



Goal Setting Toolkit



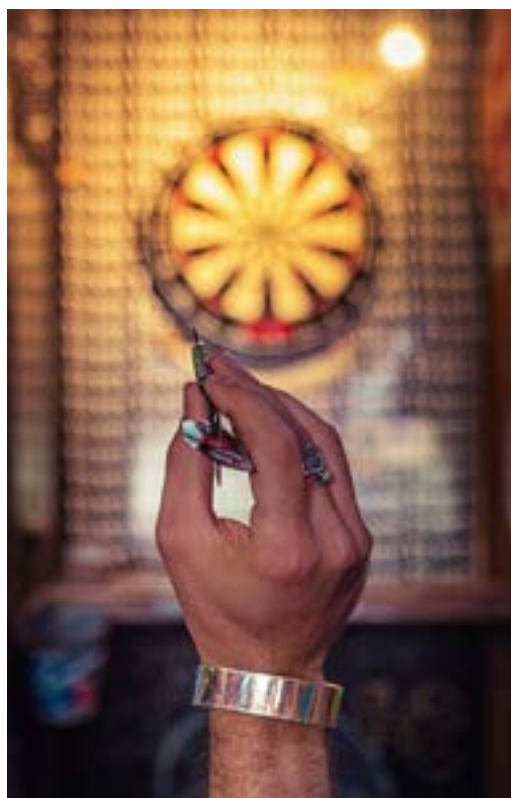
Your Life. On Purpose.

Goal Setting Systems

Why Goal Setting Is Important to a More Fulfilling Life

Setting your goals and clearly defining what they mean to you will help you live a life that is tailored to your beliefs and values. Your life will become directed towards the things that you most want to achieve. Your time, energy, and other precious resources are always limited; but, by identifying what you want out of life, and how you can achieve it, you can live life on purpose and to the fullest!

How You Can Increase Likelihood of Success with Goal Setting (and Science!)



I know, I know. At least once a year, we are all told how to make better, SMART-er goals. Unfortunately, the results may vary. According to a study conducted by the University of Scranton, research suggests that just 8 percent of people achieve their New Year's goals. This means that although one can easily set a goal, few are willing and determined to achieve it. This study thus highlights that goal setting does not mean goal achievement. For many reasons, there can be gaps between our initial expectations and final outcomes.

Fortunately, the way that we *approach* goal setting can work toward minimizing those gaps.

As author and entrepreneur, Derek Sivers, says "If [more] information was the answer, then we'd all be billionaires with perfect abs." The point... if you want to make results real, then clearly identify what you actually want (and what you are willing to give up), then proceed with commitment, discipline, and action.

So what can be done? We can increase our odds of success with a four-step process backed by psychologists, neurologists, and other scientists!

S



SPECIFIC

M



MEASURABLE

A



ARCHIEVABLE

R



RELEVANT

T



TIME-BOUND

01 STEP

MAKE IT REAL WRITE IT DOWN

Did you know that you are ten times more likely to succeed if you have your goals written down? With those kinds of odds, it's unclear why anyone would skip this important step.

Research from the University of Texas shows that, through neuroplasticity, goal setting literally alters the structure of your brain so that you perceive and behave in ways that will cause you to achieve those [goals](#). Better yet, a meta-analysis on goal-setting research published in the [Psychological Bulletin](#) explained that “In 90% of the studies, specific and challenging goals led to higher performance than easy goals, “do your best” goals, or no goals.” This is because, for highly emotional and strongly desired goals, your brain will perceive obstacles as less significant than they might otherwise appear.

Goals affect performance by directing attention, mobilizing effort, increasing persistence, and motivating strategy development. The very act of writing down a goal is an investment in ourselves. Interestingly enough, by making what we wish to achieve more real and tangible, an identity shift begins to occur and part of our brain believes that the desired outcome is an essential part of who we are – setting up the conditions that further drive us to fulfill the brain's self-image.

02 STEP

CLEARLY DEFINE YOUR ACTIONS

You cannot survive on motivation alone. It is not reliable and may fail you in your greatest time of need. By defining the when and how of specific actions you will take, you are developing a system and building habits. This turns large goals into manageable steps. More importantly, it transforms an outcome-based desire into a process-based approach.

“People often get lost thinking they have to change everything all at once,” says Kelly McGonigal, psychologist at Stanford University. “But small changes can pave the way for bigger changes.”

Start by asking yourself, what is the smallest thing I can do today that helps me reach my goal ?

When you regularly take actions that are consistent with your goals, you can rest assured that you are on the right trajectory.

“Every mountain top is within reach if you just keep climbing.”

—Barry Finlay



03 STEP

IMPLEMENT WITH CONSISTENCY

If you want to make positive changes in your life, you will need to hold yourself accountable to your own best intentions. However, this doesn't mean that you have to do it alone.

According to Gretchen Rubin, author of "Better Than Before," a book about forming healthy habits, accountability works best when it comes from the outside. If you prefer to stay accountable to yourself, consider employing useful habit-forming tools, such as regular calendar reminders or journal entries.

For many, though, an accountability partner or group is crucial. "Some people are very accountable to themselves, but not most people," says Dr. Tim Church, chief medical officer for an app-based behavioral health program in Dallas. "In my years of working with thousands of people, there's one thing that drives accountability more than anything else: If you want to keep people doing a behavior, get a buddy."

Depending on the desired outcome, an accountability partner can be a friend, colleague, or subject-matter expert. The key is that they provide support, aid with problem solving, and to help celebrate the small victories along the way. Studies show that you'll perform 7x-10x better with peer support than you will on your own. This is not about outsourcing a responsibility. It is about ownership and reinforcing a commitment to yourself.

The power of this accountability is that it forces you to take ownership and it makes you better. It forces you to go back to your vision, even when it's uncomfortable.

04 STEP

MEASURE AND MONITOR PROGRESS

By setting pre-determined schedules and deadlines, we are able to measure progress toward our coveted accomplishments.

The human mind loves to receive feedback. One of the most motivating things we can experience is evidence of our progress. This is why measurement is so critical for effective goal setting.

The things we measure are the things we improve. It is only through numbers and clear tracking that we have any idea if we are getting better or worse. This part of the goal-setting process helps us keep things on-track, review the relevance of our goals, gain valuable insights, and refine our systems.

Remember, goal setting is an ongoing activity, not just a means to an end. It is likely that you will need to course correct over time. Your end destination may remain quite similar over the long term, but the action plan you set for yourself along the way can change significantly. The act of measuring and monitoring makes sure the significance, value, and necessity of your aims remain high.

Your Life. On Purpose.

Goal setting is a fantastic skill to develop, and one that helps you live a life by design.

It allows you to enhance focus and take greater control of your life's direction, as well as providing a personal benchmark for determining whether you are making forward progress.

By properly setting up goals and systems, you can greatly enhance your execution and likelihood for success.

By frequently taking steps towards improvement, you will develop into the person you want to become and enjoy the life that you want to live.

Financial Lifestyle Goals

Many of our life goals require some combination of time and money to achieve. These financial objectives may revolve around specific events, personal milestones, or recurring needs. There is no shortage of potential financial aspirations, such as a vacation with the family to explore an ancestral homeland, an emergency savings fund, freedom from debt, or income to cover your ideal retirement lifestyle.

Often times, people feel pressured into financial decisions because of expectations from others or general assumptions about what people “should” be doing at a specific age. Since it’s your life, it is important to chart a course that helps you live in alignment with your ideal values .

A simple way to break down your financial goals is: Short-Term, Intermediate-Term, and Long-Term. This is significant because the amount of time you give yourself will determine the potential savings and/or investment profiles for consideration.



SHORT-TERM FINANCIAL GOALS (WITHIN 2 YEARS)

Money for short-term financial goals should be easily accessible and is best kept in a savings or cash-equivalent type of account. The priority is maintaining safety, accessibility, and liquidity to ensure that you have the funds when they are needed.

DETERMINE YOUR GOALS - Think about where you want your life to go short term. Be specific in terms of what you want by when.

Good Goal

“I want to have a cash emergency fund.”

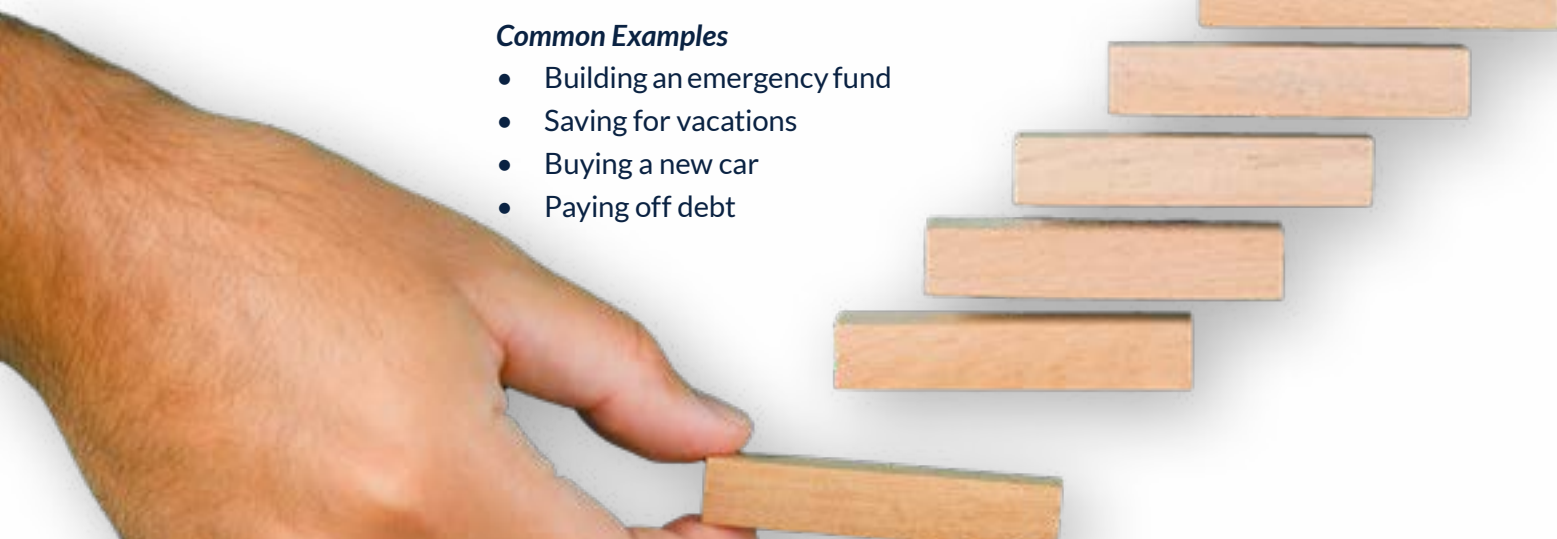
Better Goal

“I want to maintain \$36,000 in cash savings to cover 6 months of spending.”

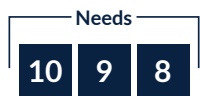
Remember to write down your goals - that makes them more real!

Common Examples

- Building an emergency fund
- Saving for vacations
- Buying a new car
- Paying off debt



Financial Goal Summary



SHORT-TERM GOALS (WITHIN 2 YEARS)

Goal 1:

LEVEL OF IMPORTANCE (10 - 1)

AMOUNT NEEDED \$

TARGET COMPLETION DATE

Goal 2:

LEVEL OF IMPORTANCE (10 - 1)

AMOUNT NEEDED \$

TARGET COMPLETION DATE

Goal 3:

LEVEL OF IMPORTANCE (10 - 1)

AMOUNT NEEDED \$

TARGET COMPLETION DATE

Goal 4:

LEVEL OF IMPORTANCE (10 - 1)

AMOUNT NEEDED \$

TARGET COMPLETION DATE

Goal 5:

Level of Importance (10 - 1)

AMOUNT NEEDED \$

TARGET COMPLETION DATE



INTERMEDIATE-TERM FINANCIAL GOALS (2 – 5 YEARS)

Mid-term financial goals often require more planning and a bit more money than short-term goals. These are goals that you might have ready for later down the road. A conservative investment strategy may be appropriate for these type of goals.

Determine your goals - Think about where you want your life to go intermediate-term. Be specific in terms of what you want by when.

Good Goal

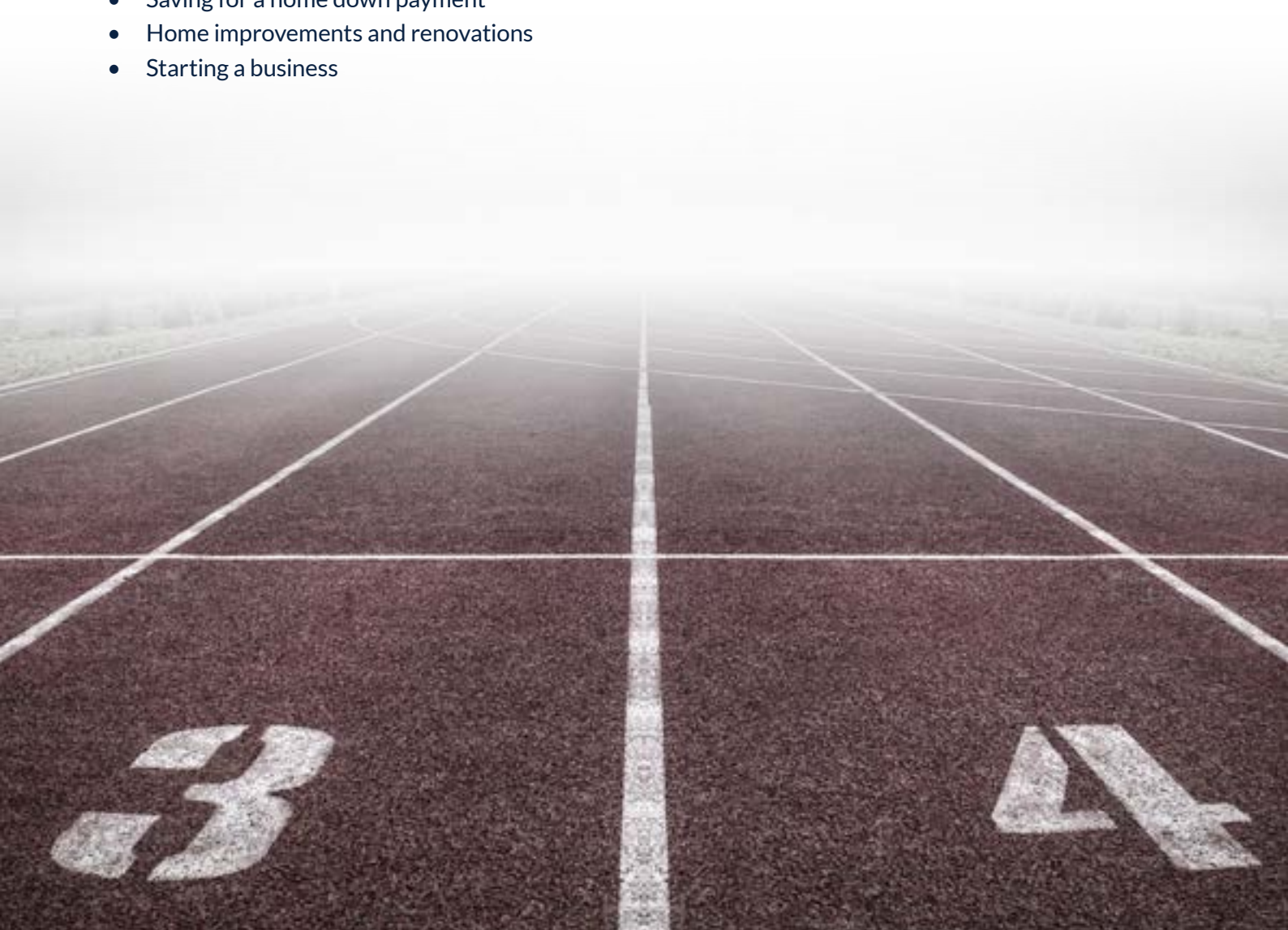
“I want to buy a house.”

Better Goal

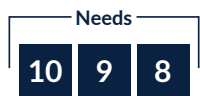
“I want to save \$50,000 as a 10% down payment for a home purchase in 3 years.”

Common Examples

- Saving for a home down payment
- Home improvements and renovations
- Starting a business



Financial Goal Summary



INTERMEDIATE-TERM GOALS (BETWEEN 2 AND 5 YEARS)

Goal 1:

LEVEL OF IMPORTANCE (10 - 1) AMOUNT NEEDED \$ TARGET COMPLETION DATE

Goal 2:

LEVEL OF IMPORTANCE (10 - 1) AMOUNT NEEDED \$ TARGET COMPLETION DATE

Goal 3:

LEVEL OF IMPORTANCE (10 - 1) AMOUNT NEEDED \$ TARGET COMPLETION DATE

Goal 4:

LEVEL OF IMPORTANCE (10 - 1) AMOUNT NEEDED \$ TARGET COMPLETION DATE

Goal 5:

LEVEL OF IMPORTANCE (10 - 1) AMOUNT NEEDED \$ TARGET COMPLETION DATE



LONG-TERM FINANCIAL GOALS (5+ YEARS)

Long term financial goals will require even more planning, monitoring, and determination. It's easy to become overwhelmed with long-term goals if you don't clarify why achieving the goal is important to you. The good news is that time is on your side, and money can be invested for compounding growth opportunities.

REMEMBER - Your outcomes are a lagging measure of your habits. Your net worth is a lagging measure of your financial habits. You get what you repeat.

Common Examples

- Child's college education fund
- Accumulating assets for retirement years (financial independence)
- Paying off a mortgage
- Vacation home
- That "big" vacation
- Selling the business



Financial Goal Summary



LONG-TERM GOALS (5 YEARS OR MORE)

Goal 1:

LEVEL OF IMPORTANCE (10 - 1)

AMOUNT NEEDED \$

TARGET COMPLETION DATE

Goal 2:

LEVEL OF IMPORTANCE (10 - 1)

AMOUNT NEEDED \$

TARGET COMPLETION DATE

Goal 3:

LEVEL OF IMPORTANCE (10 - 1)

AMOUNT NEEDED \$

TARGET COMPLETION DATE

Goal 4:

LEVEL OF IMPORTANCE (10 - 1)

AMOUNT NEEDED \$

TARGET COMPLETION DATE

Goal 5:

LEVEL OF IMPORTANCE (10 - 1)

AMOUNT NEEDED \$

TARGET COMPLETION DATE

CONCLUSION

There is an ancient Greek parable known as Sorites Paradox, which discusses the effect one small action can have when repeated enough times. One formulation of the paradox goes as follows: Can one coin make a person rich? If you give a person a pile of ten coins, you would not claim that he or she is rich. But what if you add another? And another? And another? At some point, you will have to admit that no one can be rich unless one coin can make him or her so.

Can one tiny change transform your life? It's unlikely you would say so. But what if you made another? And another? And another? At some point, you will have to admit that your life was transformed by one small change.

Goals are about the results you want to achieve. Systems are about the process that lead to those results. Goals are good for setting a direction, but systems are best for making progress. For many, working with a Financial Advisor is commitment to a financial goal-setting system.

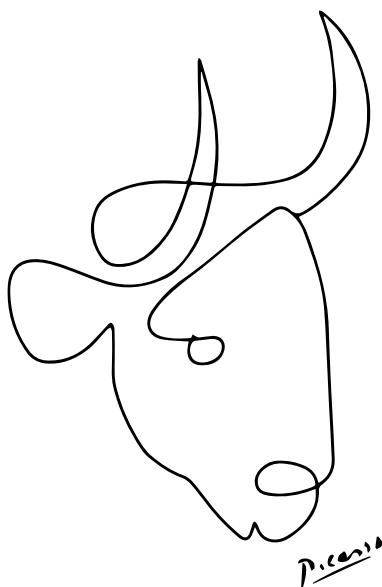
Financial planning is really about effective prioritizing and efficient action. In a world where not everything can be done at once due to limited resources (money, time, energy, attention, etc.), choices must be made about what's most important.

Ultimately, proper financial planning requires decisions on how to allocate resources towards goals in tandem with how to implement necessary steps to achieve those goals.

Here's to setting some amazing goals and living your life on purpose—*let's go!*

Our goals can only be reached through a vehicle of a plan, in which we must fervently believe, and upon which we must vigorously act. There is no other route to success.

— Pablo Picasso



If you are not sure where to start, reach out for an introductory call and the Affinity Financial team would be happy to suggest some helpful exercises to generate greater clarity.

Focused Goal-Setting System Worksheet

For each goal, be sure to complete a "Focused Goal-Setting System Worksheet" with Smart Goal & Action Reminders



Name Your Vision:

Give it a name that is clear and generates excitement!

Say more... describe your desired outcome:

Think about the who, what, where, when, why?

Ideal Target Date or Age of Completion:

If unsure, what is "ideal" and what is "acceptable"? Is this one-time or recurring? If recurring, how often and for how long?

Amount Needed (in Today's Dollars): \$

This Goal Is Important to Me Because:

Is this a Need (10,9,8) / Want (7,6,5,4) / Wish (3,2,1).

Potential Obstacles That May Arise Are:

Note if the obstacle is in or out of your control? What are potential solutions or responses for each obstacle?

How Will You Feel Upon Accomplishment?

Aim for at least 3 emotional descriptors.

What Are Your Next Best Action Steps?

NEED HELP WITH IDEA GENERATION?

Here are some common categories of Financial Lifestyle Goals ...



Financial Independence

Is there a time in which you aim to have enough income and assets to pay for living expenses for the rest of your life, without having to be employed or dependent on others?



Major Purchase

You've always wanted a sailboat? A motor home? A hot tub? Purchasing a new car? Whatever it is, let's put it on the radar. Fill in the blanks and make it a Goal.



New Home

Do you plan to trade-up or just want more space? Maybe you would like a vacation home.



Travel

Is there one special place calling your name? Or do you want to travel every year? Create Travel Goals for one special trip, or for recurring travel.



Home Improvement

Do you have plans to renovate? Create Goals for major home improvements and repairs.



Wedding

Want to help pay for a wedding? If you plan to pay all or part of the cost, include it as a Goal.



College

Plan to pay for all or part of a college education (or some other education program) for yourself, a child or grandchild.



Celebration

What special events do you look forward to celebrating? Do you have a Bar/Bat Mitzvah, family reunion, anniversary or retirement party in your future?



Start a business

If you plan to start a business or buy a business franchise.



Gifts or Donation

Would you like to give back? Or maybe your parents need help. Use Gift Goals for any cash gifts.



Provide Care

If you need money to take care of someone you have (e.g., your mother in a nursing home, or a child with special needs), make sure you have a Goal.



Leave a Bequest

Create bequests for the money you'd like to leave at your death to family, friends, charities and/or institutions.

Needs

10

9

8

Wants

7

6

5

4

Wishes

3

2

1

NEED HELP WITH IDEA GENERATION?

Here are some lifestyle and values-based exercises to explore ...

Lifestyle Transitions Inventory

Is there anything happening in your life right now or that you see coming that could have a major impact on your financial future? Life is a series of transitions. The more you can be aware of potential upcoming transitions, the better you can take steps and prepare for more positive outcomes.

Consider taking these three quick surveys on...

[Family & Personal Life Transitions](#)

[Work Life Transitions](#)

[Financial Life Transitions](#)

Personal Values Discovery

It helps to be clear about the core values by which you would ideally live your life. Do you know which widely held values are “Most Important,” “Important,” and “Not Important” to you? This process can aid in identifying behaviors to narrow the gap between the “real” you and the “ideal” you.

[Check out this list of commonly held values](#)

Your Affinity Profile

Thinking ahead, what are some of the things you would like to accomplish or experience in the future? As you respond, disregard the possibility of any obstacles—feel free to dream. Embrace the power of visualization. The more we can see and feel our desired vision for the future, the more we can increase the chances of actually getting there.

Your Wealth of Well-Being

Money is simply a tool. It is not the goal and it is not the end. It is a resource that we manage, exercising caution and wisdom, for the benefit of improving lives. We encourage you to explore the activities and actions that will facilitate greater well-being in your life.



Your Life. On Purpose.



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