

SETTING GOALS

Tips for Realistic Goal Setting

Do you ever wish you could do everything at once? That you could finish big projects overnight? It can't usually be done, can it? You can learn how to set realistic goals by defining the ultimate goal in simple terms, breaking it into small steps, choosing a starting point and acting on your plan.

Keep It Simple

Define the goal as clearly as possible. For example, "I want to save enough money for a down payment on a house" might be too vague. Try to narrow the goal down to its simplest terms, such as "I will open a separate savings account for my down payment money and put \$100 in the bank account each month."

Buy a Home!

Implement revised plan.

Revise plan.

Re-evaluate the goal.

Break It Into Small Steps

Evaluate progress.

Once you've defined the goal, set out the small steps you're going to take to accomplish it. Will you need to budget more carefully? Stop spending money on something else in order to have \$100 extra? Will you need to work more hours every month to accomplish your goal? Work out the specific steps.

Implement the plan.

Choose a Starting Point

Once you've answered "how" you're going to save an extra \$100 a month, choose a starting point. Will you start this month? Next month? When?

Make a budget plan.

Redefine the Goal

Sometimes, as in the case of saving money, you might decide that your original goal was too ambitious or not ambitious enough. At \$100 a month, how long will it take you to save the money for a down payment? Maybe you'll need to save more. How will you budget for the extra savings?

Identify the goal.

Examine the options.

Act on Your Plan

By the time you actually open your separate bank account and deposit your first \$100, you will have taken several small steps to reach your goal. You have not only thought about it, but have actively planned it out. That's quite an accomplishment.