

# Chapter

# 1

## Your Goals: Who's in Control?



### Life Lines

Try to complete the following activity in less than two minutes.

- ▶ Identify the five most important things in your life at the present time.
- ▶ After you have done this, identify the five things you most hope for in the life that lies ahead.

Try Activity 1.1. Are you able to provide your answers quickly and easily? Have you spent time thinking about what's important to you in life? Are there things you want to do, places you'd like to go, experiences you'd like to have? If so, how will these things come about?

If providing your answers was not quick and easy for you, maybe you have yet to figure out what's really important to you. Or maybe you've just started to think about it.

Sooner or later, it will be necessary for you to think about what's important to you and the course in life you would like to follow. If you don't, if you have no direction — no aims, no goals, no hopes — then there's a saying that applies: "If you don't know where you're going, you're sure to get there!" You just might not like where you end up.

Each of us has to figure out what makes us happy. Then we have to try to put the pieces in place. And some of those pieces will require money.

"Money can't buy happiness" is probably quite true. But it is also true that a lack of money can create problems. Being in debt over one's head, being unable to pay bills, being unable to take



holidays, being unable to afford the accommodation one wants can be frustrating and unpleasant experiences. “Money can’t buy happiness” but, let’s face it, it helps. And let’s not forget two other sayings: “A penny saved is a penny earned” and “A fool and his (or her) money are soon parted.”

Money plays an important role in most people’s lives. We may wish it weren’t so, but it’s true. Earning money. Spending money. Saving money. Investing

money. Making money.

Losing money. Giving money away. Remember,

though, we don’t eat

money, wear money, or

build buildings out of coins and twenty-dollar bills.

Money is a tool. It is a

means to an end. It is

something created to help

our economy work more

smoothly. It serves as a

“medium of exchange,” that is, we can use it for purchases. And money can help each of us in achieving our goals — whatever they may be. Or, money can cause problems.

You can plan now to avoid money problems. You can plan now to take control of your financial affairs. After all, if you don’t take control, who will? You can use your money wisely today. You can spend money in ways to get the most from what you have. You can begin to save and invest at a young age. Even small amounts (such as pennies, nickels, or dimes) can build over time into significant savings. You can avoid debt problems. And you can set goals that you are likely to achieve. Today is the best time to start to take control. And the best way to take control is to be prepared.

And don’t think financial planning is only for the well-to-do. The less money you have, the more important it probably is to plan. Make sure you use what you have wisely. Get the most out of the money you have.

Planning will involve setting goals — deciding what you really want to achieve out of life. In setting goals you also have to consider the “time periods” — the short-term (what do you hope to achieve over the next year), the medium-term (1–3 years), the long-term (3–10 years), and the more distant future (beyond 10 years). Short-term goals serve as stepping stones to your medium-term goals. Then, use medium-term goals as stepping stones to long-term goals, and so on. You then have continuous “check points” for you to see

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**Planning is important to almost everything, whether it’s organizing a career, having a great trip, getting a ball across a goal line, or enjoying a date. It is much better to learn to drive, know the rules of the road, and chart a course than to just jump behind the wheel of a car for the first time and take off. In either case, you may have an accident or hit bumps along the way, but your chances for success are better if you are prepared and take the time to learn and plan.**

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how you are doing. Achieving short-term goals should also make you more confident about your ability to achieve your longer-term goals.

Different people will have different goals because, as we all know, people are different. What one person wants out of life can be different from what another person wants. What people have in life also differs greatly. Individuals face life and its financial challenges from a wide array of starting points. Some people have access to a great deal, including opportunities for education, training, working, and acquiring income. Others have access to very little and face different challenges and opportunities. Different cultures have differing attitudes to money and material things. The same is true of various religions.

No matter what the differences, however, everyone can set goals for what they want out of life and for what they think is important. And everyone will face decisions related to earning money, spending money, saving money, and so on. To guide these decisions, we each need a set of goals. Setting goals is the first step in taking control of money matters in your life.

ACTIVITY  
1.2

## Taking Aim

- ▶ Identify the top three goals that you hope to achieve within one year.
- ▶ Identify the top three goals that you hope to achieve within the next three years.
- ▶ Identify the top three goals that you hope to achieve within the next ten years.

