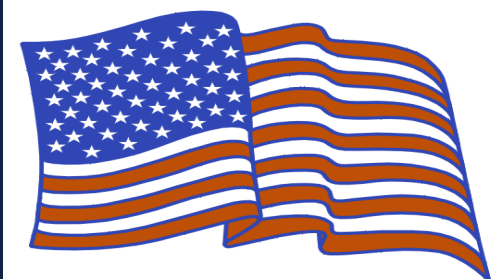


Setting and Reaching Financial Goals



Factory Built
Owners
AMERICA

An Association for Manufactured Home Owners



Meet the Presenter



Amber Russell
*Partner Experience Manager
with GreenPath since 2022*

- **Lives and works in SE Michigan**
- **Started in Financial Industry in 2014**
- **Started with GreenPath in 2022**
- **Married with two small children**



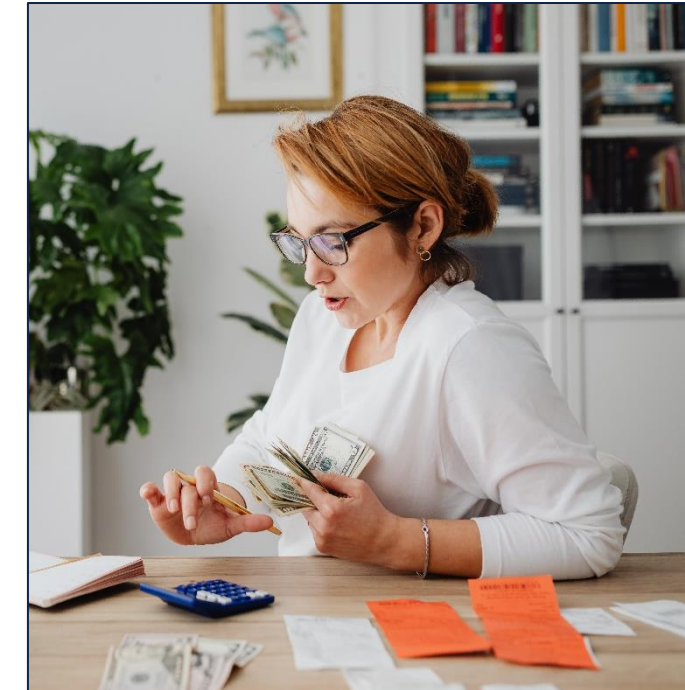
Today's Agenda:



**Understanding
your Financial
Behaviors**



**Setting Yourself
up for Success**



**Getting Back on
Track after a
Setback**



Introduction

- **Did you set a money-related New Year's Resolution this year?**



Introduction

- Did you set a money-related New Year's Resolution this year?
- **If yes... how's it going?**



Introduction

- Did you set a money-related New Year's Resolution this year?
- If yes... how's it going?
- **You're not alone!**



Introduction

- Did you set a money-related New Year's Resolution this year?
- If yes... how's it going?
- You're not alone!
- **How might we set financial goals that we can *actually* reach, even when "life happens?"**



Understanding Your Financial Behaviors



Understanding Your Financial Behaviors



Behavioral Economics

- “The study of psychology as it relates to the economic decision-making processes of individuals”



Understanding Your Financial Behaviors



Behavioral Economics

- “The study of psychology as it relates to the economic decision-making processes of individuals”
- A way to understand why we make the financial decisions we make



Understanding Your Financial Behaviors

Framing

- The principle of how something is presented to an individual, which may impact the outcome



Understanding Your Financial Behaviors

Framing

- The principle of how something is presented to an individual, which may impact the outcome
- **Example:** how you think about a budget



Understanding Your Financial Behaviors



Loss Aversion

- Real (or potential) loss is felt more strongly than an equivalent gain.



Understanding Your Financial Behaviors



Loss Aversion

- Real (or potential) loss is felt more strongly than an equivalent gain.
- **Example:** reducing expenses to free up money to put towards your goals



Understanding Your Financial Behaviors

Mental Accounting

- Placing different values on the same amount of money based on subjective criteria



Understanding Your Financial Behaviors

Mental Accounting

- Placing different values on the same amount of money based on subjective criteria
- **Example:** plan to use windfalls/out of the ordinary money to reach your goals quicker



Understanding Your Financial Behaviors



Present Bias

- The tendency to focus more on the present situation than the future when making decisions, which can lead to prioritizing immediate rewards over future payoffs



Understanding Your Financial Behaviors



Present Bias

- The tendency to focus more on the present situation than the future when making decisions, which can lead to prioritizing immediate rewards over future payoffs
- **Example:** grabbing fast food when your dining out budget has already been exhausted, which means dipping into the funds you planned to put towards your goal



Understanding Your Financial Behaviors

Overconfidence Bias

- An overestimation of skills, abilities, and knowledge



Understanding Your Financial Behaviors

Overconfidence Bias

- An overestimation of skills, abilities, and knowledge
- **Example:** setting a financial goal that is not realistic to reach, assuming you'll "figure it out" along the way



Understanding Your Financial Behaviors



Setting Yourself Up for Success



Setting Yourself Up for Success

Set Clear Goals

- Be specific



Setting Yourself Up for Success

Set Clear Goals

- Be specific
- Make sure it can be measured



Setting Yourself Up for Success

Set Clear Goals

- Be specific
- Make sure it can be measured
- **Example:** I want to save more money.



Setting Yourself Up for Success

Set Clear Goals

- Be specific
- Make sure it can be measured
- **Example:** I want to save more money.
- **Example:** I want to save \$1,000 within the next year for – fill in the blank.



Setting Yourself Up for Success



Create a Plan

- How much do you need to reach your goal?
- How much time do you have to reach your goal?
- If there is no hard deadline, when would you like to reach your goal?
- What steps do I need to take to reach this goal in this amount of time?



Setting Yourself Up for Success

Know What is Realistic

- Understand what a budget truly is



“I have a budget. I know what I spend monthly and what it costs to run my household and what it costs to run this home. It’s hard all the time to stick within a budget, for sure, but I think it’s a good guideline. And I’m the type of personality where I’m like, okay, I really want to buy this, so I have to make this in order to be able to buy that for myself. So I’ll make it happen.”





Setting Yourself Up for Success

Know What is Realistic

- Understand what a budget truly is
- Revisit or create your budget to determine what is realistic for you right now



Setting Yourself Up for Success

Know What is Realistic

- Understand what a budget truly is
- Revisit or create your budget to determine what is realistic for you right now
- Know where you are on the path to financial wellness



Setting Yourself Up for Success

Achieve Dreams!

Grow Assets

Save for retirement and other goals

Increase Resiliency

Spend less than you earn, establish an emergency fund, build credit, make informed decisions

Improve Cash Flow

Reduce fees, reduce interest, stop living paycheck to paycheck, manage bills

Defuse Crisis

Stop collection calls, stabilize housing, stop garnishment, etc.



Setting Yourself Up for Success

- **According to the CFPB, financial wellness is:**
 - Having control over day-to-day, month-to-month finances
 - Having the capacity to absorb a financial shock
 - Being on track to meet financial goals
 - Having the financial freedom to make choices to enjoy life



Setting Yourself Up for Success



Know your “Why”

- What are you working towards, and why is it important to you?



Setting Yourself Up for Success



Know your “Why”

- What are you working towards, and why is it important to you?
- Keep your “why” in front of you



Setting Yourself Up for Success

Get Outside Guidance

- Getting someone else's eyes on your situation can help you identify blind spots and other options you may not know about



Setting Yourself Up for Success

Get Outside Guidance

- Getting someone else's eyes on your situation can help you identify blind spots and other options you may not know about
- Trusted family or friend, your financial institution, a financial counselor



Setting Yourself Up for Success



Motivate Yourself Along the Way

- Break your goal up into smaller milestones



Setting Yourself Up for Success



Motivate Yourself Along the Way

- Break your goal up into smaller milestones
- What will motivate you to keep going?



Setting Yourself Up for Success

Hold Yourself Accountable

- Automate as much as you can



Setting Yourself Up for Success

Hold Yourself Accountable

- Automate as much as you can
- Pre-commitment



Setting Yourself Up for Success

Hold Yourself Accountable

- Automate as much as you can
- Pre-commitment
- External accountability



Getting Back on Track after a Setback



Getting Back on Track after a Setback



Acknowledge the Setback

- Remember: a setback is not a failure!



Getting Back on Track after a Setback

Take a Breather

- Do what you need to do to resolve the setback



Getting Back on Track after a Setback

Take a Breather

- Do what you need to do to resolve the setback
- Determine when you'll be back to revisit this – get specific!



Getting Back on Track after a Setback



Revisit your Goal

- Is it still realistic?



Getting Back on Track after a Setback



Revisit your Goal

- Is it still realistic?
- What may need to change?



Getting Back on Track after a Setback



Revisit your Goal

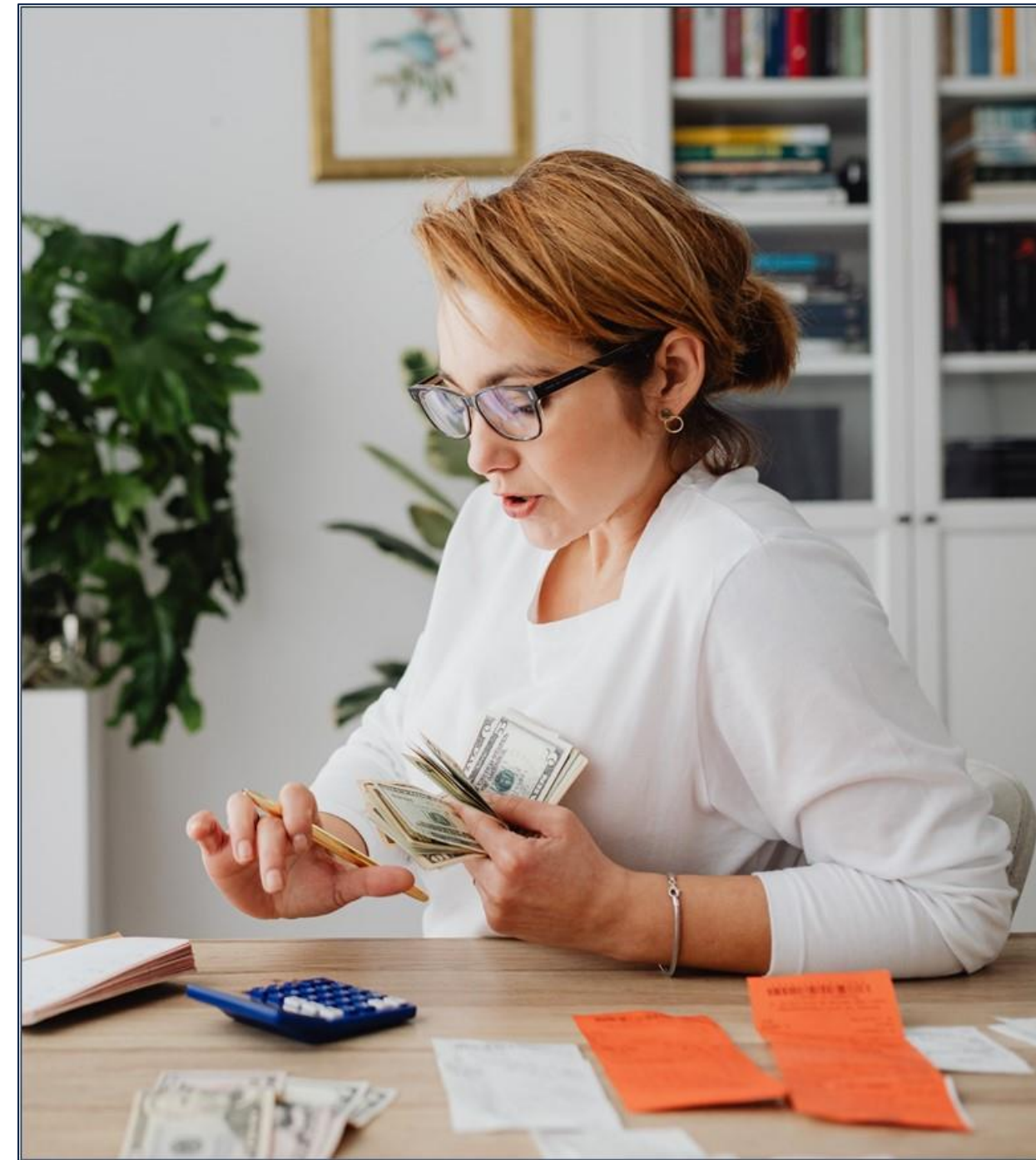
- Is it still realistic?
- What may need to change?
- Make adjustments or create a new plan



Getting Back on Track after a Setback

You Don't Have to do it Alone!

- Our financial institution
- GreenPath Financial Wellness



GreenPath Services

Free and confidential financial assessments:



***Credit Report &
Budget Reviews***



***Rent, Mortgage, &
Homebuyer Counseling***



***Student Loan
Counseling***



***Options for Paying
off Debt***



GreenPath Financial Wellness

- **Speak with a Financial Wellness Expert:
877-337-3399**
- **Learn more at:
<http://www.factorybuiltowners.org/>**



 **GreenPath™**
financial wellness
Empowering people to lead financially healthy lives.

