspect but also a way to socialize. As a child, your parents toss you on a football field or to the local ice rink. It's all fun and games until one day, if you're good enough, it might change from just a hobby into a way of making your livelihood. Professional sports are one of the fastest growing industries in the world for the last decade, for example the National Football League (NFL, American Football) has grown by 68% from 2016 to 2022 and the league offices have set a goal of reaching 25 billion annual revenues in 2027. (Florio 2023.)

The same time as the leagues and associations are raking in money, the athletes' salaries have risen. In the year 2000, the highest earning basketball player made a little under \$20 million. (HoopsHype N/A.) when the upcoming season the highest earning player makes a little over \$51 million. (Cluff 2023.)

With all the money and fame comes always risks and you can easily lose track of your spending. A great example and story came from a man who stumbled with his first paycheck, but learned and today has a net worth over 400 million USD.

“The bank president then took out all the then-20-year-old basketball player’s bank statements for them to review together, O’Neal told John.

“I was like, ‘Yep, I did this. I did this. I did this.’ Then I see a word ‘FICA’ and I’m like, ‘Yo, who the hell is FICA? I don’t know nobody named FICA and I didn’t give FICA no [money],’” O’Neal said.

(Sciponi 2020.)

The average length of a career in the four major league in the U.S, lasts between 3,5 to 5.5 years, depending on the sport. This shows that the longevity of the career is not to be taken for granted. (Sandler 2012)

The dark side of the high salaries is the increased risks of financially mismanaging your wealth. ESPN made a report where the claimed 60% of NBA (National Basketball Association) players are broke after 5 years of retirement. (Constantinou 2023.)

But let’s come back from all the millions and let’s focus on the more relevant athletes. In 2016, YLE carried out a survey that studied incomes of Finnish professional athletes. The numbers are drastically different. 64% of the 90 respondents have a gross income less than 1200€/month. The poverty line was 1190€ / month in the year 2014. 5% of the participants had an income of 1200-2000€/month, 19% of the respondents had an income of 2000-3000€/month. A little shy of 3% of the respondents made over 4000€/month. (Kössö 2016.)

Following quotes summarize well the correlation of financial security and performance capability:

“Yes, and it has affected both my performance during contests and my mental wellbeing.” (Kössö 2016.)

“Yes, it’s difficult to meet the professional requirements and also to try eat how a professional athlete should eat.” (Kössö 2016.)

If an athlete wants to maintain a high level of performance capability, a key factor is to make financially safe and good decisions for both short- and long-term. Also, better results in competitions lead to higher rewards and income, which can then lead to more financial options and

responsibility. Due to lack of financial tools for athletes at the beginning of their career, a handbook seems like a necessary approach for this thesis.

1.2 Research question OR Project Objective

This product-based thesis will aim to create a simple, easy to understand and pain-free tool for athletes to lean onto when laying their foundation for life after their professional athlete career is over. The handbook created can also be used by a person who is at the beginning of their investment path and are looking for that extra support.

The objective of this product is divided into the following tasks (PT):

PT 1. Preparing the theoretical framework.

PT 2. Choosing the interview method, interviewees and, conducting interviews

PT 3. Analysing the interviews and gathered information, creating the handbook based on given substance.

PT 4. Evaluating project outcome.

Table 1: Overlay matrix

Project Task	Theoretical Framework	Project Management Methods	Outcomes
PT 1. Preparing the theoretical framework		Theoretical literature Other information sources	Theoretical framework (Chapter 2)
PT 2. Interview methods and conducting interviews.	Athlete	Qualitative interviews	Research and Project Management (Chapter 3)
PT 3. Creation of handbook based on theories and interviews	Budgeting Investing	Research outcomes, Interview results	Suggestions as a handbook (Chapter 4)
PT4. Evaluating project management and productt outcomes		Review of thesis report and product.	Evaluation of project outcomes and project success. (Chapter 5)

1.3 Delimitation or Project scope

This thesis aims to create an understanding for athletes that their career within sports is in a constant move, there is no certainty about tomorrow and that they need to make smart and sustainable financial decisions. With this thesis, the end result for the athlete would be to have a tool to use in their everydaylife to make financial decisions that would create the financial sustainability for them in the changes in their lives.

The length of the career is short, yet can be a highly rewarded one. The high incomes drop drastically after the playing years, and it's important to create understanding and good habits right at the start.

Also, while you work your hardest on the court or field, you should put your money to work as well. There is plenty of better ways to save your money than just keeping it in your savings account.

The thesis will be focused on athletes in Europe and North-America, making between 18 000€ to 100 000€ a year. The income range is limited, because 18 000€ a year equals to 1500€ a month and it's a bit over the poverty limit in Finland. Single persons monthly income of 1277 euros or less was considered living in poverty in Finland in 2020.(Finnrepo 2022) The highest amount is cut at 100 000€ because over that amount we're getting into the amounts that are handled by professional financial managers.

This thesis will be limited into discussing the concepts and theories about investing, the process of how to start investing, opening a brokerage account and going through different options of when it comes to investing.

This thesis will not be touching the topics of profitability of the investments options since the author is not in a position to give recommendations on what to invest in based on profitability. Taxation of the investment will not be discussed either due to focusing on the topics that will be included in this thesis and the product.

1.4 Benefits

The thesis will benefit athletes and their financial situation in the long term. By creating this handbook, the target audience will have a simple, efficient and a clear path to follow towards financial stability. After a while of saving and investing, the athlete will have created a financial foundation. The foundation will create a sense of security for the athlete which will again lead to a opportunity for the athlete to only focus on the competition/game ahead. This will then result to maximized opportunity and effort which often leads to better results and rewards. After it's all said

and done, when it's time to retire from professional sports, the athlete can have a smooth transition.

As for myself, creating this thesis and product, I will gain experience of creating a product for a target audience, I will gain more knowledge for myself and last but not least I will get the experience of managing a project, both contentwise but most of all I will learn about what it takes timewise to create a project like this within a limited time. I see this a pass of maturing for myself.

1.5 Key concepts

This thesis has key concepts of this thesis listed and described briefly. The key concepts are terminology that will come up many times during the thesis. This chapter will serve as a mini-dictionary for the reader.

Handbook, a book including information and advice on certain topic or object. (Cambridge Dictionary 2023.) In this case the handbook will contain information and advice regarding investing and budgeting.

Athlete, a person whose capabilities in sports or physical exercise are well above others and competes in organized events. (Cambridge Dictionary 2023.)

Investing, is an asset that you've acquired that will potentially over a time period see an increase in value. (Cambridge Dictionary 2023.) Also, in a bigger picture, investing can also be beneficial in other things than financial. Such as spending time or money to bettering your skills or quality of life (Napoletano 2023.)

Budget, a strategy to forecast the incomes and costs that a private person or a company has during a certain time period. A budget has two sides, it's the plan of what you have to spend according to the expected income. Secondly, it's the plan to secure you spend the suitable amounts on wanted destinations. (Waagen 2000.)

1.6 Project Management Methods and Report Structure

The following chapter will go through more in-depth the PTs than Figure 1. All of the project tasks will be explained individually and the contents on how each task's data is sourced, collected, processed and, then the outcome of each task is given. This chapter and design are for easing the path for the wanted end result.

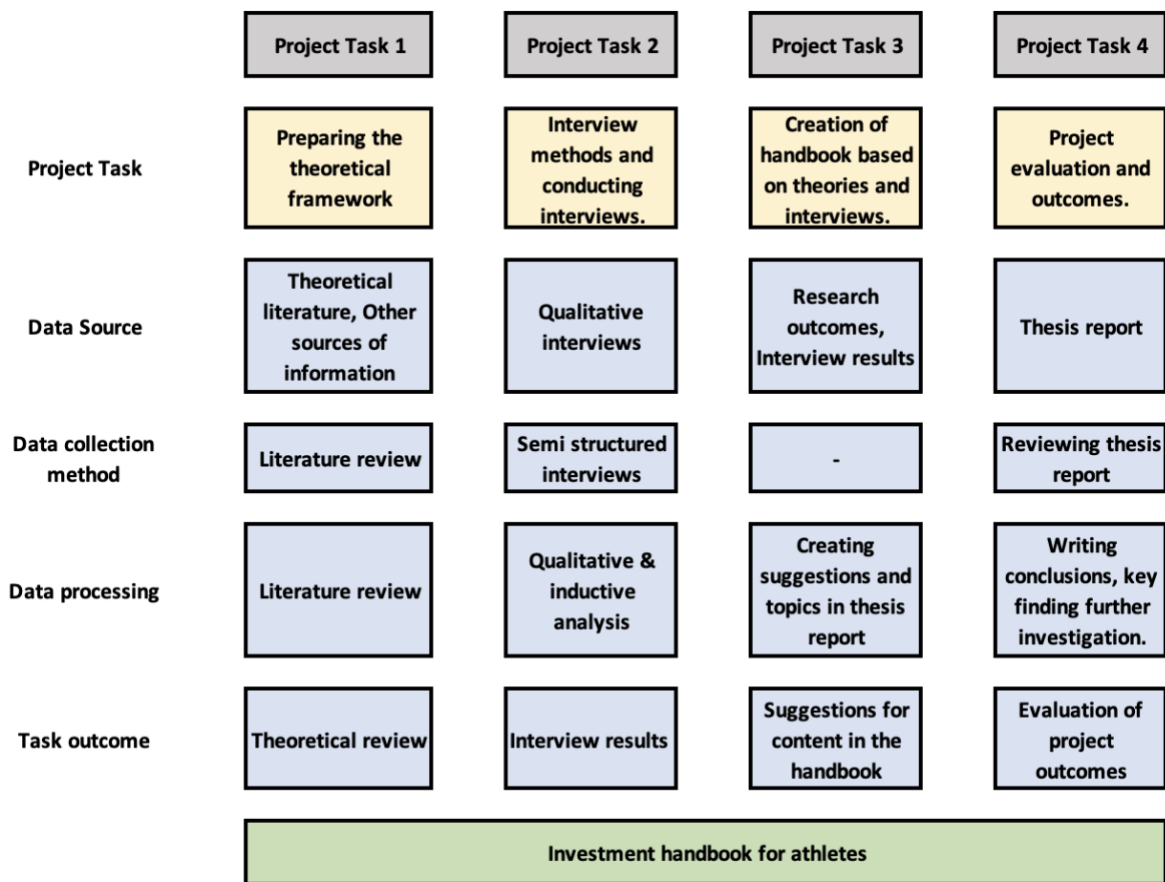


Figure 2. Project Management Design

Project Task 1 – The project will begin with the construction of the theoretical framework. The framework will consist of key theories and concepts about the product. These theories and concepts are crucial to thesis since they lay the foundation of understanding what this thesis is about. The collected data is a outcome of litterature review of different information sources, the end result of this will be the theoretical framework.

Project Task 2 – The second step after the completion of the theoretical framework is the choosing of interview method and then choosing of the interviewees that are samples of the target audience for the handbook. After the method of the interview and the participants has been chosen, the interviews can be done.

Project Task 3 – The third step is to conduct the interviews. The interviews are a crucial part of the handbook since there is a need to understand what the target audiences perspective, knowledge and interests are readring the topics of the handbook.

Project Task 4 - Once the theories and interviews are completed, the task of analyzing and combining the key findings to the creation of the handbook can be done. The contents of the handbook will include theories that are suitable and relevant based on the results of the interviews.

Project task 5 – Lastly, the final project task is to evaluate the whole project. The project will be concluded. The projects success will be analyzed and further investigative topics will be discussed. The last thing of this project task will be the self reflection of the authors learning process.

2 Theoretical framework for the handbook

The following chapter will focus on the key concepts, theories and models that are essential to the theoretical framework of this thesis. These can be visualised in the figure below, which demonstrates the links between each concept and why they are relevant in this thesis. These connections in the figure will be further assessed throughout the chapter.

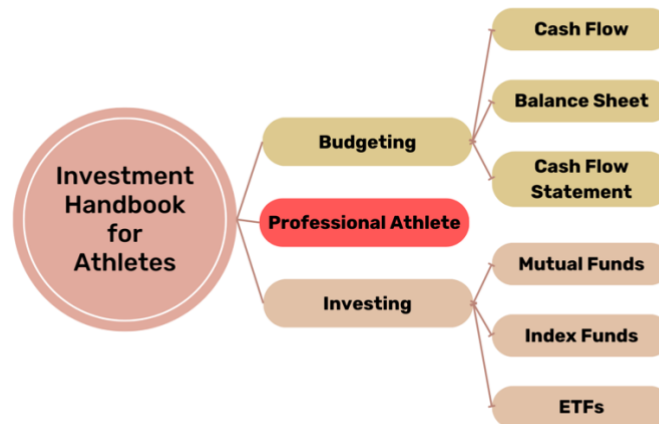


Figure 3. Theoretical Framework

2.1 Professional Athlete

A professional athlete is a person whose income structure is heavily based on their earnings through their sport. Regardless if it's a team-based sport, i.e. football, or an individual sport like tennis. (Abe 2023.)

In Finland, in 2022 there were 1262 registered professional athletes. The insurance statistics show that to receive the "professional" status, you needed to have an income of atleast 12 090 euros. Back in 2009 the threshold was 9600. The income threshold has seen a growth of 20,5%. (Tapaturmavakuutuskeskus 2023.)

The sport with the most licenses was ice hockey with 656 licenses. The growth in total of professional athletes between the years of 2018 to 2022 has been roughly 10%. (Tapaturmavakuutuskeskus 2023.)

2.2 BUDGETING

Budget is a planned strategy in which you create a plan of expenses and incomes over a certain period of time. A budget can help forecast how well you are able to spend, make money and, help create a more financially stable situation. (Harvard Business Review 2009.)

The budget can be divided into four steps:

1. Determining your objectives.
2. Planning and evaluating your monthly income and expenses.
3. Identifying your spending habits and income possibilities.
4. Adjusting the budget if necessary.

2.2.1 Cashflow

Cashflow is the movement of cash-equivalents that moves in and out from your holding. (The Economic Times N/A.) But why shouldn't you treat your own money with just as much care as a company does with theirs? According to a survey made by Mint, 65% of the Americans who answered don't have a clue how much they spent last month. (Mint 2020.)

When creating your personal cash flow statement, you will have the two following parts included: (Maxwell 2022.)

1. Balance Sheet
2. Cash Flow statement

2.2.2 Balance Sheet

Balance sheet is your document where you have calculated your assets and your liabilities. In short, what you own and what you owe. Examples for assets are such as: your home, money (cash and bank accounts). Liabilities are such as: loans and unpaid taxes. (Maxwell 2022.)

2.2.3 Cash flow statement

Cash flow statement is where you list every euro that comes to you and all the euros that leaves your wallet. Examples of incomes are salary from the team the athlete plays for, or prize money from competitions. Also, sponsorships and other endorsement deals counts as income. The costs are your everyday expenses such as grocery shopping, fuelling your car and loan payments. (Maxwell 2022.)

2.3 INVESTING

Investing in the field of finance, is the act where you buy assets that have the potential of increasing over time and provide returns as in income and/or capital gains. Assets such as securities, real estate are the most common venues but there are more options that could be profitable. In the simplest way explained, the investment process works the following way, you buy an asset at a low price and sell it at a high price. This phenomenon is called capital gain. (Curry & Napoletano 2022.)

The phenomenon of the increase in worth of the asset is called appreciation. On the contrary when there is a decrease, it's called depreciation. (Pomroy 2022.)

Dividends are a piece of the profits that the shareholders receive when a company makes profits. Before the company pays the dividends, the board needs to decide and approve if they either pay dividends or re-invests the profits back into the company. The amount of dividend in i.e., cash, is based on the amount of each shareholder owns. Most of the time the dividends are paid out in cash. However, the company can decide to give out new shares or other assets to the shareholders. (Vipond 2020.)

2.4 How to start investing

Before you can start to invest your money into different investment venues you need to open an account depending on what you want to invest in. There will be a walkthrough of options after this subchapter but now let's focus on how to get started.

Brokerage account in a nutshell is an account that you can open for the purpose of purchasing investments such as stocks and ETFs. You can connect your own bank account with the brokerage account so that transfer of money is quick and easy. However, there are rules and regulations such as withdrawal penalties, so you need to be on top of things to avoid unnecessary costs. Another thing you need to be aware of are the minimum requirements of different brokerages. One of the most common requirements are the minimum investment amount that can vary a lot. This can limit your options a little but there are tons of different options as well. (O'Shea & de la Fuente 2023.)

Brokerage accounts belong under taxation. Depending on the length of your investments the profits of your investments are either under capital gains taxes or regular income tax. If the investments are held over a year, it falls under capital gains tax, if shorter than that it's categorized as income tax. (Rotter 2023.)

The opening of a brokerage account today is a quick process. After choosing the suitable brokerage company and want to open an account, it shouldn't take you longer than 10 minutes. In today's world you only need to provide your personal information, connect your bank account and you should be all set. (Ashford & Curry 2023.)

2.5 Actively managed investing

Actively managed investing is a way of investing where you give your money/assets to an investment manager or a group. The manager then will make the decision in what to invest their clients' money and try to make decisions that would result in beating the stock market. They rely a lot on research, analytics, and other gathered data to try to predict the market and make their decisions on what to invest in. (Lake 2022.)

The actively managed funds have their pros and cons. While the funds have the possibility to beat the market and give you high returns, most of the time the majority of the funds tend to not beat the market and even underperform. While the funds have personnel with years of experience, the costs and fees of a fund is way higher than a passively managed fund. Also, the actively managed funds could have certain qualifications for the investor to meet, for example a minimum investment that could be thousands of euros. (Lake 2022.)

2.6 Passive managed investing

Passive investing is a long-term plan that is for investors who want to obtain securities of mixed types and control a diversified portfolio. The key with passive investing is the long-term goals and not to create profit quickly from shifts and variations by the market. (Thompson 2023.)

In a nutshell, passive investing is that an investor buys an asset and holds on to it for a long period of time instead of constantly trying to trade it to create profit. The goal for this type of investing is to create profit over time with the overall market going up as the years go by. (Thompson 2023.)

The benefits of choosing to invest passively are mainly cost efficiency and diversification of your assets. The long-term holding of your assets means that you don't buy/sell constantly which keeps the maintenance costs low. Diversification of your assets means that you can invest in many different options that appeal to you and your assets aren't all jammed in one basket. (Thompson 2023.)

Some of the disadvantages with passively managed investment options are regarding to the average annual returns, since the diversification can be a large basket with diluting factors. Also,

passively managed options are considered long-term options as investing goes, no short-term capital gains are likely. (Curry & Schmidt 2023.)

When talking about passive investing the three main categories where to invest in are the following.

2.6.1 Mutual funds,

Mutual funds are funds that are run by a company that operates with money from many investors and invests the collected money in bonds, stocks, and short-term debt. The collection of the holdings made are called the portfolio. Then, the investors buy and sell the shares in these funds. Every share in these funds is held by an investor and the shares represent the ownership and income of each shareholder in the funds. (Baker et al. 2019, 71.)

Mutual funds are a well-liked option among investors because; they are well sought after by the fund management, the diversification, affordability, and the possibility of pain-free liquidation of the holdings. (Investor.gov N/A.)

Mutual funds can be categorized in four main branches: Money market funds, Bond funds, Stock funds and Target date funds. (Investor.gov N/A.)

Money Market Funds are funds that are low risk funds if compared to the other mutual fund types. These kinds of funds are also giving the investor lower returns of on their investments. Money market funds favour investing in high quality, short-term debt securities. This means that the interest rates on these are low and short-term. (Baker et al. 2019, 106.)

Bond Funds are similar to Money market funds, the difference comes in that bond funds usually aim for higher returns for the investors. (Investor.gov N/A.) There are a lot of different types of bond funds so the risk-reward ratio can vary from being a low risk-return to extremely high risk-reward ratio. Examples of bond funds are the following:

- **Government Bond Funds**, where you invest in government-issued bonds, these funds tend to be the safest choice within bond funds because of the government backing.
- **Corporate Bond Funds**, these are bonds issued by companies with different yields. Corporate funds that have a lower yield tend to be safer than the high yield bonds. The higher the yield the riskier it gets.
- **Multi-Sector Bond Funds**, a mixture of different bonds (i.e. government, corporate, mortgage-backed securities) that offer a diverse view to the market. (Tamplin 2023.)

Stock funds are funds where you invest in stocks. What kind of stocks the fund will invest in are based on the fund's intentions, rules, and strategy. What this means is that some stock funds will only focus on investing in recognized companies that are so called "blue chip" companies, while other funds focus on the technology field. Stock funds are influenced by the financial status of companies, the economic circumstances, and the general market. By diversification, some stock funds try to avoid and diminish the risks. (Investor.org N/A.)

Target date funds are essentially your mutual funds with a diverse selection of bonds, stocks, and other investment options. Target date funds are catered to people with long-term investments who have a possible set retirement date. The funds are created in such a way that while the target date closes in, the funds invest in more and more low risk options. Usually, the funds begin with a heavily stock-weighted portfolio but with time, change more and more into bonds. Target date funds have become increasingly more popular in retirement plans, especially in the U.S. (Elton et al. 2015.) (Investor.gov 2010.)

2.7 Exchange-Traded Funds

ETFs are funds that are traded on exchanges, ETFs track a certain index. ETFs are acquired or sold just as your regular stock on a stock exchange. Just like stocks, ETFs are being traded throughout the day. Also, the prices change as the trading is going on. Just like your mutual funds, ETFs tend to consist of bonds, securities, or stocks in one fund. (Baker et al. page 119.)

A key difference between ETFs and mutual funds is that only retail investors can make transactions in the ETF markets. This means that a private investor enters a contract with an "authorized partner", which in this situation means a large broker-dealer. The authorized participants can then make trades with the ETFs. (Investor.gov N/A.)

Also, a key difference is that ETFs can be bought and sold "intraday" at different prices. Intraday means that you can acquire or sell during the same day before the market shuts down for the day. For comparison, mutual funds are traded once a day with a single price. (Upstox 2017.)

In the world of ETFs, there are two main categories of ETFs.

Index-Based ETFs are the most commonly used version of ETFs. These try to track index funds like for example the S&P 500 stock index. (investor.gov N/A.)

Actively Managed ETFs is the opposite of the index based ETFs since it's not based on tracking an index. An actively managed fund tries to achieve its goal by investing in a portfolio with a mix of bonds, stocks, and other assets. (Investor.gov N/A.)

2.8 Index funds

An index fund tries to mimic the performance of a financial market index, like S&P 500. This phenomenon is called “passive management”, and the main objective is to be the benchmark and not try to beat it. All index funds track a market index. Managers of different funds create portfolios to reach same results as a financial market index. (Curry & Schmidt 2023.)

A financial market index ties together similar bonds, commodities, currencies, and stocks into bundles. After the grouping, the index follows their performance over time. The S&P 500 is the most recognized market index that follows the stock prices of the 500 biggest U.S public companies. (Curry & Schmidt 2023.)

There are tons of different index funds for an investor to choose the most appealing ones from. Few of the most common types of index funds, for example, Broad market index funds, Equity index funds, Dividend index funds, and international index funds all have the same base function. The differences with these are just that they track different markets and have different objectives and goals. (Curry & Schmidt 2023.)

Equity index funds follows certain stock indexes. Indexes that follow the S&P 500 are the ones that are on the most popular side within equity indexes. (Curry & Schmidt 2023.)

Dividend index funds concentrate on indexes with high dividend potential. (Curry & Schmidt 2023.)

International index funds are then again for investors who are looking outside their own country's market. (Curry & Schmidt 2023.)

2.9 Other investment options

All investing doesn't circle around bonds, securities and/or stocks. There are many other options that can generate capital gain and can work as a great investment.

2.9.1 Real Estate

The most common investment people in our society tend to make is buying a house for themselves. People might not even think about that, but yes, it's counted as an investment.

Investing in real estate is one of the safest options out there. There is a slim chance that you would lose value on your property, and if that would occur, it would be only for a short time. Real estate is

the opposite of currencies, during inflation where money loses its value, real estate is in good shape and performs better. (Roberts 2021.)

Since the world is moving faster and faster because of the digitalization, there are constantly increasing and different ways to get into real estate investing. With joint groups and their new, out-of-the-box, ways to invest in all kinds of venues to invest in. (Roberts 2021.)

Real estates are divided into three major categories:

Residential, which is real estate solely for living purposes, for example, apartments, condos, and family houses. (Kirk 2023.)

Commercial, real estate and space for your industrial businesses and retail stores. In a nutshell, malls, office buildings and manufacturing plants are within this branch of real estate. (Kirk 2023.)

Land, this category includes the soil below the surface of earth and the air space above it to a certain height. It includes all objects, waters, plants, and structures that are within the borders of the plotted patch. When owned, the land can be then turned into land that can be used for a specific purpose, for example, residential or industrial zone. (Kirk 2023.)

There are different ways for you to generate income by owning property. First one is by the appreciation of the property which means that as time goes by, the value increases. After it's appreciated enough in value, you sell it and rake in the profits. Second option is rental income, where you generate income by tenants paying rent either for residential purposes or commercial purposes. Third one is property flipping, where you buy a property for under the market value, fix it up and sell it for a higher price to make profit. (Kirk 2023.)

Real estate investing is also a great tool to be used as a leverage to increase your capital gains. Opposite to stocks, you can invest more than your net worth into properties. Since majority of lenders only demand a fraction of the value as a down payment, of the value of the real estate, you can then try to finance your money to acquire different investment options at the same time. And, if you manage to rent the properties out, the better the situation you are in. (Uppal 2022.)

2.9.2 Art

Art is a good investment in a few ways. Art does not tend to have the same up and down swings as stocks do when the market fluctuates. Art is more of a balanced type of investment that holds it

value as times go on. For example, during COVID, when the markets had stocks varying a lot, the art market had a steady course.

While it's considered a "safe choice" as a long-term investment, art is something that is not quickly converted into cash. To liquidate your art collection, you need professionals to appraise it and the lookout for a buyer can take a long time. (Artelier 2023.)

2.9.3 Jewellery and Watches

As you could argue that luxurious watches and jewellery are as beautiful as art, it is quite easier to wear a nice watch or necklace than to carry a big painting around with you.

Jewellery and Watches from known manufacturers are of the highest quality. The message that radiates from the timepiece or necklace to others is that the wearers economic status is in a good place. The quality of the watches or jewellery mixed demand from the consumers can make a specific piece a great investment. (TrueFacet's 2023.)

Household names like Rolex and Patek Phillippe in the watch industry are brands whose watches tend to hold their initial value and even appreciate. This is due to their brand image, exclusivity, and the high-end quality of their products. (Luxe Watches 2023.)

2.9.4 Forestry

An investment option that isn't as glamorous as diamonds and shiny watches is the "green gold" that you see every day around you.

Forestry investment in Finland has more than tripled in the last 15 years. Mostly, the reason for this happening is the beneficiary tax schemes and other favourable factors in Jointly Owned Forests. (Dasos Capital 2023.)

A difference maker between forestry and your traditional fund investing is that forests don't fluctuate as the markets do, in fact, the forests tend to grow and increase in value while inflation and interest rates can bounce around. (Gray 2017.)

Historically looking, retail investors weren't able to get into the forestry field since the deals were involving thousands of acres and prices floating around tens of millions of dollars. (Gray 2017.)

However due to Jointly Owned Forests and the ETFs that tracked the forestry, your average Joe could start to get into this field. (Gray 2017.)

3 Research Methods or Project Management Methods

This chapter will go through the methods used in the process of the research. The sub-chapters including the data gathering methods, data utilizing, data analysis methods, and finally the reliability and validity will be discussed.

3.1 Research design

The research design is the essential guidelines to conducting successful research. There are plenty of ways of conducting research, depending on the objective. One way can be by conducting interviews or surveys, another way could be by conducting independent research. Every way of doing research has its benefits and contradictories. (Saunders et al. 2019, page 173.)

General research often uses either a quantitative or a qualitative approach. When someone is using a quantitative research method, most of the time the researcher is using surveys as their approach. There are the mono method and multi-method approaches in the quantitative method. An example of the mono-method is a structured questionnaire, while an example of the multi-method could be a questionnaire and a structured observation. (Saunders et al. 2019, 178.) Quantitative analysis is a very efficient method that can give you unbiased statistics, which can help produce focused results. (Williams 2021.) However, even if you can create a quick and focused result, there is limited context, and you have less insight to work with. (Mander 2022.)

When the qualitative method is being used, the approach is the opposite of the quantitative with its generalized questionnaires. Qualitative is more into words and images, instead of numerical values, that quantitative analysis uses. Just like the quantitative method, the qualitative method has mono- and multi-method ways to conduct research. An interview could be seen as a mono-method, while a multi-method could be the interview plus having a diary book, used to analyse the data. (Saunders et al, 2019, 179.) Qualitative research produces a more holistic insight on the views from participants and a deeper understanding of the subject from a more human-centered viewpoint. However, qualitative research can be perceived as more subjective and less factual. Therefore, it is important to keep in mind these implications and aim to conduct research that produces more comparable findings. (Rahman 2017.)

For this thesis and answering it's PTs, the qualitative method was better suited. This thesis requires getting more in-depth data; therefore, the interviews allow a better understanding of the current situation of the athlete's economic desires. In addition, since the interviewees are from different backgrounds and may have different views on the subject, the findings can be more comparable, and the final product can reflect these better.

3.2 Data collection

The collection of data for this research was done using semi-structured interviews. It was seen as the best fitting option to acquire the needed data. Since quantitative data would have been too restrictive and too structured, the approach with qualitative was more suitable.

Before conducting an interview, the researcher should determine what kind of approach is best suited for the desired outcome. **Structured interviews** are interviews, where there are predetermined questions. The same questions are asked in the same order to gather the data as consistently and objectively as possible. A structured interview is suitable in situations where objectivity, unbiased, and time efficiency is needed. However, the shallowness that a, for example, structured questionnaire gives without deeper touch to the participant and the lack of in-depth information can endanger the outcome of the interview. (herohunt.ai N/A.) A **semi-structured interview** is conducted by having themes and certain topics that include some key questions within them. Semi-structured interviews leave more power and control to the interviewer as he/she can determine the direction of the interview by, for example, changing questions and/or skipping a certain theme to find the desired outcome. (Saunders et al, 2019, 437.) The third option is to conduct an **In-depth interview**. These types of interviews are very informal. The interviewer might leave predetermined questions out of the interview. Instead, there is a general discussion of certain topics. By discussing topics there, most likely, will come up questions to clarify views, beliefs, and meanings. (Saunders et al, 2019, 439.)

For this thesis, because of the crucial need of conducting interviews with open-ended questions, the semi-structured option is the best suitable. The qualitative interviews will be conducted with 2 Finnish athletes, one living in Finland, one in Slovakia and a third athlete, an American who lives in Jacksonville, Florida, United States of America. Since two of the interviewees are located across the planet, two of the interviews were conducted via FaceTime and the other was conducted face-to-face. For the interviews, a package of questions was used, the questions are included in the appendix.

3.3 Data Analysis

The collected data will be analysed by using the thematic approach. The foundation for thematic analysis is to find themes and/or patterns in the provided data. Thematic analysis is known for offering an easy and flexible approach for the researcher. As the data collected for this thesis is from three interviewees, thematic analysis will allow for more comprehensive descriptions and explanations, which can aid in the theorizing process. (Saunders et al, 2019, 651.)

Benefits of using thematic analysis includes flexibility, it's good for large chunks of data, and it's easily accessible because of the lack of specific theory requirements. With the good attributes of the thematic, also comes the downsides. The lack of literature tools can create uncertainties for an unexperienced researcher. Also, the flexibility can create inconsistencies in the data. (Nowell et al 2017.)

There are two categories of thematic analysis. **Inductive approach** lets the researcher to use the collected data to mould and steer the analysis. **Deductive approach** is the opposite, where the existing theory questions the collected data. (Hogue 2023.)

For this thesis, the thematic analysis and the inductive approach are more suitable since the perspectives, desires and knowledge of the interviewees are a crucial part of this thesis.

3.4 Choosing interviewees

The first step to finding your ideal interviewees starts by solving who to interview. This tends to be already given by the research question. (Kural 2019.) For this thesis, the "who", are professional athletes. That narrows it down already quite a lot. If needed, it could be specified even more into team-based sports and solo sports. After narrowing it down to a certain category, you choose from that pool your interviewees, also known as samples. (Kural 2019.)

For this thesis, as mentioned earlier, the sample will consist of three athletes. These athletes are picked from across the world. Reasoning behind it is to receive data that would answer the PTs. For the purposes of collecting relevant data, the interviewees needed to be professional athletes, both foreign and domestic.

For the interviews, as mentioned before, there was a selection of 3 candidates for the interviews. The purpose of having three interviewees is to see if there are differences in their beliefs, perspective, and knowledge when it comes to their planning of their financial decision and their investment behaviours. Also, by choosing three athletes with difference in cultural, academic and stages of careers to the research will get a broader view of any differences between how these athletes think about their financial situation.

Athlete A, aged 27, ice hockey player, currently plays in the U.S. (ECHL).

Athlete B, aged 26, ice hockey player, currently plays in the Finnish league (Liiga).

Athlete C, aged 27, ice hockey player, currently plays in the Slovakian league (Tipos Extraliga).

4 Construction of the handbook

In this chapter the process of creating the handbook will be discussed. The aim with the co-operation of the interviews and the theory part is to create a handbook that serves the athletes demands as well as encourages the athlete to use the handbook in the future as a tool. All the steps and contents of the guide book will be added with taking into account the answers of the athletes

4.1 Introduction

The start of the handbook includes the introduction and overview of the contents of the handbook. The basis of the introduction is collected from pieces of the thesis introduction part. The aim with the introduction is to create a understanding of the timeline of the career and to have examples of how bad financial decisions will affect your performance and possibly, the rest of your life. An overview of the motives of the handbook and also in brief tell the contents and steps the handbook will contain.

At the interviews the first in-depth question was what their dreams were outside of sports. All of the respondents had a similar answer that can be tied into “**financial comfortability**”. All the respondent would like to be in place where there is no stress of money and that have an opportunity to do things they like.

“Travel the world, and once hockey is done start my own business. Wildest dream is to only have my computer as my working device. Don’t need too much money, but just so there is no stress” – Athlete A

“Finding a spot where I feel happy and good mentally, physically, and financially. I haven’t had thought of anything else since I’ve been so invested in my hockey career.” – Athlete B

“Collect wealth. That me and my family are healthy. I’m sort of a financially well off that I can choose what I want to do. No stress about my money and I’ll have my house, cabin. My kids will have the opportunity have a good childhood and experience various things.” – Athlete C

The second question was asked about if they had any plans after their playing career were over, only one of the contestants had an idea/plan of what to do. The two others didn’t yet have any absolute clarity, both have considered either finishing or enrolling into school.

“I want to start a business, not sure what, but something where I can be my own boss and set my own working hours. My college degree, entrepreneurship was my major is a sort of an investment from the past.” – Athlete A

“Not really, I have started to think about education stuff. But nothing crystal clear yet.”
- Athlete B

“Not really, should finish my school. I feel like once I start to feel like it’s time to do something else, I’ll come up with something that I’ll want to do.” – Athlete C

After these questions and receiving these answers. The feeling is, that it’s strongly needed in the introduction of the handbook to emphasize on the fact that the length of an athlete’s career is very short and that you should be aware of it. This is also the core reason behind this handbook. It is here to help athletes to understand that you need a plan b for everything. A “financial safety net” is a good choice.

4.2 Budgeting

After the introduction chapter, the second topic the handbook will be about budgeting. The budgeting part is there for the athlete to learn about making plans for the future, short and long-term. Before you should invest in anything, you should know how much money you have available for investing.

At the interviews when budgeting topics were discussed, none of the respondents did any budgeting for themselves, all the respondents had a somewhat of an estimate of their monthly expenses.

“I became more aware once I started using credit cards. In America we have a lot of different credit cards with different benefits. It has helped me keep track of my expenditures, so I know how money goes to i.e., groceries. But I don’t do that much of in-detail budgeting. I don’t think too much about my daily/monthly expenses. If I did, I’d probably saved a bit more every month but, I haven’t really had the effort to do it.” – Athlete A

“No, I haven’t, I’m not a big spender, most of my expenses are groceries. I’m a bit lazy when it comes to doing budgeting, I guess it could show me a better picture of my monthly habits.” -Athlete B

“Not really, currently I haven’t done a lot of budgeting. Only things that I need to budget monthly are certain fixed expenses such as mortgages and loans. I have

discussed about it with teammates before, but I feel like I wouldn't have the patience to get into the smaller details. If there would be an automated tool/app it would be cool to follow my spendings." – Athlete C

Before asking about the budgeting habits, we discussed the income status of each respondent. All had well above the minimum requirement for this thesis/handbook. After these discussions and moving to the budgeting, each respondent had a shift of thinking about budgeting and a few mentioned that it probably wouldn't be that dumb of an idea to do some budgeting and see what would come out of it. However, even if the respondents didn't do that much of budgeting, all of them had a monthly surplus between 500-2000 euros.

Because of these answers, creation of simple templates of cashflow statement and balance sheet would show the reader of this handbook that it's not difficult to do them yourself and even let you try them out and create interest that way.

4.3 Explanation of investing

The third chapter will include general theory and information about investing. The importance of this chapter will be in making the reader understand key concepts on how investing works and how investing as a private investor works.

The answers related to knowledge of investing concepts varied. One of the respondents had more knowledge, one had a little and, the other had almost no knowledge about investing theories.

"Yes, I'm aware of the investment scene, I'm always looking for options to invest in funds and/or shares." – Athlete A

"Not a lot. I've thought of starting investing but haven't had the courage or the knowledge to do it." – Athlete B

"I've looked into funds a little, I've done investing only through my bank (OsuusPankki) that has the i.e., OP Rohkea, which diverse my money into shares, bonds." – Athlete C

By going through the basics, the aim is to lay the foundation of knowledge where then the later chapters will add to this chapter.

4.4 How to start investing

The fourth chapter of the handbook will go through the process of opening a brokerage account and key information of what to think about when choosing the right brokerage for the reader.

Based on the interviews, two of the respondents have started investing into stocks while, one of the respondents only has saved into a ASP-account. The ASP-account is an account for the buying a house for the first time, with benefits from the bank.

It is key to try to show the easy steps of the process of opening a brokerage account, so the reader doesn't get scared away or discouraged too easily.

4.5 List of investment options

The fifth chapter would be the going through the different options where a beginner investor can get to know different options that you can invest in. The content would include short descriptions of each option, with its pros and cons.

In the interviews each respondent knew that there are things fund investing but didn't really know in-depth options. One of the respondents had bought shares and an index that tracked the S&P 500. One had invested in a portfolio that his personal bank recommended, yet the respondent didn't have any other knowledge what other options there are. One hadn't invested in anything and didn't really know any options.

“Yeah, I have index fund that tracks the S&P 500 and a few other index funds. Some of my fund investments are doing good, some aren't doing so as well but in general my investments are increasing in value.” – Athlete A

“A little, but not a lot. I need to familiarize, and I'd need some sort of guidance on how to do it. I don't really understand how it works and would need help to get started on that.” – Athlete B

“Not a lot... I know the basics, but interested in learning more about different options since currently my incomes are pretty good and I have the resources to put a side a bit more.” – Athlete C

5 Conclusion

In this chapter, the completed project and product is analysed, and the outcomes of both parts are evaluated. Further research possibilities and actions are also brought up for discussion. Finally, the reflections of the authors learning process along the different stages of the thesis will be discussed.

5.1 Evaluations of Product outcome

The main objective for this product-based thesis was to create a simple and easy to follow handbook for athletes to lean on when they think about their financial decisions. The objective was reached by doing research on supporting information and conducting interviews with samples of the target audience, from where the combination of the needs and demands of the athlete were moulded together with the theory.

The product/project management was set up first as an idea and sketches on paper. Once the process was heading towards creating the theoretical framework, it became clear that some of the original ideas had to be cut from the product and to be limited into the topics that are included in this thesis. The target audience was always clear as well as the main objective of creating the handbook. The process of choosing the interviewees was a quick one since the I, the author, had a lot of connections around professional sports and could find participants with different profiles.

As mentioned before, the construction of the handbook is based on key theory concepts that are relevant based on the results from the interviews. The topics that were the most important were budgeting and the different options when it comes to investing. With these topics, the target audience can take their first steps towards possible financial stability.

The challenges of the thesis were mostly time management issues. Juggling a full-time job with the writing of the thesis, including interviews and the creation of the handbook, there were a few times there wasn't enough time in a day for completing certain set tasks and some things had to be postponed. Secondly, the issue of limitation of the project scope was challenging in the sense that since there was a time constraint, there was a need to prioritize the topics so that the most relevant were included.

5.1 Reliability and Validity

Reliability in qualitative is mainly dependent on the research being carried with honesty and thoroughness. In practice this means that the wording and answering is precise and truthful. (Kriukow 2018.)

Validity revolves around the information being relevant, logical and in line with the existing theories. Valid qualitative research should show that what exists is precise and that if it should measure something the measurements are accurate. (Cypress 2017.)

Since this thesis included a semi-structured interview, there are risks regarding the reliability of the research. Since there is flexibility and structure of the interview can easily shift, the researcher needs to be mindful of not creating a situation of interviewer bias, the phenomenon happens when the action of the interviewer affects the interviewees way of responding to the questions. A similar situation, but with reversed roles. The opinions of the interviewee concerning the interviewer could affect the outcome of the data. Lastly, if the required length to complete the interview is not suitable for the interviewee, the interest to participate for the interviewee might be lessened. (Saunders et al, 2019, 447-448)

5.2 Further investigation

As mentioned in the subchapter before, some of the topics that were left out would have been good additions to the final product.

One topic that would have given more to the handbook would've been the profitability analysis, which means the handbook would've included analytics of returns of investments (ROI) on the different options. This would have demanded a lot of statistical research that wasn't possible with the limited time in hand. The profitability analysis would have given more important information for the reader and given a better perspective on the certain investment option in mind.

Other one would have been the taxation of the generated capital gain. It would have been useful to the reader to understand how the taxes can vary between different options and how some of the investments can even create tax deductions. The world of taxation is a long and in-depth path. However, the potential of including it in the handbook would've been great.

Third aspect that could have given more impact to the thesis would have been getting athletes of different stages of their careers, especially athletes in the beginning of their careers. The information and the perspectives they could have provided by interviews could have given more to the handbook. Also, in the interviews it would have been good to have female athletes included so the thesis would have gotten a broader perspective on how different athletes can see on things.

Lastly, because of the lack of budgeting of the interviewees, there could be an opportunity to create a budgeting tool that a person could use to plan ahead, and to track his/her spending. The tool could be connected with your bank account and from there divide each transaction into

different budgeting accounts. This paragraph is just a quick run of thoughts that could be worth looking into.

5.3 Reflection on Learning

When it comes reflecting on my own learning process during the construction of this thesis, handbook included, it was truly an eye-opener. I couldn't really foresee how much I learned during this journey. First of all, the first things that come in mind that I've learned is the theory content itself. I always been interested investing and knew generalized information about the topic. However, during the more in-depth research I did, the more I could pick stuff for myself and for my future plans. Also, I enjoyed doing the interview parts, it was interesting to discuss with the interviewees in-depth and we got into discussions where there wasn't any sort of awkwardness talking about someone's financials. During this thesis I also learned to control my time management better the further I got into the thesis. Because of juggling the thesis with my fulltime job, I had to plan ahead and create timeslots where I could complete certain tasks, this created a circle of good habits that increased my productivity. The most valuable thing I learned, or experienced, was to execute a long report like this by myself. Long reports and texts have never been one of my strong skills, but I definitely gained a lot during this project.

Then a few things that I still see as point of improvement. Firstly, I feel that I still need to do better with my time management. I could have done the project with less of time pressing stress, even though I perform better under stress. I could do a better job of deciding the limitations of the project earlier to give me a better and clearer path from the start to finish.

All in all, this has been a journey of learning. I've learnt new things, and I was reminded of the things that I need to learn to be better at. But that is why we all get out of bed every morning, to learn new things and to be better than yesterday.

References

- Abe, S. October 2023. What Is a Professional Athlete? Sports n' Hobbies. URL: https://www.sportshobbies.org/what-is-a-professional-athlete.htm?expand_article=1 Accessed: 25 September 2023.
- Artelier. January 2023. How to Invest in Art for Beginners: Why Art is a Good Investment in 2023. Artelier. URL: <https://www.artelier.com/post/how-to-invest-in-art-for-beginners-why-art-is-a-good-investment-in-2023> Accessed: 14 October 2023.
- Ashford, K & Curry, B. March 2023. How to Open a Brokerage Account. Forbes. URL: <https://www.forbes.com/advisor/investing/how-to-open-a-brokerage-account/> Accessed: 10 November 2023.
- Baker, H. Kent, and Vesa Puttonen 2019. Navigating the Investment Minefield : A Practical Guide to Avoiding Mistakes, Biases, and Traps, Emerald Publishing Limited. ProQuest Ebook Central, URL: <https://ebookcentral.proquest.com/lib/haaga/detail.action?docID=5743728> Accessed: 18 November 2023.
- Cambridge Dictionary. Definition, Athlete. Cambridge Dictionary. URL: <https://dictionary.cambridge.org/dictionary/english/athlete> Accessed: 16 November 2023.
- Cambridge Dictionary. Definition, Handbook. Cambridge Dictionary. URL: <https://dictionary.cambridge.org/dictionary/english/handbook?q=Handbook> Accessed: 16 November 2023.
- Cambridge Dictionary. Definition, Investing. Cambridge Dictionary. URL: <https://dictionary.cambridge.org/dictionary/english/handbook?q=Handbook> Accessed: 16 November 2023.
- Cluff, J. July 2023. NBA's highest paid players for 2023-24 season: Steph Curry, Kevin Durant lead list. Arizona Republic. URL: <https://eu.azcentral.com/story/sports/nba/2023/07/30/nbas-highest-paid-players-2023-24-season-salary/70489212007/> Accessed: 2 September 2023.
- Constantinou, P. April 2023. The Dark Side of Athletes' Excessive Wealth and Fame. SFLA. URL: <https://moneysmartathlete.com/balancing-wealth-and-responsibility/the-dark-side-of-athletes-excessive-wealth-and-fame/> Accessed: 2 September 2023.
- Curry, B & Napoletano, E. April 2022. What Is Investing? How Can You Start Investing? Forbes. URL: <https://www.forbes.com/advisor/investing/what-is-investing/> Accessed: 10 September 2023.

Curry, B & Schmidt, J. May 2023. What Are Index Funds? How Do They Work? Forbes. URL: <https://www.forbes.com/advisor/investing/what-are-index-funds/> Accessed: 1 October 2023.

Cypress, B. 2017 Rigor or Reliability and Validity in Qualitative Research: Perspectives, Strategies, Reconceptualization, and Recommendations. Dimensions of Critical Care Nursing. URL: https://journals.lww.com/dccjournal/fulltext/2017/07000/rigor_or_reliability_and_validity_in_qualitative.6.aspx Accessed: 5 November 2023.

Dasos Capital. January 2023. Forest investment increasingly popular in Finland. Dasos Capital. URL: <https://www.dasos.fi/forest-investments-increasingly-popular-in-finland/> Accessed: 20 October 2023.

Elton, E. J., Gruber, M. J., De Souza, A., & Blake, C. R. 2015. Target date funds: Characteristics and performance. *The Review of Asset Pricing Studies*, 5(2), 254-272 URL: https://pages.stern.nyu.edu/~eelton/working_papers/TargetDateFunds UPDATED.pdf Accessed: 22 November 2023.

FinRepo. January 2022. Low Income Families and Poverty Line in Finland. FinRepo. URL: <https://finrepo.fi/en/news-low-income-families-and-poverty-line-in-finland> Accessed: 14 November 2023.

Florio, M. July 2023. NFL national revenue reaches \$11.98 billion in 2022. NBC Sports. URL: <https://www.nbcsports.com/nfl/profootballtalk/rumor-mill/news/nfl-national-revenue-reaches-11-98-billion-in-2022#> Accessed: 2 September 2023.

Gray, T. January 2017. Forests Are A Treasure. But Are They Good Investments? The New York Times. URL: <https://www.nytimes.com/2017/01/13/business/mutfund/forests-are-a-treasure-but-are-they-good-investments.html> Accessed: 20 October 2023.

Harvard Business Review. 2009. Preparing a Budget. Harvard Business Review Press. URL: <https://search-ebSCOhost-com.ezproxy.haaga-helia.fi/login.aspx?direct=true&db=e076mww&AN=674812&site=ehost-live&scope=site> Accessed: 16 November 2023.

Herohunt.ai. Structured Interview: definition, synonyms and explanation. Herohunt.ai URL: <https://www.herohunt.ai/recruiting-glossary/structured-interview> Accessed: 5 November 2023.

Hogue, E. November 2023. A Comprehensive Guide to Thematic Analysis in Qualitative Research. Bridged. URL: <https://www.getbridged.co/resource/thematic-analysis-of-qualitative-research> Accessed: 5 November 2023.

HoopsHype. 2000/01 NBA Salaries. HoopsHype. URL: <https://hoopshype.com/salaries/2000-2001/>
Accessed: 2 September 2023.

How to Budget Training – Managing the Training Function Waagen A. 2000. URL:
<https://learning.oreilly.com/library/view/how-to-budget/750007/ch01.html#ch01lev1sec1> Accessed:
16 November 2023.

Investor.gov. Exchange-Traded Funds (ETFs). Investor.gov. URL:
<https://www.investor.gov/introduction-investing/investing-basics/investment-products/mutual-funds-and-exchange-traded-2> Accessed: 25 September 2023.

Investor.gov. May 2010. Target Date Retirement Funds. Investor.gov. URL:
<https://www.investor.gov/introduction-investing/general-resources/news-alerts/alerts-bulletins/investor-bulletins/target> Accessed: 25 September 2023.

Investor.gov. Mutual Funds. Investor.gov URL: <https://www.investor.gov/introduction-investing/investing-basics/investment-products/mutual-funds-and-exchange-traded-1> Accessed: 25
September 2023.

Investor.gov. Stock Funds. Investor.gov. URL: <https://www.investor.gov/introduction-investing/investing-basics/glossary/stock-fund> Accessed: 25 September 2023.

Kirk, L. September 2023. Real Estate Investing for Beginners: 5 Skills of Successful investors.
Harvard, Professional Development. URL: <https://professional.dce.harvard.edu/blog/real-estate-investing-for-beginners-5-skills-of-successful-investors/> Accessed: 1 October 2023.

Kössö, T. October 2016. Suomalaiset huippu-urheilijat elävät köyhyysrajalla – laskut maksamatta, rahaa ruokaan toimeentulotuesta tai isän kukkarosta. YLE. URL: <https://yle.fi/a/3-9217654#:~:text=Urheilu-,Suomalaiset%20huippu%20urheilijat%20elävät%20köyhyysrajalla%20-%20laskut%20maksamatta%2C%20rahaa%20ruokaan,tienaa%20alle%201200%20euroa%20kuukaudessa> Accessed: 3 September 2023.

Kriukow. 2018. Validity and Reliability in Qualitative research. Qualitative Researcher. URL:
<https://drkriukow.com/validity-and-reliability-in-qualitative-research/> Accessed: 5 November 2023.

Kural, E. December 2019. Interview Sampling: How do I find people to interview? Medium. URL:
<https://blog.scrintal.com/interview-sampling-how-do-i-find-people-to-interview-18949d98575c>
Accessed: 5 November 2023.

- Lake, R. December 2022. What Are Actively Managed Funds? SmartAsset. URL: <https://smartasset.com/investing/actively-managed-funds> Accessed: 24 September 2023.
- Luxe Watches. March 2023. Which luxury watches appreciate over time? Luxe Watches. URL: <https://www.luxewatches.co.uk/which-luxury-watches-appreciate-over-time/> Accessed: 14 October 2023.
- Mander, J. March 2022. How to use qualitative and quantitative research to your advantage. GWI. URL: <https://blog.gwi.com/trends/qualitative-vs-quantitative/> Accessed: 28 October 2023.
- Maxwell T. October 2022. How to Create a Personal Cash Flow Statement. Experian. URL: <https://www.experian.com/blogs/ask-experian/how-to-create-personal-cash-flow-statement/#s1> Accessed: 10 September 2023.
- Mint. May 2020. Survey: 65% of Americans Have No Idea How Much They Spent Last Month. Intuit Mint Life. URL: <https://mint.intuit.com/blog/budgeting/spending-knowledge-survey/> Accessed: 9 September 2023.
- Nowell, L. S., Norris, J. M., White, D. E., & Moules, N. J. October 2017. Thematic Analysis: Striving to Meet the Trustworthiness Criteria. International Journal of Qualitative Methods, Sage Journals. URL: <https://journals.sagepub.com/doi/10.1177/1609406917733847> Accessed: 5 November 2023.
- O'Shea, A & de la Fuente, P. August 2023. What Is a Brokerage Account and How Do I Open One? Nerdwallet. URL: <https://www.nerdwallet.com/article/investing/what-is-how-to-open-brokerage-account> Accessed: 10 November 2023.
- Pomroy, K. August 2022. What Is the Appreciation of Assets? Experian. URL: <https://www.experian.com/blogs/ask-experian/what-is-appreciation-of-assets/> Accessed: 23 September 2023.
- Rahman, S. November 2016. The Advantages and Disadvantages of Using Qualitative and Quantitative Approaches and Methods in Language "Testing and Assessment" Research: A Literature Review. Journal of Education and Learning Vol. 6, No. 1. URL: <https://files.eric.ed.gov/fulltext/EJ1120221.pdf> Accessed: 28 October 2023.
- Rotter, K. September 2019. Brokerage Account vs. IRA: What's the Right Move? The Ascent. URL: <https://www.fool.com/the-ascent/buying-stocks/traditional-ira-vs-brokerage-account/> Accessed 23 September 2023.

Sanders, S. March 2012. NFL, MLB, NHL, MLS & NBA: Which Leagues and Players Make the Most Money? Bleacher Report. URL: <https://bleacherreport.com/articles/1109952-nfl-mlb-nhl-mls-nba-which-leagues-and-players-make-the-most-money> Accessed: 2 September 2023.

Saunders, M.N. K., Thornhill, A., & Lewis, P. 2020. Research Methods for Business Students (8th ed.). Pearson International Content. URL: <https://bookshelf.vitalsource.com/books/9781292208800> Accessed: 4 November 2023.

Schwab. What is an ETF. Charles Schwab. URL: <https://www.schwab.com/etfs/understand-etfs#beacon-deck--6836> Accessed: 26 September 2023.

Sciponi, J. October 2020. Shaquille O'Neal after his getting his first million-dollar paycheck: What 'the hell is FICA'? CNBC. URL: <https://www.cnbc.com/2020/10/28/shaquille-oneal-on-getting-his-first-million-dollar-paycheck.html> Accessed: 2 September 2023.

Tamplin, T. September 2023. Bond Funds. Finance Strategists. URL: <https://www.financestrategists.com/wealth-management/bonds/bond-funds/> Accessed: 25 September 2023.

Tapaturmavakuutuskeskus. May 2023. Tapaturmavakuutuskeskuksen (TVK) urheilijavakuutusrekisterin mukaan vuonna 2022 päättyneillä pelikausilla oli yhteensä 1262 urheilijan tapaturma- ja eläketurvasta annetun lain (276/2009) perusteella vakuutettua urheilijaa. Tapaturmavakuutuskeskus. URL: <https://www.tyotapaturmatieto.fi/julkaisu/tyotapaturmatietopalvelu/3413?c=35> Accessed: 20 November 2023.

The Economic Times. What is 'Capital Gain/Loss'. The Economic Times. URL: <https://economictimes.indiatimes.com/definition/capital-gainloss> Accessed: 10 September 2023.

The Economic Times. What is 'Cash Flow'. The Economic Times. URL: <https://economictimes.indiatimes.com/definition/cash-flow> Accessed: 3 September 2023.

Thompson, C. January 2023. How a Passive Investing Strategy Works. SmartAsset. URL: <https://smartasset.com/investing/passive-investing> Accessed: 24 September 2023.

TrueFacet's. March 2023. Are Luxury Watches A Good Investment. The Loupe. <https://www.truefacet.com/guide/> Accessed: 14 October 2023.

Uppal, H. September 2022. Why investing in property is a good idea. The Economic Times. URL: <https://economictimes.indiatimes.com/wealth/real-estate/why-investing-in-property-is-a-good-idea/articleshow/94110270.cms> Accessed: 1 October 2023.

Upstox. 2017. What is Intraday Trading for Beginners – Strategies, Indicators & Meaning. Upstox. URL: <https://upstox.com/learning-center/intraday-trading/what-is-intraday-trading/> Accessed: 14 November 2023.

Vipond, T. January 2020. Dividend. Corporate Finance Institute. URL: <https://corporatefinanceinstitute.com/resources/accounting/dividend/> Accessed: 23 September 2023.

Williams, T. June 2021. Why Is Quantitative Research Important? Grand Canyon University. URL: <https://www.gcu.edu/blog/doctoral-journey/why-quantitative-research-important> Accessed: 28 October 2023.

Appendices

Appendix 1. Interview questions and answers

Athlete A

How old are you?

27

What point are you in your career?

“Started my pro career in the fall of 2019, after graduating from college. After college, I’ve played in the AHL (American Hockey League) and for the past 2 years I’ve played in the ECHL (East Coast Hockey League), with a few short loan stints in the AHL.”

Do you have any dreams and goals outside of sports?

“Travel the world, and once hockey is done start my own business. Wildest dream is to only have my computer as my working device. Don’t need too much money, but just so there is no stress.”

Do you have a plan for after sports career is over?

“I want to start a business, not sure what, but something where I can be my own boss and set my own working hours. My college degree, entrepreneurship was my major is a sort of an investment from the past.”

What is your monthly/yearly income?

“30k a year if I play in the AHL 70k. Rated every 2 weeks, so depends on what league I play in, it will affect my monthly salary. Right now, I’m not stressing about money right now, since I live in the state of Florida, taxes are minimal so the I’ll have plenty of money.”

Do you do any budgeting?

“I became more aware once I started using credit cards. In America we have a lot of different credit cards with different benefits. It has helped me keep track of my expenditures, so I know how money goes to i.e., groceries. But I don’t do that much of in-detail budgeting. I don’t think too much

about my daily/monthly expenses. If I did, I'd probably saved a bit more every month but, I haven't really had the effort to do it."

Do you have any savings after each month?

"Definitely surplus, 1k – 2k, If I play in the AHL it will be even more."

What do you do with that money?

"Saving and building, because of my side hustles, I invest in my startups so that I have the possibility to start running business once my playing days are over. I have only one bank account where I keep my money since I'm using my credit cards and paying back the bills when they come."

Have you considered investing it?

"Yes, I'm investing it in different venues."

What do you know about investing in general?

"Yes, I'm aware of the investment scene, I'm always looking for options to invest in funds and/or shares."

Do you know any options when it comes to investing?

"Yeah, I have index funds (S&P 500) and a few other index funds. Some of my fund investments are doing good, some aren't doing so as well but in general my investments are increasing in value."

If you do invest, why did you choose that option?

"Because of the cost efficiency and trying to diversify it. And investing in my business so one day I can put in working and transition into that once playing days are over. "

Do you discuss any financial topics amongst your teammates? If so, what?

"One of my teammates is my business partner so with him constantly, with others no. I don't want other than my trusted ones to know my financial moves and my business plans."

Athlete B

How old are you?

26

What point are you in your career?

“Started my pro career in the fall of 2017, so this will be my 7th year of playing professionally. I’ve played most of the years in Finland but, the past few years I’ve played in Denmark and Slovakia, currently I’m playing in Finland.”

Do you have any dreams and goals outside of sports?

“Yes, starting a family, my first-born son is 1,5 y.o. Finding a spot where I feel happy and good mentally, physically, and financially. I haven’t had thought of anything else since I’ve been so invested in my hockey career”.

Do you have a plan for after sports career is over?

“Not really, I have started to think about education stuff. But nothing crystal clear yet.”

What is your monthly/yearly income?

“3500 a month, so that would be 42k this year. The yearly income has been, in a way, unstable since I’ve changed teams a few times the past few years.”

Do you do any budgeting?

“No, I haven’t, I’m not a big spender, most of my expenses are groceries. I’m a bit lazy when it comes to doing budgeting, I guess it could show me a better picture of my monthly habits.”

Do you have any savings after each month?

“Around a thousand. Depends a little on changing circumstances with my family. If the child needs something etc.”

What do you do with that money?

“Save. I put in ASP-account. Also, I have a savings account where I have put every month some amount a side.”

Have you considered investing it?

“Well, the ASP, is a sort of investment. But other than that no.”

What do you know about investing in general?

“Not a lot. I’ve thought of starting investing but haven’t had the courage or the knowledge to do it.”

Do you know any options when it comes to investing?

“A little, but not a lot. I need to familiarize, and I’d need some sort of guidance on how to do it. I don’t really understand how it works and would need help to get started on that.”

If you do invest, why did you choose that option?

“ASP-account is the only investing I do, so that one day I can by my own place.”

Do you discuss any financial topics amongst your teammates? If so, what?

“Yes, a little but nothing in-depth. In some teams there’s more discussion and in some a little less.”

Athlete C**How old are you?**

“27”

What point are you in your career?

“Started my pro career in the fall of 2016, this is my 9th year playing professionally, currently I am playing in Slovakia. I’ve been playing outside of Finland for 5 years now”.

Do you have any dreams and goals outside of sports?

“Collect wealth. That me and my family are healthy. I’m sort of a financially well of that I can choose what I want to do. No stress about my moneys and I’ll have my house, cabin. My kids will have the opportunity have a good childhood and experience various things.”

Do you have a plan for after sports career is over?

“Not really, should finish my school. I feel like once I start to feel like it’s time to do something else, I’ll come up with something that I’ll want to do.”

What is your monthly/yearly income?

“About 8000 a month, base salary is almost 80 000 for this year plus performance-based bonuses. The higher we finish in the league and when I reach certain personal milestones, I’ll receive bonuses. “

Do you do any budgeting?

“Not really, currently I haven’t done a lot of budgeting. Only things that I need to budget monthly are certain fixed expenses such as mortgages and loans. I have discussed about it with teammates before, but I feel like I wouldn’t have the patience to get into the smaller details. If there would be an automated tool/app it would be cool to follow my spendings”.

Do you have any savings after each month?

“After all my fixed expenses (mortgages and other loans). Addition to other unforeseeable expenses with my family. Plus, other expenses that vary month to month (eating out). Also, I recently went to London, and I didn’t have a budget for that trip either. However, I’m not a big spender so it wasn’t that big of a hit on the wallet.”

What do you do with that money?

“My own investments, funds for my kids.”

Have you considered investing it?

“Yes, I do invest like I said earlier, trying to put all the excess money into investments.”

What do you know about investing in general?

“I’ve investigated funds a little, I’ve done investing only through my bank (OsuusPankki) that has the i.e., OP Rohkea, which diverse my money into shares, bonds.”

Do you know any options when it comes to investing?

“Not a lot... I know the basics, but interested in learning more about different options since currently my incomes are pretty good and I have the resources to put a side a bit more.”

If you do invest, why did you choose that option?

“It felt the easiest, family always been customers with the bank I am also a part, it felt natural. However, I wouldn’t be opposed to trying other platforms. “

Do you discuss any financial topics amongst your teammates? If so, what?

“Not really, they don’t really share the same interest as I do so it’s a bit hard to have conversations. A few years ago, we, in another team, I had teammates that I used to discuss in general investment topics. That gave me the push over the edge to start doing it myself. “

Appendix 2. GANTT CHART

			SEP				OCT				NOV			
Project Phase:	Details	Calendar week(s)	36	37	38	39	40	41	42	43	44	45	46	47
Chapter 1 - Introduction	Background		█											
	Project Scope / Limitation		█											
	Benefits		█											
	Key Concepts		█											
Chapter 2 - Theoretical Framework				█	█	█	█							
Chapter 3 - Research Methods or Project Management Methods Choosing of Interviewees							█	█	█					
Chapter 4 - Interviews & Theory work to creating the guidebook								█	█					
Chapter 5 - Conclusions	Evaluation of Product Outcome										█	█		
	Realibility and Validity										█	█		
	Further Investigation										█	█		
	Reflection of Learning										█	█		
	Completion of the guidebook										█	█		
Finalizing of the Thesis Report and Guidebook												█	█	

Appendix 3. Handbook

Investment Handbook For Athletes



Dan Nybondas



Table of Content

Introduction

Target Group

Budgeting

Balance Sheet

Cashflow

Investing

Active vs Passive

How to start

Investment Options

Useful Links

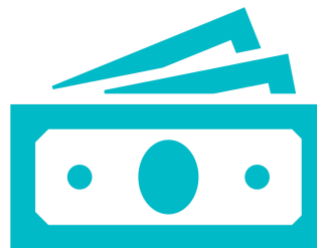
- This product will aim to create a simple, easy to understand and pain-free tool for athletes to lean onto when laying their foundation for life after their professional athlete career is over.
- The end goal is to create a recommendation plan for the athlete to make decisions to create a “safety net” to secure a steady flow of income and to have a sustainable financial situation after the athlete’s career is over.
- Understanding for athletes that their career within sports is in a constant move, there is no certainty about tomorrow and that they need to make smart and sustainable financial decisions.
- The length of the career is short, but can be a highly rewarded one. The high incomes drop drastically after the playing years, and it’s important to create understanding and good habits right at the start.



- You are an athlete, either:
 - At the start of your career
 - At the peak of your career
 - At the final years of your career
- Your yearly income 18 000 – 100 000
- European or American.
- Looking to create a financial safety net.

- Budget is a planned strategy in which you create a plan of expenses and incomes over a certain period of time. A budget can help forecast how well you are able to spend, make money and, help create a more financially stable situation.
- The budget can be divided into four steps:
 1. Determine your objectives.
 2. Planning and evaluating your monthly income and expenses.
 3. Identifying your spending habits and income possibilities.
 4. Adjusting the budget if necessary.

- Cashflow is the movement of cash-equivalents that moves in and out from your holding. But why shouldn't you treat your own money with just as much care as a company does with theirs?
- When creating your personal cash flow statement, you will have the two following parts included:
 1. Balance Sheet
 2. Cash Flow statement



Balance Sheet

- Balance sheet is your document where you have calculated your assets and your liabilities. In short, what you own and what you owe. Examples for assets are such as: your home, money (cash and bank accounts). Liabilities are such as: loans and unpaid taxes.
- Click the link below to calculate your own [Balance sheet](#)

Assets:		Liabilities:	
Liquid Assets		Current Liabilities	
Checking Account	3 000 €	Credit Card	900 €
Savings Account	1 500 €	Medical Bills	200 €
Piggy Bank	50 €	Total Current Liabilities	1 100 €
Total Liquid Assets	4 550 €	Long-Term Liabilities	
Real Estate		Mortgage	65 000 €
Market Value of Property	150 000 €	Student Loans	5 000 €
Personal Possessions		Car Loan	3 000 €
Computer	800 €	Total Long-Term Liabilities	73 000 €
iPhone	550 €	Total Liabilities	74 100 €
iPad	500 €		
Playstation	450 €		
Jewelry	200 €		
Watch	140 €		
Total Personal Possessions	2 640 €		
Investment Assets			
Stocks	1 000 €		
Trusts	500 €		
Total Investment Assets	1 500 €		
Total Assets	158 690 €		
Net Worth:		84 590,00 €	

Cashflow Statement

- Cash flow statement is where you list every euro that comes to you and all the euros that leaves your wallet. Examples of incomes are salary from the team the athlete plays for, or prize money from competitions. Also, sponsorships and other endorsement deals counts as income. The costs are your everyday expenses such as grocery shopping, fueling your car and loan payments.
- By clicking the following link you'll get the chance to map your own [Cashflow Statement](#)

CASH FLOW STATEMENT		
INCOME		
Salary	Monthly	Annual
Net Salary	3 000,00 €	36 000,00 €
OTHER INCOME		
Bonuses	200,00 €	2 400,00 €
Other income		0,00 €
TOTAL INCOME	3 200,00 €	38 400,00 €
EXPENSES		
Rent	550,00 €	6 600,00 €
Food	750,00 €	9 000,00 €
Water	15,00 €	180,00 €
Electricity	20,00 €	240,00 €
Netflix	8,00 €	96,00 €
Viaplay	44,99 €	539,88 €
HBO Max	9,90 €	118,80 €
Spotify	11,99 €	143,88 €
Phone plan	25,00 €	300,00 €
Internet	10,00 €	120,00 €
Insurance	20,00 €	240,00 €
Car payments	350,00 €	4 200,00 €
Gasoline	205,00 €	2 460,00 €
Other expenses	150,00 €	1 800,00 €
TOTAL EXPENSES	2 169,88 €	26 038,56 €
SURPLUS/(DEFICIT)	1 030,12 €	12 361,44 €

- Investing in the field of finance, is the act where you buy assets that have the potential of increasing over time and provide returns as in income and/or capital gains. **Assets** such as securities, real estate are the most common venues but there are more options that could be profitable. In the simplest way explained, the investment process works the following way, you buy an asset at a low price and sell it at a high price. This phenomenon is called **capital gain**.
- The phenomenon of the increase in worth of the asset is called **appreciation**. On the contrary when there is a decrease, it's called **depreciation**.
- **Dividends** are a piece of the profits that the shareholders receive when a company makes profit. Before the company pays the dividends, the board needs to decide and approve if they either pay dividends or re-invests the profits back into the company.



Active vs Passive

Actively managed investing is a way of investing where you give your money/assets to an investment manager or a group. The manager then will make the decision in what to invest their clients' money and try to make decisions that would result in beating the stock market.

- Pros
 - Possibility to beating the market, higher returns on investment.
 - Personnel with years of experience, knowledge and resources.
- Cons
 - Beating the market rarely, underperforming.
 - Maintenance fees, fund fees can be high.
 - Qualifications such as, minimum investment.

Passive investing is that an investor buys an asset and holds on to it for a long period of time instead of constantly trying to trade it to create profit. The goal for this type of investing is to create profit over time with the overall market going up as the years go by.

- Pros
 - Cost efficiency
 - Diversification
- Cons
 - Lower return potential than actively managed investing.
 - No short-term capital gains likely.

- **Brokerage account** in a nutshell is an account that you can open for the purpose of purchasing investments such as stocks and ETFs.
- You can connect your own bank account with the brokerage account so that transfer of money is quick and easy.
- The opening of a brokerage account today is a quick process. After choosing the suitable brokerage company and want to open an account, it shouldn't take you longer than 10 minutes. In today's world you only need to provide your personal information, connect your bank account.
- However, be mindful for certain rules, requirements and regulations different brokerages have. There are various options so take your time and find the suitable one for you.

- Are funds that are run by a company that operates with money from many investors and invests the collected money in bonds, stocks, and short-term debt.
- The collection of the holdings made are called the **portfolio**.
- Investors buy and sell the shares in these funds.
- Every share in these funds is held by an investor and the shares represent the ownership and income of each shareholder in the funds.
- Mutual funds are a well-liked option among investors because; they are well sought after by the fund management, the diversification, affordability, and the possibility of pain-free liquidation of the holdings.
- There are 4 main types of Mutual Funds:
 1. **Money Market Funds**
 2. **Bond Funds**
 3. **Stock Funds**
 4. **Target Date Funds**

- Funds that are low risk funds if compared to the other mutual fund types.
- These kinds of funds are also giving the investor lower returns of on their investments.
- Money market funds favour investing in high quality, short-term debt securities. This means that the interest rates on these are low and short-term.



- Similar to Money market funds, the difference comes in that bond funds usually aim for higher returns for the investors.
- There are a lot of different types of bond funds so the risk-reward ratio can vary from being a low risk-return to extremely high risk-reward ratio. Examples of bond funds are the following:
 - **Government Bond Funds**, where you invest in government-issued bonds, these funds tend to be the safest choice within bond funds because of the government backing.
 - **Corporate Bond Funds**, these are bonds issued by companies with different yields. Corporate funds that have a lower yield tend to be safer than the high yield bonds. The higher the yield the riskier it gets.
 - **Multi-Sector Bond Funds**, a mixture of different bonds (i.e., government, corporate, mortgage-backed securities) that offer a diverse view to the market.

- Funds where you invest in stocks.
- Selection of stocks the fund will invest in are based of the fund's intentions, rules, and strategy.
- Some stock funds will only focus on investing in recognized companies that are so called "blue chip" companies, while other funds focus on the technology field. Stock funds are influenced by the financial status of companies, the economic circumstances, and the general market.

- Essentially your mutual funds with a diverse selection of bonds, stocks, and other investment options.
- The idea with the target date funds is to be retired at a certain time.
- The funds are created in such a way that while the target date closes in, the funds invest in more and more low risk option. Usually, the funds begin with a heavily stock-weighted portfolio but as time goes by it changes more and more into bonds.

- ETFs are funds that are traded on exchanges.
- ETFs track a certain index.
- **Intraday trading**, you can buy and sell during the same day at different prices.
- Only retail investors can make transactions in the ETF markets.
- This means that a private investor enters a contract with a "authorized partner", which in this situation means a large broker-dealer.
- The authorized participants can then make trades with the ETFs



Index Funds

- Index fund tries to mimic the performance of a financial market index, like S&P 500.
- Main objective is to be the benchmark and not try to beat it. All index funds track a market index.
- A **financial market index** ties together similar bonds, commodities, currencies, and stocks into bundles. After the grouping, the index follows their performance over time.
- Tons of different option when looking at different index funds, Following types are the more common ones:
 - **Equity index funds** follows certain stock indexes. Indexes that follow the S&P 500 are the ones that are on the most popular side within equity indexes.
 - **Dividend index funds** concentrate on indexes with high dividend potential.
 - **International index funds** are then again for investors who are looking outside their own country's market.

- Investing in real estate is one of the safest options out there. There is a slim chance that you would lose value on your property, and if that would occur, it would be only for a short time. Real estate is the opposite of currencies, during inflation where money loses its value, real estate is in good shape and performs better.
- Real estates are divided into three major categories:
 - **Residential**, which is real estate solely for living purposes, for example, apartments, condos, and family houses.
 - **Commercial**, real estate and space for your industrial businesses and retail stores. In a nutshell, malls, office buildings and manufacturing plants are within this branch of real estate.
 - **Land**, this category includes the soil below the surface of earth and the air space above it to a certain height. It includes all objects, waters, plants, and structures that are within the borders of the plotted patch.
- Real estate generates income by:
 - **Appreciation**, property which means that as time goes by, the value increases and then you sell it for profits.
 - **Rental income**, renting your property for generating income.
 - **Property flipping**, buying cheap property, fixing it up and, selling it for profits.

- **Art**

- A "stable" investment, does not fluctuate the same as stocks.
- Re-selling your art collection may take a long time.

- **Jewelry and Watches**

- Jewelry and Watches from known manufacturers are of the highest quality. The message that radiates from the timepiece or necklace to others is that the wearers economic status is in a good place. The quality of the watches or jewelry mixed demand from the consumers can make a specific piece a great investment
- Household names like Rolex and Patek Philippe in the watch industry are brands whose watches tend to hold their initial value and even appreciate. This is due to their brand image, exclusivity, and the high-end quality of their products.

- **Forestry**

- A difference maker between forestry and your traditional fund investing is that forests don't fluctuate as the markets do, in fact, the forests tend to grow and increase in value while inflation and interest rates can bounce around

Path to success

1. Start with budgeting, you'll see your financial status by the numbers.
 - Balance Sheet & Cash Flow Statement
2. Choose what is more suitable for you at the current moment: Active or Passive?
3. Find the brokerage that offers you the best options.
 - Be mindful of the rules, requirements and, regulations of the establishments.
4. Find the investment option that you find most suitable and interesting.
 - Mutual funds? Index funds? ETFs? Real Estate? Forestry?
5. After calculating you budget and finding the investment option of your liking, make a commitment towards it.
6. Consistency is key. Patience is power.