

To reach your new year's resolutions set specific goals

I like setting New Year's resolutions. Like many people, I cannot say that I have kept *every* New Year's resolution. But setting realistic goals along with my resolutions has helped me to make progress.

In unsettling economic times, making progress can seem to be a daunting task. But, with some thoughtful planning and disciplined follow through, progress can be made.

Focus on what you can control

We cannot control the stock market. Like it or not, economic changes, recessions, and life disrupting setbacks happen. However, we can choose how we respond to the challenges we face.

List 5 or 6 things you can do

Taking positive action can reduce stress and position us to handle lean times. Look ahead into 2009, and think about the events and challenges you face.

List five or six things you can do. Then, work on just one or two things at one time, so that they don't seem overwhelming.

Consciously decide that you are going to do the best you can with what you can control to survive, cope, and make things turn out well.

Steps to strengthen your financial position

- Re-examine your spending choices and habits
- Scrutinize and reduce discretionary spending
- Systematically pay down credit card debt
- Increase your savings
- Review your investments with your financial advisor
- Increase your emergency savings fund

Your emergency savings fund should cover at least three months and preferably six months of normal living expenses. Plan to have this money readily available, not invested in the stock market.

You're not the only one with financial challenges

Here are some common challenges people face:

- 40% say they are spending more money than what they make
- 50% say they are living paycheck to paycheck
- 35% find it hard to pay their bills
- 35% say they cannot afford to contribute to their 401(k) because of debt

Are you feeling pinched by credit card debt, holiday expenses, or medical bills? Do you wish that you could save more money? You're not alone. Many people struggle with financial issues. Taking positive action can help you handle these challenges.

Set realistic goals and take action

Just saying "I'm going to save more money" does not make it happen. Set specific goals like, "I'm going to reduce discretionary expenses by \$50 per month and save that \$50, so that I have saved \$600 by December 31, 2009." Then, get to work identifying where you are currently spending your money, reduce some discretionary expenses, and start saving.

Try using an automatic savings plan, so that the \$50 or whatever amount you choose is automatically deposited into your savings account. Many people find these automatic plans really help them save money. Your local credit union or bank can help you set up your savings plan. Give them a call.

Here's to your success in 2009!

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