

Remember: values many of our Rumie Learn readers share are **authenticity**, **community**, **inclusion**, and **sustainability**. Keep these in mind when planning your Byte!

Category:	Personal Finance ▾
Theme:	Business Acumen
Topic:	Financial Planning
Learning Objective:	Discover how to use the FIRE concept to become financially independent. (LO provided by Rumie based on SEO/user interest)
Organizational Approach:	Sequential ▾ : Steps to becoming financially independent using FIRE: saving, budgeting, debt payoff, investing, passive income, 4% rule

Content Step 1:	<b>Preview*</b>
Learning Goal:	By the end of this Byte, you will discover how to use the FIRE concept to become financially independent.
Target Audience:	Intended for a target audience between 18-24 years old who want to achieve financial independence and/or retire early.

\* ID Principle—Gagné’s 9 Events: (Stage 1) 2. Tell what they will learn

\* ID Principle—Merrill’s First Principles of Instruction: 1. Task/Problem-Centered

Content Step 2:	<b>Introduction* &lt;H1&gt;</b>
Hook: Question, Fact/Stat, Scenario	Have you ever imagined a life where you call the shots, follow your dreams, and wake up each day knowing that your choices are not determined by the need for a paycheck?
Line: Background Info, More Details	n/a
Sinker: A ha!, WIIFM, Strategy, Question	Welcome to a world of financial possibilities, where the <b>secrets of FIRE are unlocked</b> to change the way you think about your future.
Engaging Media:	<ol style="list-style-type: none"> <li>1. GIPHY image illustrating dreaming</li> <li>2. GIPHY image illustrating anticipation</li> </ol>
Accessibility: Alt text description, CCs, audio file, etc.	<ol style="list-style-type: none"> <li>1. GIF alt text: Good Girls actress Mae Whitman sits in her car daydreaming. She imagines a butterfly flapping its wings.</li> <li>2. GIF alt text: A young man is bouncing, giddy with anticipation.</li> </ol>

\* ID Principle—Gagné’s 9 Events: (Stage 1) 1. Gain learner’s attention 2. Tell what they will learn

\* ID Principle—Merrill’s First Principles of Instruction: 1. Task/Problem-Centered

Content Step 3:	<b>Main Content Idea 1*</b>
Main Idea:	<b>What is FIRE? &lt;H1&gt;</b>
Content:	<p><b>FIRE stands for: Financial Independence, Retire Early</b></p> <p>Your main goal in using the FIRE method is to build up enough wealth to cover living expenses for the rest of your life without having to work, thereby achieving <b>financial independence</b>.<sup>1</sup></p> <p><b>How You Do It<sup>2</sup> &lt;H2&gt;</b></p> <p>Achieving FIRE requires a <b>disciplined</b> combination of:</p> <ul style="list-style-type: none"> <li>• aggressive savings</li> <li>• wise investing</li> <li>• reduction of living expenses</li> </ul> <p><b>Why It's Worth It &lt;H2&gt;</b></p> <p>Achieving FIRE requires a disciplined combination of:</p> <ul style="list-style-type: none"> <li>• escape the stressful paycheck-to-paycheck cycle</li> <li>• make life decisions based on your dreams, not your bank account</li> <li>• freedom to retire early or work on your terms</li> </ul> <p><b>Key Takeaway &lt;H2&gt;</b></p> <p>FIRE is all about choices, planning, and dedication. Here's how you get going...</p>
Sources:	<p><sup>1</sup><a href="https://www.financestrategists.com/retirement-planning/financial-independence-retire-early-fire-movement">https://www.financestrategists.com/retirement-planning/financial-independence-retire-early-fire-movement</a></p> <p><sup>2</sup><a href="https://www.businessnewsdaily.com/15252-what-is-the-fire-movement.html">https://www.businessnewsdaily.com/15252-what-is-the-fire-movement.html</a></p>
Engaging Media:	<ol style="list-style-type: none"> <li>1. GIPHY image of "FIRE" on fire</li> <li>2. Icon: Arrow hitting target with \$ in bullseye &lt;column div&gt;</li> <li>3. Icon: Chains breaking loose &lt;column div&gt;</li> <li>4. Icon: Light bulb with key unlocking padlock inside &lt;content div&gt;</li> </ol>
Accessibility: Alt text description, CCs, audio file, etc.	<ol style="list-style-type: none"> <li>1. GIF alt text: Flames coming out of the word FIRE</li> </ol>

\* ID Principle–Gagné’s 9 Events: (Stages 2/3) 4. Present Instruction 8. Assess 7. Provide Feedback

\* ID Principle–Bloom’s Taxonomy: Remember - **Understand** - **Apply** - Analyze - Evaluate - Create

Content Step 4:	<b>Main Content Idea 2*</b>
Main Idea:	<b>Start Saving &lt;H1&gt;</b>
Content:	<p>A <b>strong savings strategy</b> is your first step to financial freedom. Don't be fooled into thinking that <i>only</i> high income earners can save! Just start small and build the <b>habit of saving consistently</b>.</p> <p><b>Here's How<sup>3</sup> &lt;H2&gt;</b></p> <ol style="list-style-type: none"> <li>1. Set up <b>automatic transfers</b> to your savings accounts.</li> <li>2. "Pay yourself first" by saving <b>before</b> spending your paycheck.</li> <li>3. Start by following the <b>50/30/20 Rule</b> and build up from there: <ul style="list-style-type: none"> <li>• 50% to essentials (rent, bills)</li> <li>• 30% to wants (fun, dining out)</li> </ul> </li> </ol>

	<ul style="list-style-type: none"> <li>20% to savings and debt repayment</li> </ul> <p>Feeling like you can't stretch your current paycheck to make this happen? Don't worry! Let's look at ways to make your money go further.</p>
Fun Fact: info related to the LO that's interesting but not essential	In 2022, the average Canadian only saved 6% of their annual income. <sup>4</sup> For Americans, this number was below 4%. <sup>5</sup> FIRE is all about arming yourself with financial knowledge so you can do things differently!
Source:	<sup>3</sup> <a href="https://www.thebalancemoney.com/the-complete-beginner-s-guide-to-saving-money-358065">https://www.thebalancemoney.com/the-complete-beginner-s-guide-to-saving-money-358065</a> <sup>4</sup> <a href="https://www.fidelity.ca/en/insights/articles/how-much-canadians-save-for-retirement">https://www.fidelity.ca/en/insights/articles/how-much-canadians-save-for-retirement</a> <sup>5</sup> <a href="https://www.forbes.com/advisor/banking/savings/american-savings-statistics">https://www.forbes.com/advisor/banking/savings/american-savings-statistics</a>
Engaging Media:	<ol style="list-style-type: none"> <li>GIPHY image illustrating saving money</li> <li>Icon: checklist with magnifying glass &lt;content div&gt;</li> <li>Icon: caution sign &lt;content div&gt;</li> </ol>
Accessibility: Alt text description, CCs, audio file, etc.	<ol style="list-style-type: none"> <li>GIF alt text: An animated hand flips a coin into a piggy bank.</li> </ol>

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\* ID Principle—Bloom's Taxonomy: Remember - **Understand** - **Apply** - Analyze - Evaluate - Create

Content Step 5:	<b>Main Content Idea 3*</b>
Main Idea:	<b>Begin Budgeting &lt;H1&gt;</b>
Content:	<p><a href="#">Creating a detailed budget</a> can help you stay focused on your financial goals and <b>reveal areas where you might be overspending.</b></p> <p>This helps you free up more money to accomplish your FIRE goals faster!</p> <p><b>Here's How:</b><sup>6</sup> &lt;H2&gt;</p> <ol style="list-style-type: none"> <li><a href="#">Track your income and expenses</a> by category — budgeting apps can simplify this process. Include <a href="#">budgeting for an emergency fund</a> — this is essential for unexpected expenses.</li> <li><b>Cut back</b> on non-essentials—make the tough choices now for future rewards!</li> <li>Use windfalls, like bonuses or tax refunds, to <b>boost savings.</b></li> </ol>
Sources:	<sup>6</sup> <a href="https://consumer.gov/managing-your-money/making-budget#what-it-is">https://consumer.gov/managing-your-money/making-budget#what-it-is</a>
Engaging Media:	<ol style="list-style-type: none"> <li>GIPHY image humorously characterizing overspending</li> <li>Icon: checklist with magnifying glass &lt;content div&gt;</li> </ol>
Accessibility: Alt text description, CCs, audio file, etc.	<ol style="list-style-type: none"> <li>GIF alt text: Marge from the Simpsons tells Homer, "Last year you spent \$5,000 on donuts."</li> </ol>

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\* ID Principle—Bloom's Taxonomy: Remember - **Understand** - **Apply** - Analyze - Evaluate - Create

Content Step 6:	<b>Main Content Idea 4*</b>
Main Idea:	<b>Demolish Debt &lt;H1&gt;</b>
Content:	Debt can hinder your journey to financial independence, so it's best to <b>pay off debts as</b>

	<p>quickly as possible and <a href="#">try to avoid new high-interest debt</a>.</p> <p><b>Here's How:</b> <sup>7</sup> &lt;H2&gt;</p> <ol style="list-style-type: none"> <li>1. Allocate a portion of your budget to tackling debt. <b>Consistency is key</b> to reducing your balances.</li> <li>2. Focus on <b>paying off high-interest debts first</b> (e.g. credit cards).</li> <li>3. If you have student loans, <b>explore options for repayment</b> — <a href="#">income-driven repayment plans</a> (USA) can ease the burden.</li> <li>4. Carefully consider mortgage terms and rates. <b>Real estate can be an investment</b>, but requires planning.</li> </ol> <p><b>Key Takeaway</b> &lt;H2&gt;</p> <p>Reducing debt is freeing and essential for FIRE. Develop a strategy to pay off debts and avoid accumulating new ones.</p>
Fun Fact: info related to the LO that's interesting but not essential	A 2020 health psychology study found that people with debt are three times more likely to struggle with worry-induced depression, anxiety, and stress. <sup>8</sup>
Sources:	<p><sup>7</sup><a href="https://www.tastyedits.com/wp-content/uploads/2023/05/tasty-edits-creator-study-report-2023.pdf">https://www.tastyedits.com/wp-content/uploads/2023/05/tasty-edits-creator-study-report-2023.pdf</a></p> <p><sup>8</sup><a href="https://www.bankrate.com/personal-finance/debt/psychological-perks-of-debt-payoff/#improved-health">https://www.bankrate.com/personal-finance/debt/psychological-perks-of-debt-payoff/#improved-health</a></p>
Engaging Media:	<ol style="list-style-type: none"> <li>1. GIPHY image using pop culture to encourage debt repayment</li> <li>2. Icon: checklist with magnifying glass &lt;content div&gt;</li> <li>3. Icon: Light bulb with key unlocking padlock inside &lt;content div&gt;</li> </ol>
Accessibility: Alt text description, CCs, audio file, etc.	<ol style="list-style-type: none"> <li>1. GIF alt text: Actor Peter Dinklage from Game of Thrones says, "Everyone knows a Lannister always pays his debts."</li> </ol>

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\* ID Principle—Bloom's Taxonomy: Remember - **Understand** - **Apply** - Analyze - Evaluate - Create

Content Step 7:	<b>Main Content Idea 5*</b>
Main Idea:	<b>Invest in Yourself</b> <H1>
Content:	<p>Investing is a key pillar of FIRE and it means <b>putting your money to work for you</b> by buying assets like stocks, bonds, and/or real estate to grow wealth.</p> <p><b>Time is your greatest ally in investing</b> — even small amounts can grow significantly over time because of <a href="#">compounding interest</a>. So start small and start now!</p> <p><b>Here's How:</b> &lt;H2&gt;</p> <ol style="list-style-type: none"> <li>1. Do your research to fully <a href="#">understand investing</a> before you begin.</li> <li>2. <a href="#">Explore investment apps and platforms</a> — many offer low fees and user-friendly interfaces.</li> <li>3. <b>Diversify!</b> This means spreading investments across various assets to reduce risks and enhance returns.</li> </ol> <p><b>Key Takeaway</b> &lt;H2&gt;</p> <p>Start small, stay diversified, and let compound interest work its magic for building your wealth.</p>
Engaging Media:	<ol style="list-style-type: none"> <li>1. GIPHY image illustrating excitement about investing</li> <li>2. Icon: checklist with magnifying glass &lt;content div&gt;</li> <li>3. Icon: Light bulb with key unlocking padlock inside &lt;content div&gt;</li> </ol>

<b>Accessibility:</b> Alt text description, CCs, audio file, etc.	1. GIF alt text: Actor Kyle Massey spreads his arms and exclaims, "I'm in the investment game baby!"
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Content Step 8:	<b>Main Content Idea 6*</b>
Main Idea:	<b>Increase Earnings &lt;H1&gt;</b>
Content:	<p>Side hustles and passive income can <b>accelerate your journey</b> to FIRE.</p> <p><b>Side Hustles &lt;H2&gt;</b>  Side hustles are part-time gigs to earn extra income:<sup>9</sup></p> <ul style="list-style-type: none"> <li>• <b>Why:</b> supplements your main job's earnings to increase savings potential</li> <li>• <b>How:</b> look for opportunities that align with your skills/interests in the gig economy or online marketplaces</li> <li>• <b>Examples:</b> freelancing, gig work, selling goods online</li> </ul> <p><b>Passive Income &lt;H2&gt;</b>  Passive income flows without constant effort:<sup>10</sup></p> <ul style="list-style-type: none"> <li>• <b>Why:</b> provides financial security and a faster, easier path to freedom</li> <li>• <b>How:</b> invest in assets that generate passive income, like dividend stocks and rental properties</li> <li>• <b>Examples:</b> dividends, rental income, royalties</li> </ul> <p><b>Key Takeaway &lt;H2&gt;</b>  Explore opportunities, invest wisely, and grow your income streams to achieve financial freedom.</p>
Fun Fact: info related to the LO that's interesting but not essential	In 2023, 45% of Americans reported having a side hustle, with the average one bringing in an extra \$483 per month. <sup>11</sup>
Sources:	<sup>9</sup> <a href="https://www.investopedia.com/terms/g/gig-economy.asp">https://www.investopedia.com/terms/g/gig-economy.asp</a> <sup>10</sup> <a href="https://www.nerdwallet.com/article/investing/what-is-passive-income-and-how-do-i-earn-it">https://www.nerdwallet.com/article/investing/what-is-passive-income-and-how-do-i-earn-it</a> <sup>11</sup> <a href="https://www.fool.com/the-ascent/personal-finance/articles/side-hustles-only-earn-483-per-month-on-average-heres-how-you-can-make-a-lot-more">https://www.fool.com/the-ascent/personal-finance/articles/side-hustles-only-earn-483-per-month-on-average-heres-how-you-can-make-a-lot-more</a>
Engaging Media:	1. GIPHY image illustrating working hard 2. Icon: Work in Progress sign <column div> 3. Icon: Stacked coins with up arrow <column div> 4. Icon: Light bulb with key unlocking padlock inside <content div>
Accessibility: Alt text description, CCs, audio file, etc.	1. GIF alt text: A woman rapidly types at her laptop while drinking coffee. The text reads, reads "Everyday I'm hustlin'..."

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Content Step 9:	Main Content Idea 7*
Main Idea:	Focus on the 4% Rule <H1>
Content:	<p>Achieving FIRE means having enough wealth to sustain your desired lifestyle without working.</p> <p>A general guideline for this is following the <b>4% Rule</b>: the idea that you can safely withdraw 4% of your investments annually without depleting your portfolio.</p> <p>Once you can live on this amount, consider yourself retired!</p> <p><b>Here's How:</b><sup>12</sup> &lt;H2&gt;</p> <ol style="list-style-type: none"> <li><b>Calculate your FIRE number:</b> estimate your annual expenses for retirement and then multiply by 25 (inverse of 4%) to find your target savings &amp; investments goal.</li> <li><b>Plan your timeline:</b> how long it takes you to get to FIRE depends on all of the factors discussed in this Byte, but your <b>savings rate is the #1 indicator</b>.</li> </ol> <p>To retire in:*</p> <ul style="list-style-type: none"> <li>20 years, save 35% of your income</li> <li>15 years, save 50% of your income</li> <li>10 years, save 65% of your income</li> <li>5 years, save 80% of your income</li> </ul> <p>*Note: These figures are based on starting with \$0 in savings, earning 5% - 9% annually on your investments, and withdrawing 4% of your nest egg each year in retirement.</p> <p><b>Key Takeaway &lt;H2&gt;</b> Determine your FIRE number, monitor your progress, and celebrate when you've achieved financial independence!</p>
Sources:	<sup>12</sup> <a href="https://www.businessinsider.com/personal-finance/how-much-income-to-save-retire-early-spreadsheet#:~:text=If%20you%20want%20to%20retire%20in%20about%2010%20years%2C%20save,about%2035%25%20of%20your%20income">https://www.businessinsider.com/personal-finance/how-much-income-to-save-retire-early-spreadsheet#:~:text=If%20you%20want%20to%20retire%20in%20about%2010%20years%2C%20save,about%2035%25%20of%20your%20income</a>
Engaging Media:	<ol style="list-style-type: none"> <li>GIPHY image of pop culture icon celebrating retirement</li> <li>Icon: checklist with magnifying glass &lt;content div&gt;</li> <li>Icon: Light bulb with key unlocking padlock inside &lt;content div&gt;</li> </ol>
<b>Accessibility:</b> Alt text description, CCs, audio file, etc.	<ol style="list-style-type: none"> <li>GIF alt text: Model Tyra Banks says, "I'm retired, y'all."</li> </ol>
<b>Assessment:</b> Scenario-based Quiz + immediate feedback	<p><b>Scenario-based Quiz:</b></p> <p>Mackenzie is a 24-year-old who has calculated her FIRE number and set a goal to reach it by her 39th birthday. Assuming her current salary doesn't change (and she plans to live on this amount in retirement), how much of her income must she invest monthly?</p> <ol style="list-style-type: none"> <li>20%</li> <li>35%</li> <li>50%</li> <li>65%</li> </ol> <p><b>Answer:</b> C</p> <p><b>Feedback:</b> If Mackenzie intends to retire in 15 years, it is estimated that she should save and invest 50% of her income to achieve this goal. This assumption is based on her current salary being sufficient for her retirement lifestyle and on the assumption that</p>

	her salary remains constant over the 15-year period. However, her salary will likely increase over time, potentially allowing her to reach her retirement goals sooner or enjoy a higher retirement income. Additionally, other factors like her investment choices, passive income, and more will also impact her timeline.
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Content Step 10:	<b>Take Action* &lt;H1&gt;</b>
Main Idea:	How To Get Started
Content:	Ready to FIRE up your financial future!? You can do it!
Action Steps: Interactive checklist	<input type="checkbox"/> Commit to a <a href="#">savings routine</a> , even if it's only a small amount from every paycheck to start <input type="checkbox"/> Create a budget <a href="#">using budgeting apps</a> or templates <input type="checkbox"/> <a href="#">Set a goal</a> for paying off debt <input type="checkbox"/> Start <a href="#">investing with a small amount of money</a> <input type="checkbox"/> Explore <a href="#">side hustle opportunities</a> <input type="checkbox"/> <a href="#">Plan for retirement</a> , even as a young adult <input type="checkbox"/> Determine your time to FIRE using this <a href="#">retirement calculator</a> <input type="checkbox"/> Learn more about how to implement FIRE in <a href="#">these great reads</a>
Engaging Media:	1. Interactive checklist for action steps 2. GIPHY motivational image
Accessibility: Alt text description, CCs, audio file, etc.	2. GIF alt text: A man intensely says, "I'm kind of getting fired up right now. Let's go!"

\* ID Principle–Gagné’s 9 Events: (Stage 3) 9. Extension and Transfer

\* ID Principle–Merrill’s First Principles of Instruction: 4. Application 5. Integration

\* ID Principle–Bloom’s Taxonomy: Remember - Understand - **Apply** - Analyze - Evaluate - Create

## Rumie Byte Designer Checklist

### Learning Effectiveness

- ☒ Does the Byte fulfill the stated objective?
- ☒ Is the content ordered in a logical way? (i.e. big picture before supporting details?)

### Writing

- ☒ Is the language simple and approachable? (Can I remove any jargon?)
- ☒ Is the language action oriented (i.e. “Do this” vs. “One would do this”)?
- ☒ Is the writing concise & direct (is there filler that can be removed without compromising the message?)
- ☒ Does the writing flow well from one point to the next? (Do transitions smoothly connect the points?)

### Format

- ☒ Does the formatting look clean and consistent?
- ☒ Does the imagery complement the writing?
- ☒ Is this learning experience <10 minutes including all media (e.g. video, audio) in your estimates?

### Engagement

- ☒ Is there at least one multiple choice question?
- ☒ Does it require the learner to apply their learning? (vs. simple recall/memorization)