

# Setting Financial Goals

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## **Step 1: WRITE DOWN YOUR GOALS**

I once read this Chinese Proverb – "The faintest ink is sharper and longer lasting than the brightest mind." That is so true! When I write down something, I am much more likely to recall it!

Setting goals is a HUGE part of achieving your lifelong hopes and dreams. I *love* it! Why? It helps me ensure that my life is not wasted in the pursuit of the boring and mundane.

Here are some items/questions that can help stimulate your goal writing.

If you use Microsoft Money or Quicken, print out an Income & Spending Report for the past year. What needs changed? What should be continued? What should be done even more?

Is there something in your finances that is REALLY bothering you? Many people have one thing that really bothers them. What is necessary to make it stop bothering you?

Write down your financial goals for this year. Why not do it right now? In ten minutes or less, you can have your goals written down on paper! Written plans allow you to FOCUS on your goals.

It is SO EASY to get caught up in the mumbo-jumbo everyday stuff and relax on achieving goals. By writing down your goals, it will help ensure that you do not forget what is most important to you!

After you have written down your goals, it is time for step two.

## **Step 2: PUT A COMPLETION DATE NEXT TO EACH GOAL**

"Fail to plan. Plan to fail." A plan is not complete without assigning a completion date next to it. This date will help hold you accountable to yourself!

Here are some questions to ask yourself as you look over the goals you have written down and assign expected completion dates.

If you are married, are you and your spouse on the same page with these financial goals? If you are not on the same page, this will be VERY difficult!

Do any goals rely on another to be completed first? (For example, if you are paying off two credit cards – does one need to be paid off before the other?)

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Are the goals mildly realistic? Ridiculous goals tend to de-motivate and demoralize. Make sure the goal has a good fighting chance of being accomplished! On the other end of the scale, don't be too easy. Be sure to stretch yourself some!

Are any goals higher in priority than others? If so, be sure that they are identified as such!

There have been times that I have placed my goals in a drawer. This is NOT good! Here are some tips for ensuring your goals are kept in front of you through the year.

Place a "Task" in your e-mail task list or on your phone that will give you an alarm on the date that the goal is expected to be completed.

Place another "Task" in your automated list that will ask the question – "Review your Financial Goals" This is REALLY EFFECTIVE if you actually include your Financial Goals in the "Task". That way, the excuse of "I don't have my goal list with me" is totally removed!

Place the goal list in front of you at work or on the refrigerator. Place it somewhere that is very visual and will be seen often!

Tell others about your goals! That is great accountability!

Start a blog and share your goals with the world! People like Jonathan at [My Money Blog](#) and the lazy man at [Lazy Man and Money](#) are sharing their personal financial picture with the world! It makes me wildly uncomfortable to see their net worth, but I can't stop reading their blog!

There is nothing like setting a deadline to help motivate you to complete each goal! If it weren't for deadlines and last minutes, half of the world's work would never get done!

## **Step 3: ESTABLISH ACCOUNTABILITY**

You are doing great! You have written down your goals and established a target completion date for each one. Now comes the really hard part ... accomplishing the goals!

I have found that there is nothing as effective as personal accountability to ensure that a goal is accomplished. Who is in your life that you really trust and wants to see you achieve your goals? If you are married, your spouse should certainly hold you accountable! If you are not married, who could you ask to hold you accountable? Married or not, it is very effective to ask those you love and trust the most to hold you accountable.



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I have a friend, Mike, who holds me accountable to a financial goal. About once a quarter, he contacts me to see how I am progressing toward the goal. I would hate it if he called and I have made no progress! It helps me stay focused!

You may have different people hold you accountable for different goals. I have a person who holds me accountable for my stock investment goals. I have another person who holds me accountable for my real estate goals. There is nothing like having someone ask, "How are you doing on your goals?" to motivate one to achieve their goals!

Why don't you take some time right now to determine WHO will hold you accountable for each of your written goals?

## **Step 4: TAKE ACTION!!!**

I have a quote that I say regularly. It came to me after having been caught in one too many horrible, pointless, useless meetings!

***"Thoughts and talk without action are mere babble!"***

Enough of the planning. Enough of the talking. It is time to make it happen! Nothing moves until it is shoved. Attack the goal.

It is TIME! What can you do right now to achieve one of the goals? Perhaps you can start off this year by having one (or more) of your goals completed BEFORE the year is over!

Call and set up the appointment with an investment broker. Go ahead and get the new insurance quotes. Chop up the credit cards. Close the credit card accounts. Sell the truck. Go to the TOOLS page and put together your first-ever INCOME – OUTGO = EXACTLY ZERO™ budget!

I will close with a great quote from Will Rogers ...

***"Even if you're on the right track, you'll get run over if you just sit there."***

- Will Rogers