

An Excerpt from

The Eight Points of Financial Confidence, Second Edition

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(modified for this format from the original text)

Goal Identification and Ranking

You might already have some general (i.e., vague) goals in mind, but having just learned about the importance of being specific, time-dimensioned, and backed with emotion, you might have some thinking to do.

Consider the list of life events/goals below and rank the top three to five goals based on order of importance to you. Next, rank them in the order in which you would like to accomplish them.

Importance	Order	Goal or Life Event
		Pay off debts, credit cards, college loans
		Pay off all loans, including my home mortgage
		Money for a home purchase
		Money for a vacation
		Money for the purchase of a car
		Purchase of other big-ticket item:
		Tuition payments for children, grandchildren, others
		Tuition for graduate school for yourself or a relative
		Save money for a one-year sabbatical
		Money for a newer/larger family home
		Money for a second home or vacation property
		Accumulate for retirement by this date:
		Support church or charity
		Provide funds for civic purpose
		Other goal:
		Other goal:
		Other goal:

Questions

- Can you attach an emotional reason for the achievement of your most important goals? Can you establish time frames and specific amounts of money needed to achieve these goals?
- Consider your three most important lifetime goals. Why are these important to you? How will your life change if you do NOT reach these goals?
- Which of your “urgent” goals (the goals you want to accomplish first) can you live without?

Using the worksheet on the next page, consider your top goals, determine why that goal is important to you (the emotion or strong “why”), estimate how much money it will take to achieve, decide on the due date, and state what your next step is toward reaching the goal.

You might be able to develop some calculations that can give you a starting point in estimating how much money you need as you seek to reach your goals on time.

An experienced, caring wealth adviser should proactively help you with the goal setting and realization process. Once you pinpoint, with some level of certainty, what you want to achieve in life, it’s only a matter of identifying the necessary accumulation and investment habits that put the “financial wind at your back.”

