

## MAKING CENTS

### LIST OF GOALS IS FIRST STEP TO SUCCESS

-John P. Napolitano, CFP®, CPA, PFS, MST, RLP®



**T**o start a new year of financial resolutions, let's make it real simple. Make a specific list of the financial things that you want to get together. Maybe you want to add more to your 401(k), pay down debt or start a college fund. Simply creating a list of what you'd like to accomplish is an important first step. And to give this list some life, try adding a few other columns.

The first column is for you to answer why this goal is important. Many people think the reason for their financial goals should be intuitive. But the real purpose for the "why" column is deeper than that. It will force you to make sure that the goal is in fact your personal goal and not just a goal that you think is ideal or a good idea. The fact is that any goal not driven by a genuine and personal purpose has a small chance of getting accomplished.

Now that you're sure that each goal is truly yours, start to track your progress on at least a quarterly basis. Financial goals, like weight loss, cannot happen overnight. They are typically a series of small steps that lead to the big prize of accomplishment. Break down your goal in terms of what you expect to achieve in quarters 1 through 4 by writing down what you expected to accomplish versus what you actually

accomplished. From this, you can make adjustments each quarter to do what you need to do.

The most critical part of this exercise, however, is to decide if you really want to be committed. This is work, and it will require constant monitoring and revision for success. If you decide to commit, I recommend blocking time from your

calendar for you to keep things current and to do your record-keeping throughout the year. For many, this has been the most significant obstacle and a frequent cause of their resolution losing its luster.

You will likely come to areas where you don't feel competent enough to make the decision yourself. Of course,

there's lots of information on the Web and some great books on personal finance (including mine!) to guide you, but none of them can help to personalize the decisions that you simply must make. This is especially true when it comes to the technical areas of an estate plan, deciding how much insurance is enough or whether to invest in this opportunity or that. That's where an advisor may come in handy. Next week, we'll tackle the issue of hiring an advisor.

---

---

*Financial goals, like weight*

*loss, cannot happen*

*overnight.*

---

---

Come visit our blog: [www.MakingCentsBlog.com](http://www.MakingCentsBlog.com)