

DCC DOLLARS & \$ENSE

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Contract With Yourself

If you are a regular reader of our monthly newsletter, you may notice a pattern. Each month we recommend ways of saving and maximizing money. We also give tips on budgeting and suggest specific areas where savings can be made. The benefits can be astounding when the information is put into practice.

Do you ever find yourself stuck or not sticking to the savings/spending plan? The result can be overwhelming; you can quickly find yourself back in the same place where you began inquiring about what it would take to get your finances in order.

Before you spend energy beating yourself up about it, realize that this lack of follow-through behavior is common. Every day, people start diets and others quit them, they resolve to quit smoking and others restart smoking, they join gyms and others stop going to them, they eliminate the stack of mail stored on the kitchen counter and others start leaving papers there again. We could go on for a while listing the many ways people go back and forth, but you get the idea.

This brings to mind the popular sneaker slogan "Just do it", but it's difficult to resist falling out of new healthful patterns without implementing the necessary tools.

The following 3 steps outline what it takes to successfully staying on financial track:

1) **Establish the commitment.** This step is critical; it places the reward in front of you like the gold unearthed in the mine. The commitment and the goal are opposite sides of the same coin. The goal is what you want, and the commitment gets you there.

Think about what you want to accomplish and write it down. Be specific. Here's an illustration: Your goal is to have extra money and develop an emergency reserve. You want to stop living pay check to pay check and not worry if a check won't clear because your balance could be a dollar short.

Now consider what reaching that goal will feel like for you. Include details of how your life will improve as a result. Examples: less stress, more money to enjoy the money you work so hard for. Be graphic; write down what you will do with the money - where you will go. Place pictures, photos, and/or brochures regarding the goal in spots where you will constantly be reminded of them. Keeping visual aids helps fuel the enthusiasm necessary to "just do it".

2) **Decide on actions to take.** The Webster's definition of insanity is to continue doing the same thing over and over again, and expect different results. When trying to achieve a change, different behavior is necessary.

After establishing what you want, brainstorm what actions would be consistent with accomplishing your goal. Again, be specific, and write them down.

Here's an illustration many relate to: You want to lose weight or build a more muscular physique. What are some actions consistent with reaching that goal? Restructuring your diet, exercising, getting sufficient rest, arranging your schedule accordingly - maybe your spouse would pick up the kids on certain days, or perhaps you would wake up earlier for a morning workout. These are some examples of behavior consistent with attaining that particular goal.

3) **Write a contract with yourself and sign it.** The contract or agreement will be a compilation of your goal and commitment, along with the actions you promise to take. The agreement need not be lengthy or wordy - only specific. Attach the goal and action pages you wrote previously to the back of the contract; these will serve as a reference. copies of your contract in the same areas that you've placed the visual aids so you're able to revisit it regularly.

Organizing Your Spending

And get in the business of making your financial dreams come true. It really is up to you; what you accomplish is always consistent with your attitude and your actions. This should be fun, so make the contract tailored to you. After all, this is cementing your start on the path to obtaining your ultimate desires.

In summary, start living the life you want today. Keep copies of your contract in the same areas that you've placed the visual aids so you're able to revisit it regularly. And get in the business of making your financial dreams come true. It really is up to you; what you accomplish is always consistent with your attitude and your actions.