

TELL MONEY WHAT YOU WANT IT TO DO



REVISIT YOUR “WHY.”

If you've made it this far, you're likely ready to make a change in your financial life. Take some time to think about why. You may be eager to get to the “how” part of this, but starting with the “why” is critical. When the “how” gets tough, the “why” keeps us motivated. You can build financial habits, but identifying a core motivation will help you stick with it when it gets challenging.

Do you want to pay off some debt or build up that emergency fund (and keep it)? Do you want to pay off your car or buy your first home? What about putting some extra money toward retirement?

The “why” often goes deeper than our bottom line. Your “why” might be that you want to stress less about money or show your kids how to manage money in a healthy way. Perhaps you want to leave an inheritance to your family someday. Take a few minutes to jot down your “why.” Why is it so important to you?

WHAT'S THE NEXT STEP?

Now that you've thought about your “why,” it's time to start taking practical steps. This is where it can get tough. You'll likely come face to face with some unhelpful habits you may not even recognize as habits.

This step involves identifying your “what.” What goal do you need to work through first? Below is a framework that will help you see where you might be on your financial journey:

1. Spend less than you earn.
2. Build a starter emergency fund (typically less than \$3,000).
3. Pay off debt.
4. Build a full emergency fund (typically three to six months of expenses).
5. Plan for retirement.
6. Live with wild generosity.

Use this framework to determine your next step. (See Additional Resources below for other options.) Do you have a starter emergency fund? Need to pay off some debt or put more into retirement?

What would life look like if you reached this goal? What would it allow you to do that you feel like you can't now? How would it make you feel to have accomplished that goal?

Verse of Focus: “I do not understand what I do. For what I want to do I do not do, but what I hate I do.” (Romans 7:15) As Paul says in this verse, our beliefs (mindset) drive our emotions, and our emotions drive our behavior.

Homework: Begin tracking your expenses.

Additional Resources: [Dave Ramsey's 7 Baby Steps](#), *The Total Money Makeover* by Dave Ramsey

DEFINE WHAT SUCCESS LOOKS LIKE



SET A FINISH LINE.

We often hear about setting goals that are specific, measurable, and time-bound, but we rarely set them. Because if we get into the details, we can clearly see whether we're making progress toward the goal, and we don't love the accountability that brings. This part is critical, though. If you feel like you're progressing toward a goal, you'll stay motivated longer than if you don't have a measuring line. If your goal is to save \$1,000, you'll probably be motivated to continue after that first \$500 is saved. But without the \$1,000 goal, you might feel pretty great about saving up that first \$500 and then get comfortable . . . and then stop.

Create a goal based on your current step in the framework you selected in Session 1. Refer to the "Goal Planning Worksheet" (found at ifmoneytalked.com/moneywise) as you develop this goal.

After you set your goal(s), ask these questions to determine if they are realistic:

- Is the goal realistic for the time frame that was set?
- If you fall off track, could you still recover to meet your goal?
- What habits or patterns need to change for you to achieve this goal? Do any of them seem unrealistic?

TOOLS THAT MIGHT HELP

DEBT

- Unbury.Me debt calculator: This tool will project your debt payoff date. You can adjust how much you're putting toward your debt every month if part of your goal is to accelerate debt payments.

SAVINGS

- See "Emergency Fund Check" PDF at ifmoneytalked.com/moneywise.

RETIREMENT

- Dave Ramsey's retirement calculator: This tool is great for showing how much you can estimate having in retirement funds based on your current savings and the rate at which you anticipate saving in the future.
- Chris Hogan's retirement IQ score: This tool helps project how much money you'll need in retirement. For a more exact estimate for your specific situation, connect with a financial planner.

LARGE PURCHASES

- U.S. Mortgage Calculator: This tool will help you estimate how much a monthly mortgage payment would be and how changing the amount you put down on the mortgage could impact the monthly payment.

Verse of Focus: "Where there is no vision, the people perish" (Proverbs 29:18 KJV).

Homework: Continue tracking expenses weekly. Identify opportunities to reduce spending and/or increase income.

Additional Resources: *Finish* by Jon Acuff



MAKE IT HAPPEN.

You have clearly identified your “why” (motivation) and your “what” (goals). Now you’ll focus on the “how” (execution). At least one of the statements below likely applies to your specific situation:

- I want to pay off debt.
- I want to increase my emergency fund.
- I want to increase my retirement contributions.
- I want to be more generous with money.

For each statement, we have a step-by-step action plan you can follow (see pages 4–7). These tools can help you achieve the goal(s) you set earlier.

One task that is the same for each area is developing a budget or spending plan. Money can fit into one of three categories: give, save, or live. A healthy budget will include some for each of these areas. Each situation is different, but if you have an idea of how much money goes to each of those buckets every month, it will help show you where you can make changes to your finances.

Depending on your situation, you may not be able to put as much into the give and save categories now as you’d like. Don’t let that discourage you though. It might take some time to reduce the impact of past financial decisions that caused more money to be in the live category. What’s important is taking a step and incorporating all three into your finances, even if it’s less than you’d want. These three areas bring balance to our financial world and, over time, can help us create a healthier relationship with money.

Verse of Focus: “Suppose one of you wants to build a tower. Won’t you first sit down and estimate the cost to see if you have enough money to complete it?” (Luke 14:28 NIV)

Homework: Work through the task list below that applies to you.

Additional Resources: [If Money Talked, Part 3 \(YouTube\)](#)

I WANT TO PAY OFF DEBT



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TASKS TO COMPLETE:

- Pull your credit report using annualcreditreport.com and make a list of all debt balances, the interest rate for each, and the monthly payment.
- Determine which method of paying off your debts will work for you (debt snowball and debt avalanche are the two most common methods). Would you be motivated by a quick win (snowball) or would you stay more motivated knowing you were paying the highest interest-rate debt (avalanche)?
- Go to unbury.me. Enter your debt information and estimated monthly payments. This tool will show you how much time you'll need to pay off your debts. You can also see how much quicker you can pay them off if you add extra money to your payments every month.
- Build a budget via an app or a spreadsheet. For items that fluctuate (groceries, gas, entertainment, etc.), average your last three months of spending and start there.
- Create a list of infrequent (expenses that may not occur every month) expenses like vacation, gifts, holidays, pet costs, car insurance, and car maintenance. Add up how much you'll spend on these items in the next year and divide by 12. Add these expenses to your budget and be sure you save this money every month so these expenses don't surprise you.
- Use your budget to determine the amount you'll be able to put toward your goals each month.
- Set weekly (or biweekly) reminders to compare your actual income and spending to your budget. Where possible, make spending adjustments if you notice you're spending more than you planned.
- Adjust your budget as life changes, and continue tracking expenses against it every week or two.
- Continue budgeting to find additional money to put toward your goals.

I WANT TO INCREASE MY EMERGENCY FUND



MONEYWISE

TASKS TO COMPLETE:

- Determine where you want to keep your emergency fund. There are many options, including high interest savings accounts, money market accounts, regular savings accounts, CDs, etc. [Bankrate](#) is a helpful resource to determine current interest rates on different savings accounts. How accessible would you like this fund to be?
- If you haven't already, reference the "Emergency Fund Check" PDF to get a general idea of how you might need to use your emergency fund.
- Using as little or as much detail as you like, identify in which situations you would need to use your emergency fund. Don't skip this step. When the money is there, it's tempting to use it!
- Build a budget via an app or spreadsheet. To get an accurate base for your budget, average your last three months of spending from items that are variable (groceries, gas, entertainment, etc.) and start there.
- Create a list of infrequent (expenses that may not occur every month) expenses like vacation, gifts, holidays, pet costs, car insurance, and car maintenance. Add up how much you'll spend on these items in the next year and divide by 12. Add these expenses to your budget and be sure you save this money every month so these expenses don't surprise you.
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MONEYWISE

I WANT TO INCREASE MY RETIREMENT CONTRIBUTIONS

TASKS TO COMPLETE:

Note: MoneyWise mentors cannot offer individual investment advice, but can provide general education about various accounts like 401k's, Roth IRA's, etc. They can also provide education around what a mutual fund or stock is, for example. For individual investment guidance, you'll want to connect with a financial professional (e.g., a certified financial planner).

- If you haven't already, reference [Chris Hogan's retirement IQ score](#) or connect with a financial planner to determine how much you should be saving each month to reach your retirement goals.
- Determine which accounts you want to direct money to each month and consider setting up bill pay or automated payments. Do you have a company retirement option with matching? Are you currently getting 100 percent of the match?
- Build a budget via an app or spreadsheet. To get an accurate base for your budget, average your last three months of spending from items that are variable (groceries, gas, entertainment, etc.) and start there.
- Create a list of infrequent (expenses that may not occur every month) expenses like vacation, gifts, holidays, pet costs, car insurance, and car maintenance. Add up how much you'll spend on these items in the next year and divide by 12. Add these expenses to your budget and be sure you save this money every month so these expenses don't surprise you.
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- Adjust your budget as life changes, and continue tracking expenses against it every week or two.
- Continue budgeting to find additional money to put toward your goals.



I WANT TO BE MORE GENEROUS WITH MONEY

TASKS TO COMPLETE:

- Create a list of which organizations you'd love to support.

Before moving forward, which of these statements best applies to you?

1. I don't have extra money to donate.
2. I have extra money, but I'm nervous about giving because I don't know if I'm saving enough.

IF YOU ANSWERED "1" ABOVE, START WITH THE NEXT TASK. OTHERWISE, SKIP TO THE "2" SECTION BELOW.

- Build a budget via an app or spreadsheet. To get an accurate base for your budget, average your last three months of spending from items that are variable (groceries, gas, entertainment, etc.) and start there.
- Create a list of infrequent (expenses that may not occur every month) expenses like vacation, gifts, holidays, pet costs, car insurance, and car maintenance. Add up how much you'll spend on these items in the next year and divide by 12. Add these expenses to your budget and be sure you save this money every month so these expenses don't surprise you.
- Use your budget to determine the amount you'll be able to put toward your goals each month.
- Set weekly (or biweekly) reminders to compare your actual income and spending to your budget. Where possible, make spending adjustments if you notice you're spending more than you planned.
- Adjust your budget as life changes, and continue tracking expenses against it every week or two.
- Continue budgeting to find additional money to put toward your goals.

IF YOU ANSWERED "2" TO THE STATEMENT ABOVE, SEE BELOW.

- Reference the "Emergency Fund Check" PDF on ifmoneytalked.com/moneywise to get a general idea of how you might need to use your emergency fund. Compare the amount currently in your account to the expenses for which you might need to use it.
- Go back through your expenses from the past one to three months (you can just pull up your bank/credit card statement) and identify the transactions you felt were unnecessary expenses. Add up those amounts.
- This month, consider donating a portion of the amount you identified as unnecessary expenses over the last few months. If you don't want to commit to a recurring gift right away, try it once and see how it goes.



DON'T DO IT ALONE.

The word “accountability” has a bit of a negative connotation, but it also holds a sense of power. The truth is that accountability, both to yourself and to another person, drastically increases the likelihood that any goal is achieved. The process of accountability is effective—but it’s not comfortable.

When it comes to money, accountability with someone else might feel awkward, but it’s extremely helpful. If you’re not quite there yet, you can at least set up accountability with yourself. Check out the next two sections for tips on how to implement some accountability regarding this whole money thing.

TRACK BEHAVIORS AND OUTCOMES.

- Track behaviors that lead to accomplishing your goal.
 - Determine one or two key behaviors that will ensure your goal will be achieved. A good one to start with is a recurring reminder (at the same time each week) to track/categorize your expenses from the previous week.
 - A second habit is to take the expenses you categorized and compare them to your budget.
 - Is there another behavior that, if consistently implemented, would move the needle on your goal? For example, maybe meal planning weekly could cut down on eating out.
 - Are there any habits or triggers that could undermine these good habits? Identifying those now will help you preempt them and recognize them when they happen.
- Measure progress toward your main goal.
 - We have to check in on progress against our goal, otherwise we’ll lose interest quickly. Can you imagine trying to lose weight without ever being able to weigh yourself?
 - Use the “Goal Planning Worksheet” or another visual to measure ongoing progress toward your goal or use your own method to track progress. It doesn’t need to take long or be complicated. Paying off debt? On the first of every month, create a reminder to log in and see what your balances are. Track that number every month. You’ll be more motivated as you see the progress in real time!
- How can I easily track behaviors?
 - We created a MoneyWise Habit Tracker worksheet that allows you to track how often you complete a habit, like tracking your expenses or doing a budget. It can be accessed on ifmoneytalked.com/moneywise.
- Reward yourself after successfully establishing a behavior or habit.
 - What’s a small reward you can give yourself after completing some of the behaviors you identified earlier? If you allow yourself this reward after completing the behavior, it will help it become a habit!

IMPLEMENT ACCOUNTABILITY.

- As tempting as it is to skip this step, try getting out of your comfort zone and asking someone if they'd be willing to help you achieve this goal. They might even have a goal they've been wanting to work on but have also been lacking accountability.
- If you'll be tracking behaviors and progress, consider sharing this data with someone every month. Money is tricky, so pick someone you trust with this information. Even if you don't show specific numbers, you could always let them know whether or not you completed the behaviors or tasks that week or month.
- Do you have a mentor you could ask to fill this role? What about someone who is also trying to make progress with money or even someone who is trying to lose weight or get in better shape? You could be their accountability partner as well.
- If you're married, consider setting a specific date and time when you can both talk about the results of the past week or month. That counts as accountability!
- Set parameters up front regarding how often you'll meet. To make it less awkward, consider establishing a date when you'll both evaluate whether or not you want to continue meeting.

ACCOUNTABILITY MEETING OUTLINE

- Limit the time frame to 15–20 minutes per person, if each has a goal they are working toward.
- Review any commitments that were made at the previous meeting. If this is your first meeting, give an overview of your goal and what you've been doing to work toward it.
- Share your habit tracker and goal progress with your accountability partner.
- Determine what commitments you will make between now and the next meeting.

This format is a slight variation found in *The Four Disciplines of Execution*.

Verse of Focus: “As iron sharpens iron, so one person sharpens another” (Proverbs 27:17 NIV).

Homework: Develop your plan for tracking behaviors and progress toward your goal. Identify who you could ask to provide accountability on this topic.

Additional Resources: *The Power of Habit*, *The Four Disciplines of Execution*

WHAT'S NEXT?



WHERE ARE THE TROUBLE SPOTS?

Hopefully you're now feeling like you have a solid goal in place with a clear plan for how to achieve it. You've done so much hard work to get to this point. Many people give up before now! The next step in the process is to continue moving forward.

Don't feel like you need to have the perfect budget right now. You're just getting started. The goal is to continue moving forward one week at a time. When you stack good habits on top of good habits, over time it will result in achieving your goal.

Look back at the meetings you've had with a mentor or your time going through this on your own. Which part of the process do you feel needs more attention? Maybe your goal has shifted throughout the process, or perhaps you need to be more specific with the goal. Has it been a struggle to start tracking expenses or developing a budget?

Take a minute to jot down a couple of your pain points that you're experiencing now or that may come up as you take steps toward achieving your financial goals:

1. _____

2. _____

Think about what will help you get back on track if those pain points pop up. Is it re-visiting your "why"? Is it an accountability meeting? Maybe it's praying for wisdom, guidance and discipline? It might look different for everyone.

SOME IMPORTANT ODDS AND ENDS

Two important pieces of any financial situation are insurance and estate planning. Think of insurance as defense for all of the hard work you're doing to try to build your net worth over time. Estate planning is there to ensure that if something happens to you, it doesn't create undue stress on your loved ones. It's not exactly the most pleasant thing to think about, but it's important.

While we can't provide specific guidance on these topics, we can highlight some things to think about and point you to a next step.

SOME IMPORTANT ODDS AND ENDS (CONT.)

Insurance

- The main types of insurance are auto, home/renters, health, life, and long-term disability.
- A good place to start is creating a list of what types of insurance you have, including what coverage you receive through work (ask your HR representative if you're not sure where to find that information). On that list, include how much you pay for the coverage (your premium), how much you need to pay to file a claim (your deductible), and how much coverage you have.
- After creating this list, you can take it to a financial advisor or an independent insurance agent in your area who can help identify any gaps.

Estate Planning

- An estate plan is a set of documents that formalizes a person's choices as to what should happen to their money, belongings, and body in the event they are injured, ill, and/or pass away. The documents may vary in type, length, and content, depending on what you want your plan to do when you need it.
- A will, financial power of attorney, and a healthcare directive/power of attorney are the primary documents in a basic estate plan.
- There are a lot of resources online for these documents, but it's always recommended to reach out to an estate planning attorney who can better understand your specific situation and put together a customized plan.
- It's also wise to check the beneficiaries on any of your accounts to be sure they are up-to-date.

MOVING FORWARD

Whatever the pain points you identified above, try to address them now so you can clear any hurdles on your path forward. The goal is to do much of the heavy lifting now, so you have an established process that's easy to follow over the coming weeks and months as you get closer to your goal.

Remember, if you have a week or month that sets you back from the timeline you set to achieve your goal, push through and keep moving forward. It's hard to make changes, and it's so easy to fall off track and slip into old habits. This is where accountability becomes critical.

Focus on tracking good financial habits, and you'll soon find that you've started to make great progress toward your goal. You've got this!

Verse of Focus: Paul prayed for the Colossians to have "great endurance and patience" (Colossians 1:11 NIV). These same words can serve as encouragement today, as it will take endurance and patience to achieve your goal!

Homework: Continue working through the task list from Sessions 3 and 4 that applies to your situation.

Additional Resources: [If Money Talked](#), [Financial Peace University](#)