

ducation

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The Four Steps To Properly Setting Goals

From [The Truth About Money](#)

First, set a positive goal for yourself. "I will save to buy a home" is a positive goal, while "I will not spend money" is a negative goal. By focusing on the positive, you'll quit spending money because you'll be so focused on your goal that you won't notice you've stopped spending money.

Second, set a date for achieving your goal. A goal is not a goal until you set a date for it. Having lived in the Washington, D.C., area for 23 years, I've always planned to go inside the Washington Monument. But I never have, just as New Yorkers never visit the Statue of Liberty! Why not? Because I have never set a date. We have too many things to do in our lives, and therefore only those with deadlines ever get accomplished.

So set a date for achieving your goal, and make sure your date is attainable. If it's not, you'll become discouraged and quit. But don't set a date so far away that achieving it is pointless. "I want to be debt free by the time I die" is a silly deadline, because you won't be able to enjoy the benefits of achieving that goal.

And don't worry about missing your deadline, either. One of my clients is 35 and a self-made millionaire. When I congratulated him on his success, he replied, "What success? I failed miserably! My goal was to be a millionaire by age 30 -- I didn't make it until I was 34!"

If you aim at the eagle, you'll bag the pheasant, and you won't eat crow.

Third, write it down. Until you see your goal in front of you, it's not real. Tape your goal onto your bathroom mirror, your refrigerator door, your car's steering wheel, and your PC's monitor. Keep reminding yourself of your goal. One client of mine kept a picture of his dream house above his television. Another, who wanted to buy a Jaguar, bought a Matchbox version for five bucks and kept it in his pocket. His co-workers regularly saw him playing with it at his desk. (Today, he drives the real thing.)

And fourth, stay focused. Keep your goal in front of you. If your goal is to buy a home, tour model homes. Read House and Garden, Architectural Digest, and similar magazines. Design your own floor plan. By immersing yourself in your goal, you'll find it easy to stop spending money, because you won't regard it as "not spending." You'll regard it instead as "preparing to spend my money on something really special."

Focus on the benefits you'll derive by reaching your goal, not on the sacrifices you're enduring. If you can't perceive the benefits, you won't achieve your goal, and even if by some chance you do reach your goal, you won't sustain your victory.

Keep all this in mind as I show you the mechanics of getting out of debt, for if you simply follow the steps I outline for you, you won't do yourself any good. Oh sure, following my plan will get you out of debt -- but it won't keep you out of debt. Only you can do that.

Set your goal, give yourself a deadline, write it down, and stay focused. You'll be amazed how far this will take you.

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