



Setting financial goals is an important step in developing an effective spending plan and managing money. Financial goals can be saving for a major purchase or paying down debt or long-term savings such as retirement. When you set a financial goal, determine the amount to save or pay each month and the length of time it will take to accomplish the goal. Then incorporate the expense in your budget/spending plan. Developing short-term, intermediate and long-term goals will guide spending decisions and help in achieving financial success.

Set Goals as a Family

Reaching goals is easier if everyone in the household is working together. Family members will be more motivated if they work together towards common goals. Financial goals will be different for every family member because of needs, stage of life and additional demands on income.

Goal Setting

Money management starts by using current resources to get what is needed and wanted. Setting goals is like creating a financial road map. By putting goals in writing you can see where you are going; use the “SMART Financial Goals Worksheet” at the end of this publication to record your goals.

To start, determine the type of goal you are setting:

- Short-term goals are those that can be achieved in less than six months. An example of a short-term goal would be to save \$250 for a gift.
- Intermediate goals are those that will take six months to one year to accomplish. An example would be to pay off a credit card debt of \$1,500.
- Long-term goals are goals that take longer than one year to achieve. A long-term goal would be to save \$25,000 for a down payment on a new home.

As goals are created make sure they are SMART (specific, measurable, attainable, realistic and timely).

- **Specific** – What exactly needs to be accomplished and why? Example: save \$250 to buy a gift for a family member.
- **Measurable** – Track your progress by determining what steps need to be taken to achieve the specific goal and what success will look like. Example: Deposit \$50 in savings account each month for five months.
- **Attainable** – Make sure the goal is doable with available resources. Will the action steps that will be taken assist in reaching the goal? Example: Does your budget allow for saving \$50? Is there a savings account to deposit the funds?
- **Realistic** – Determine whether the goal is something that can be committed to. Example: review expenses to identify if spending needs to change.
- **Timely** – Make sure that a start time and deadline are set for each goal by determining when the actions need to be taken. Example: the automatic transaction will occur on the first day of the month.

Prioritize Goals

Decide which goals are the most important. Not all goals can be worked on at the same time. Once a goal is reached, move on to the next priority. Make sure to celebrate when you reach a goal, this will keep the family motivated



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SMART Financial Goals Worksheet

Short-term goal (less than 6 months): _____

Total \$ Needed	Start Date	End Date	Monthly \$ Needed (Total \$/# Months)
\$	___ / ___ / ___	___ / ___ / ___	\$

What action steps do you need to take to accomplish this goal? _____

Intermediate goal (6 - 12 months): _____

Total \$ Needed	Start Date	End Date	Monthly \$ Needed (Total \$/# Months)
\$	___ / ___ / ___	___ / ___ / ___	\$

What action steps do you need to take to accomplish this goal? _____

Long-term goal (more than 12 months): _____

Total \$ Needed	Start Date	End Date	Monthly \$ Needed (Total \$/# Months)
\$	___ / ___ / ___	___ / ___ / ___	\$

What action steps do you need to take to accomplish this goal? _____