

# “Honey, I shrunk my New Year resolutions!”

IT'S already a few weeks into the new year, and many of us can already see our financial resolutions starting to fall by the wayside. This seems to happen every year, so why do we keep setting these financial goals?

LEE MUN WAI writes on how to boost the chances of achieving your goals.

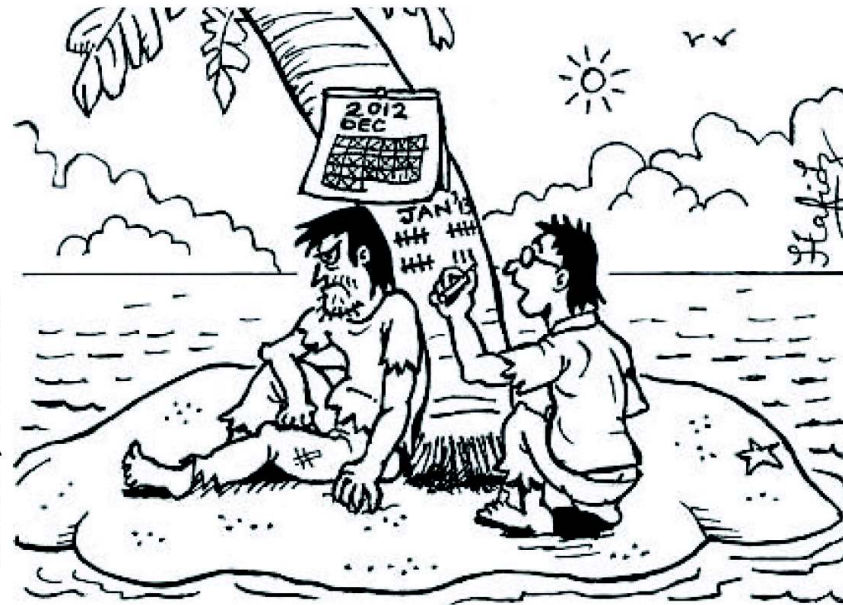


FINANCIAL goals can be extremely effective, depending on how people set and approach them. They can inspire you and help you keep the bigger picture in mind. So why do most financial resolutions remain unfulfilled? One of the reasons why New Year's resolutions often fail, especially big, sweeping ones, is that people ultimately decide they aren't worth the trouble. The reward is so far in the future that we can't stay motivated to keep moving toward it. However, when we set smaller, specific

goals, our brain can activate behaviours it knows will help us achieve them. For example, you have a vague goal of putting a plan into action for your retirement (yes, it might be a long time away) this year, your brain will probably have a tough time pinpointing the action steps you need to get there. If, however, you set a smaller goal beneath this larger one – such as setting up an appointment with a financial planner you know before the end of January – you now have a specific behaviour linked with achieving that bigger goal. Another reason we fail to achieve goals is simply a lack of emotional investment in them. We usually set resolutions believing that our thoughts will drive our behaviour;

however, we are often only motivated to action by our emotions. So it's important to know what motivates us. For example, the need for recognition – what feelings do you get when you feel recognised? Just thinking about wanting recognition will not fuel our actions, as much as the emotions you get when you are recognised. Include a celebration to reward yourself and those important to you when that goal is achieved. Haven't even got around to setting your financial resolutions for the year yet? Well, perhaps this might be just the right time to get started. Give your financial planner a call; he or she might just be able to help nudge you closer to achieving your financial goal.

Illustration by HAFIDZ MAHPAR



*“This year, let's try again to achieve last year's resolution to be more optimistic and cheerful.”*

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