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## THE IMPORTANCE OF LEADERSHIP

*He who knows not, and knows not  
that he knows not, is a fool. Shun him.*

*He who knows not, and knows that  
he knows not, is simple. Teach him.*

*He who knows, and knows not  
that he knows, is asleep. Waken him.*

*He who knows, and knows  
that he knows, is wise. Follow him.*

— ARABIAN PROVERB

What has leadership to do with financial planning and MLM? Everything, when you consider that less than 5% of people have a proper financial plan and less than 5% of people will succeed in MLM. Leaders also make up less than 5% of the population. Financial planning is about foresight and being on top of events that may only happen some 30 to 60 years away. Successful investing is about being a leader in action, being ahead of the market, not about passive following. Starting an MLM business in anticipation of the future threats and opportunities is an act of leadership. Hanging in there and not giving up requires the determination of a leader. This chapter explores why strong leadership is important to achieve success in MLM.

### LEADERSHIP, NOT SALES OR MANAGEMENT

Since MLM is a form of direct selling, many people initially regard MLM as a selling business. However, the main income in most MLM schemes is called a