RAMIT SETHI'S

7 WAYS TO AUTOMATE YOUR MONEY



1% Better

Stop managing your money manually. You're losing.

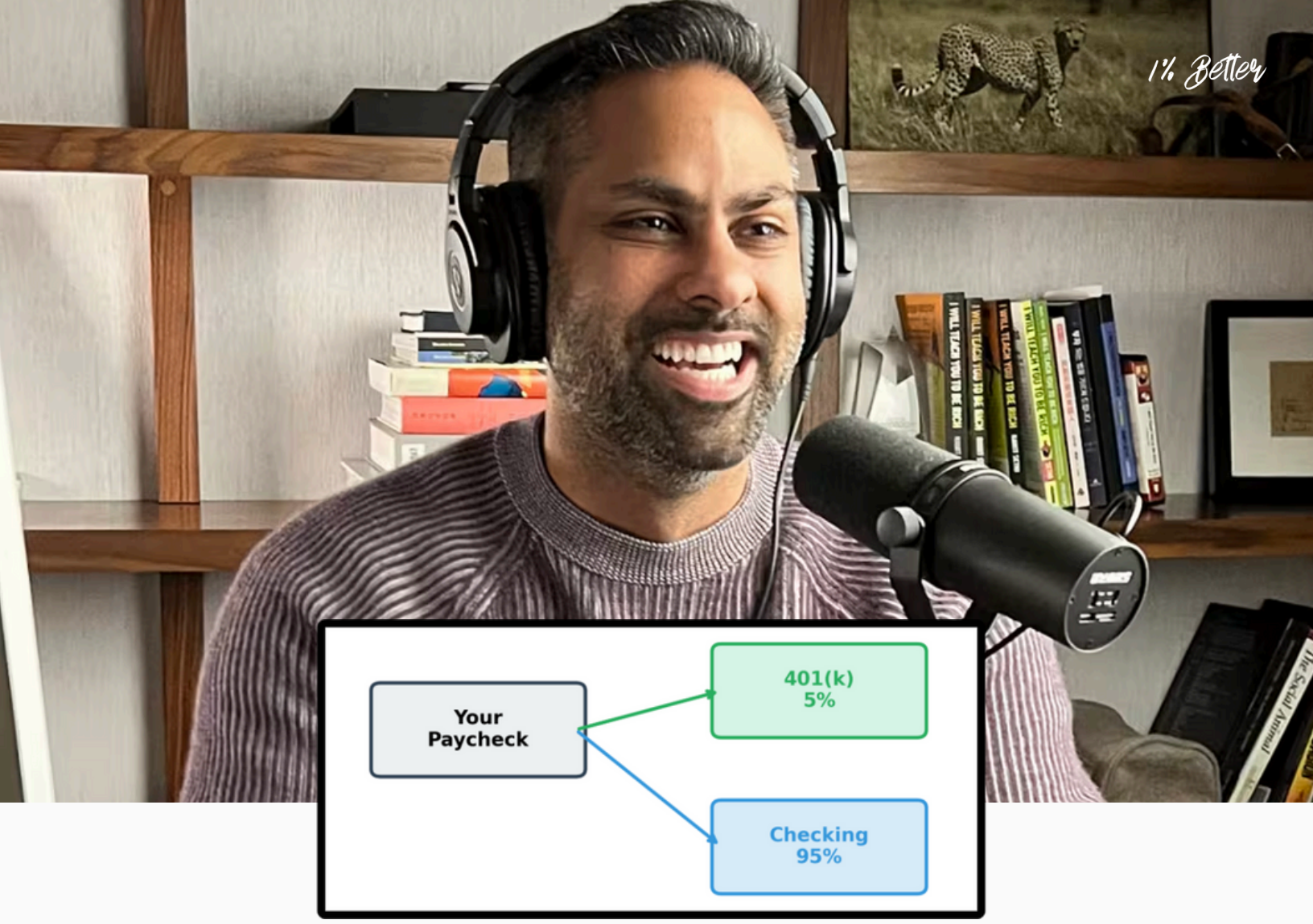
Ramit Sethi, author of the New York Times bestseller *I Will Teach You to Be Rich,* spends less than one hour per month on his finances.

How? He built a system 15 years ago that still runs on autopilot today.

This isn't theory. These are the exact 7 automations that move money from your paycheck to wealth-building accounts before you can spend it.

Set this up once. Benefit forever.

Here's the system that made Ramit rich—and how to copy it...



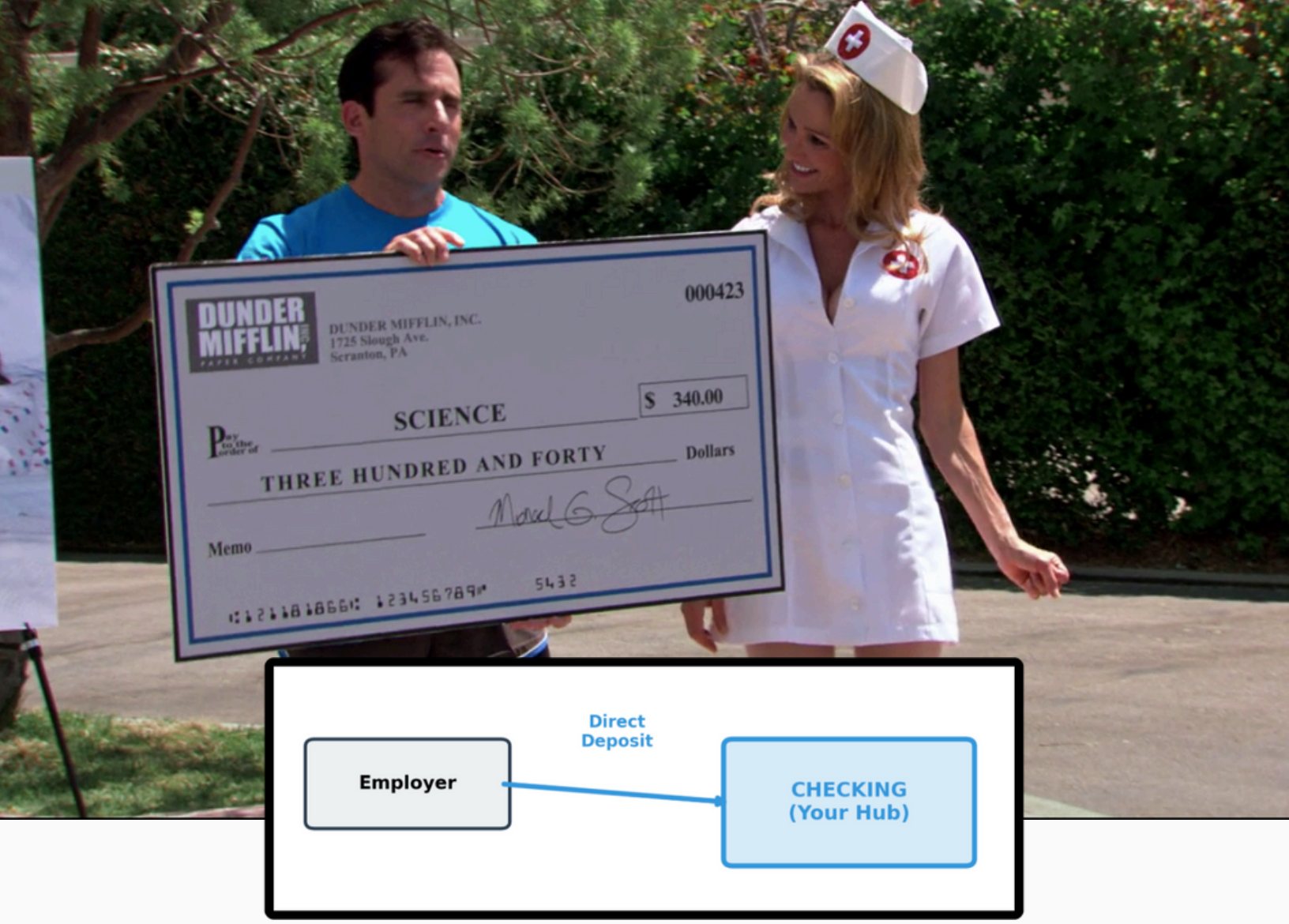
AUTOMATION #1: AUTO-CONTRIBUTE TO YOUR 401(K)

The Setup: Your employer deducts 5% of your paycheck before it hits your checking account and deposits it directly into your 401(k).

Why It Works: You never see this money, so you never miss it. It grows tax-deferred, compounding for decades.

Ramit's Rule: At minimum, contribute enough to get your full employer match. That's free money. Increase by 1% every six months until you hit the maximum contribution.

Action Step: Email HR today. Ask them to increase your 401(k) contribution by at least 1%. Do it now—not next week.



AUTOMATION #2: DIRECT DEPOSIT TO CHECKING

The Setup: Your remaining paycheck (after 401k deduction) automatically deposits into your main checking account every pay period.

Why It Works: This becomes your "hub" account where all money flows from. Everything else connects to this account for automatic transfers.

Ramit's Rule: Never let money sit idle in checking. It should flow through checking to savings, investments, and bills within 1-5 days of arriving.

Action Step: Confirm with your employer that direct deposit is active. If you're still getting paper checks, you're doing it wrong.



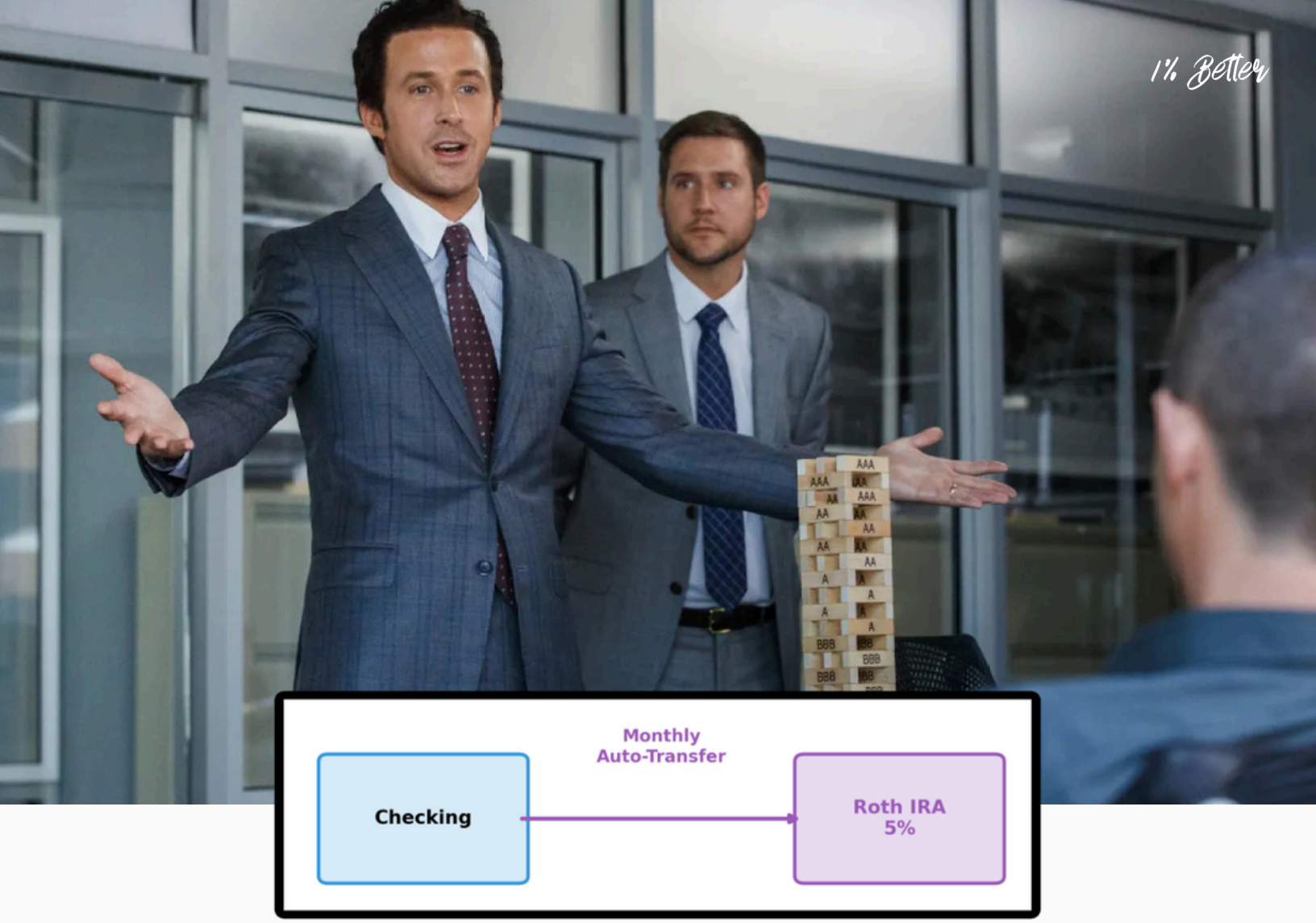
AUTOMATION #3: AUTO-TRANSFER TO SAVINGS

The Setup: On the 5th of every month, 5-10% of your income automatically transfers from checking to your high-yield savings account.

Why It Works: Waiting until the 5th gives your paycheck time to clear and lets you fix any issues. The transfer happens whether you're motivated or not.

Ramit's Rule: Start with even $5 if you have to. Prove the system works, then increase the amount. Create sub-accounts for specific goals: wedding, house down payment, vacation .

Action Step: Log into your savings account right now and schedule the recurring transfer.



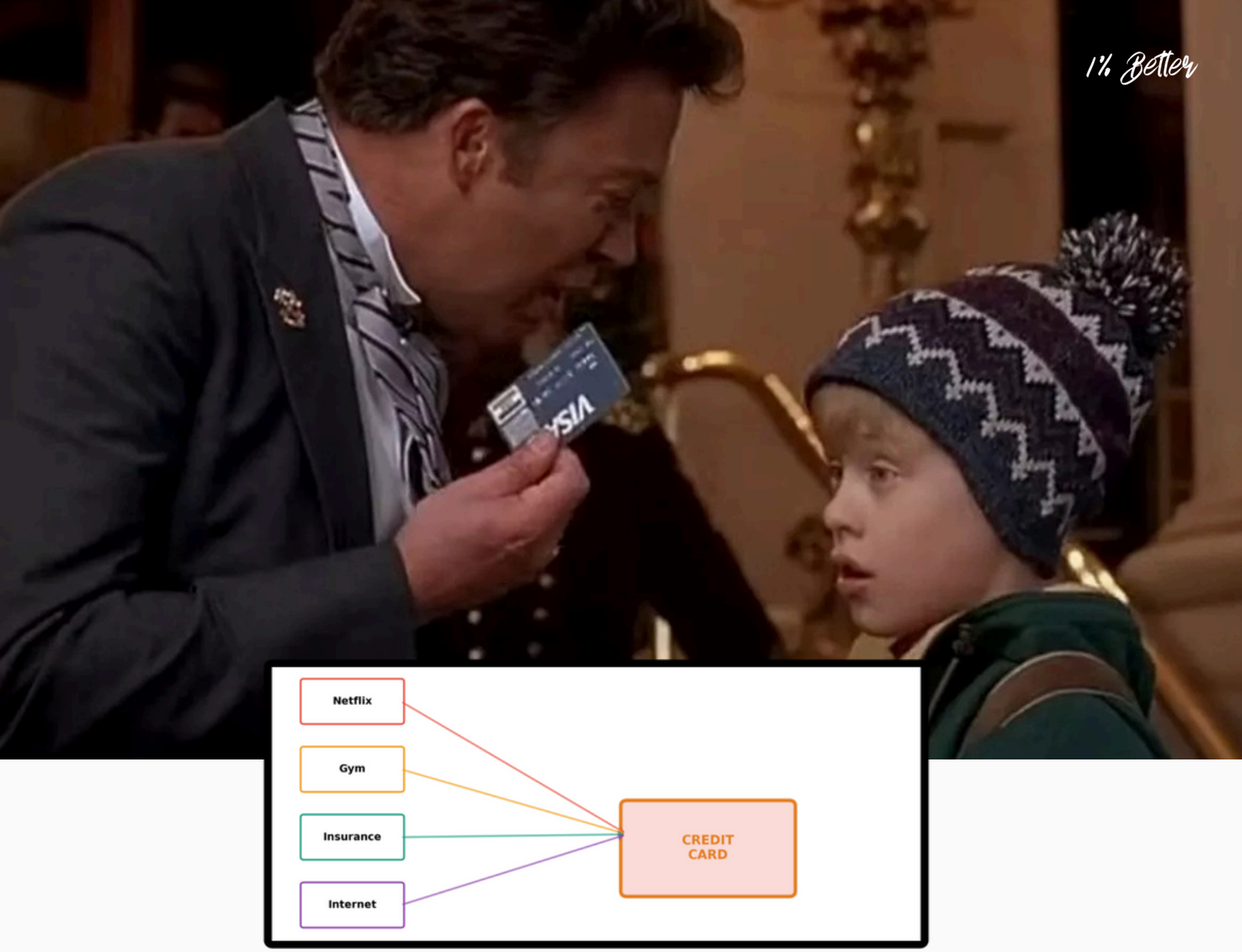
AUTOMATION #4: AUTO-FUND YOUR ROTH IRA

The Setup: Automatically pull 5% of your salary from checking to your Roth IRA every month. Set it to transfer the day after your savings transfer.

Why It Works: You're investing for retirement with after-tax dollars. This money grows tax-free forever. The earlier you start, the more compound interest works its magic.

Ramit's Rule: Max this out before worrying about taxable investment accounts. In 2025, the limit is $7,000/year ($583/month). If you're 50+, it's $8,000.

Action Step: Open a Roth IRA today if you don't have one. Vanguard, Fidelity, or Schwab. Then automate the monthly transfer.



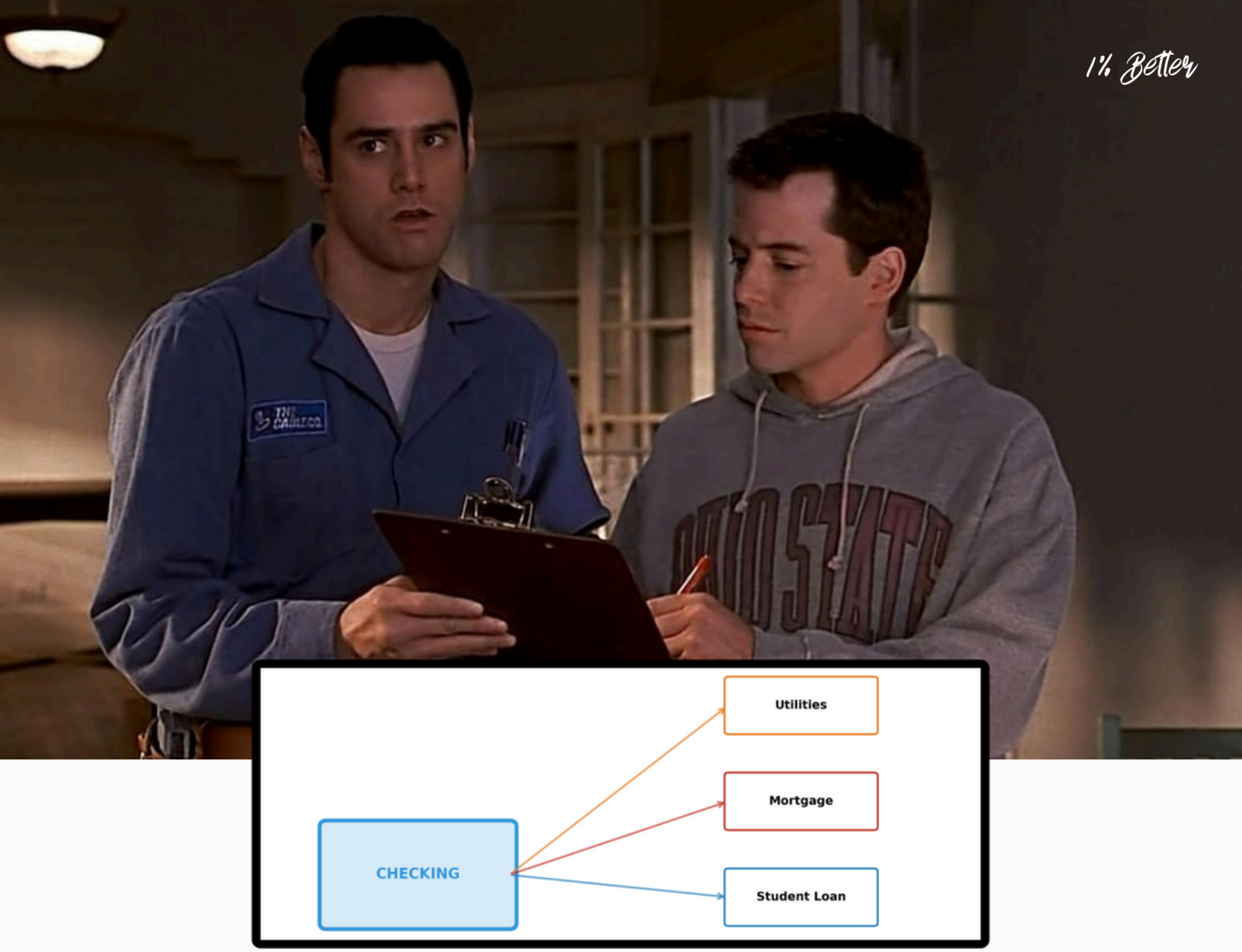
AUTOMATION #5: AUTO-PAY BILLS VIA CREDIT CARD

The Setup: Charge all recurring bills to your credit card automatically: Netflix, Spotify, gym membership, insurance, internet, phone, subscriptions.

Why It Works: You earn rewards points on money you're already spending. You also build credit by showing consistent, on-time payments.

Ramit's Rule: Only do this if you pay your card in full every month (see Automation #7). Otherwise, interest kills your rewards. Review charges monthly to catch any billing errors.

Action Step: List every recurring bill. Call each company or log into their portal and switch payment method to your rewards credit card.



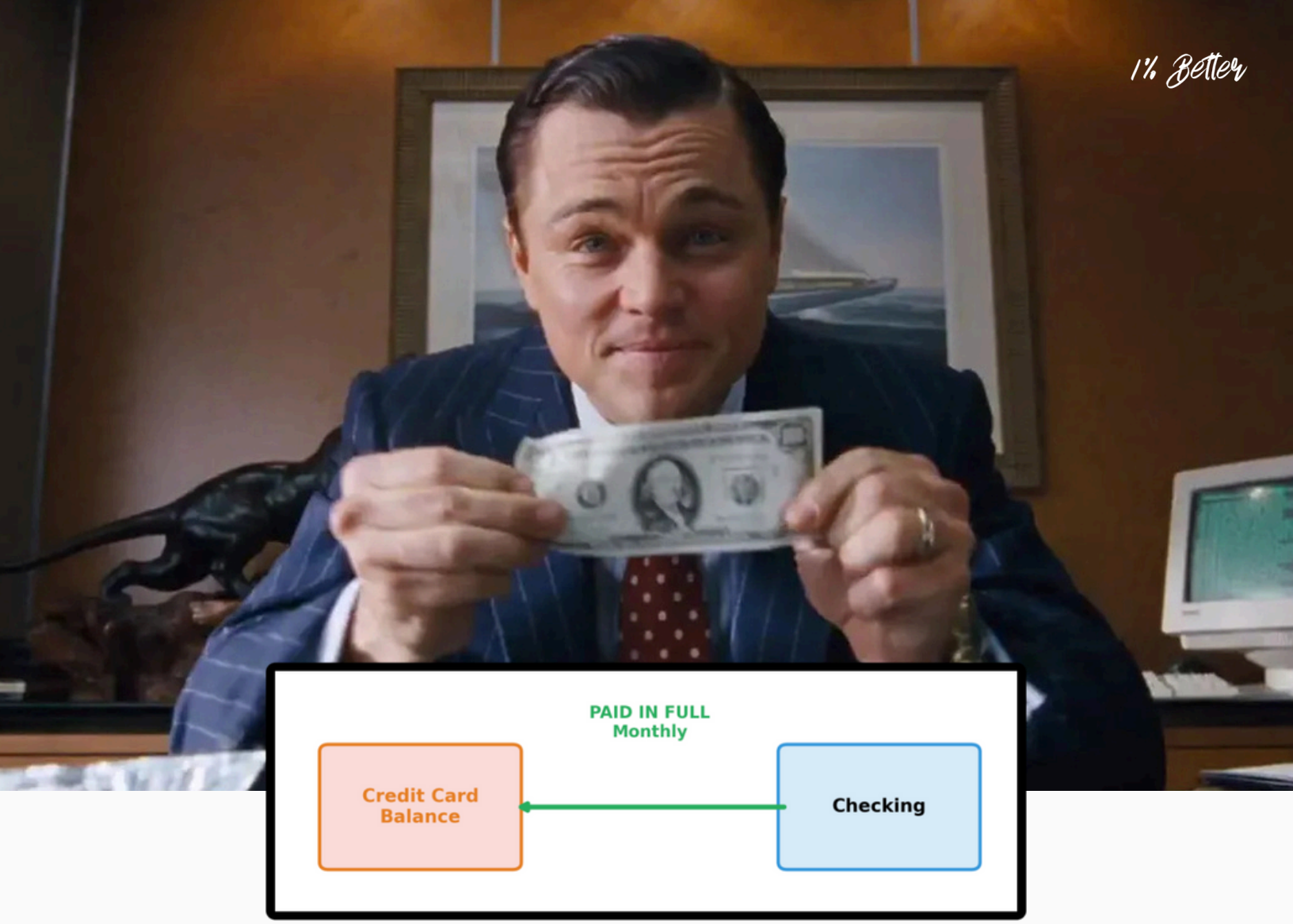
AUTOMATION #6: AUTO-PAY UTILITIES FROM CHECKING

The Setup: Bills that won't accept credit cards (utilities, student loans, mortgage, rent) automatically debit from your checking account each month.

Why It Works: You never pay late fees. Your credit score improves with consistent on-time payments. One missed payment can drop your score by 100 points.

Ramit's Rule: Set these to auto-pay 2-3 days before they're due. Keep 15% buffer in checking for unexpected expenses so you never overdraft.

Action Step: Log into each utility/loan account. Enable auto-pay. Mark due dates on your calendar to monitor your checking balance stays healthy.



AUTOMATION #7: AUTO-PAY CREDIT CARD IN FULL

The Setup: At the end of each month, automatically pay your full credit card balance from your checking account. Not the minimum. The FULL balance.

Why It Works: You avoid 18-25% interest charges that destroy wealth. Your credit utilization stays low, boosting your credit score. You enjoy all the rewards without any of the debt.

Ramit's Rule: If you can't pay the full balance, you're spending more than you earn. Cut expenses or earn more. Never carry a balance.

Action Step: Log into your credit card account. Set up auto-pay for "Full Balance" on the due date.



THE ONE-HOUR SETUP THAT CHANGES EVERYTHING

Ramit Sethi spends less than one hour per month managing his money. Most of that hour is just reviewing transactions for errors.

Why? Because 15 years ago, he took ONE WEEKEND to set up these automations.

Same system. Still running. Making him richer every single month.

This week, you'll invest 2-3 hours setting this up.

Next month, you'll spend 10 minutes reviewing it.

For the rest of your life, your money builds wealth automatically.

The choice is simple: keep manually managing money and staying broke, or automate once and get rich while you sleep.

Pick one.

BONUS: 7 MORE MONEY RULES FROM RAMIT SETHI

#1 - Conscious Spending: "Spend extravagantly on the things you love, and cut costs mercilessly on the things you don't." Stop feeling guilty about expensive dinners if they bring joy. Instead, ruthlessly eliminate expenses you don't care about.

#2 - Start Imperfectly: "The single most important factor to getting rich is getting started, not being the smartest person in the room." Open that investment account today with $50. Perfection is the enemy of wealth.

#3 - Big Wins Over Lattes: "Make the right decisions in life and you'll never have to worry about saving $3 a day on lattes." Focus on housing, cars, and food costs. These big wins matter infinitely more than skipping coffee.

#4 - Earning Beats Saving: "There is a limit to how much you can cut but there is no limit to how much you can earn." Your income can grow infinitely. After automating finances, focus on earning more.

#5 - The 60% Rule: Keep fixed costs under 60% of take-home pay. Above that, you're broke regardless of income.

#6 - Invest Like Millionaires: Millionaires invest 20% of household income yearly. Not "whatever's left." Twenty percent, automated.

#7 - 85% Is Enough: "With too much information, we do nothing." Get your system 85% right this weekend. Tweak later. Imperfect action beats perfect planning.

1% Better

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