

# Don't Abandon Your New Year's Resolutions Just Yet

**00:05 Megan:** Financial wellness is the ability to manage money in a way that gives you peace of mind and empowerment to make your own choices. At Golden 1, we're here to help with unbiased financial guidance. As a not-for-profit, member-owned credit union, our main goal is to help you reach financial well-being. Join us as we discuss why financial knowledge matters and how to apply it to your financial journey. Together, we can be Golden!

**00:34 Megan:** Hello and welcome to the Golden One Financial Wellness Podcast. I'm Megan...

**00:38 Daniela:** And I'm Daniella. Thank you so much for joining us today.

**00:42 Megan:** You know, Daniella, I have to admit- I'm sad that our holiday festivities have fizzled out and most of us are back to our normal routines. Not to mention, by this time, a lot of people have fallen off track or given up on their New Year's resolutions. In fact, January 17th is the official "Ditch New Year's Resolutions Day".

**01:05 Daniela:** Yeah, a friend of mine has a resolution to lose weight. I met up with him this last weekend and he admitted that he's no longer sticking to his plan. At first, the number on the scale went down quickly, but now that the number is slower to change he's feeling discouraged.

This is one of the top reasons why people give up on their resolutions. When we feel like we're behind or losing the game of accomplishing our goals it's easy to forget why we started on this path to begin with.

**01:33 Megan:** You're right. But figuring out and remembering the why behind the goal can help us get back on track.

For example, my resolution is to pay down \$3,000 in credit card debt. Well, during New Year's, my dog decided to eat the celebratory cake and ended up at the vet. The bill showed up last week, and I was forced to use the \$500 I allocated to pay down my credit card to pay the vet bill. Yes, this caused me to derail from my plan. Now my goal to conquer this credit card debt needs to be adjusted. I need to divide my goal by 11 months instead of 12 to make up for this skipped monthly goal payment. Rather than dwell on the extra steps, money, or adjustments I have to make to get back on track, I'll refocus on my why behind the goal. When it comes down to it, my resolution was rooted in the idea to redirect money I'm paying to the credit card to spend on my family and build more memories. Refocusing on the why behind our goals may help us stay the course. As long as I keep moving forward, I know that I'm making progress.

**02:48 Daniela:** That's a great perspective, Megan. But for some of us, even the strongest whys aren't always enough because our limiting beliefs, fear, or feeling overwhelmed can creep in and prevent us from taking the action we need to achieve our goals. We might feel like we're behind. We may have found that the tasks laid out to accomplish our plan are just too many. Maybe we're pushing ourselves too far out of our comfort zone.

These feelings are normal, but we can choose to take one step, one action to break the cycle. There's no such thing as being behind when it comes to your life purpose. You're exactly where you're meant to be in this moment in time.

**03:26 Megan:** I couldn't agree more. This phase in our New Year's resolution journey is a crucial one because it's a choice. Sometimes our goals will fall short, but maybe they were meant to in order for us to learn, grow, and establish new goals that reinforce our why. Maybe we aren't emotionally connected to the goal, or we felt pressured to create the goal because it's a New Year's tradition. If there's no why to back and support the goal, then is it a goal worthwhile to pursue?

If we do choose to move forward, then we need to be honest with ourselves and make sure that these goals are realistic, not too big, not too small. Maybe our goals and our steps to reach them are doable, but we just haven't taken the time to prioritize them. Re-evaluate how your goal is stacking up to those smart characteristics. We want to be able to define the progress we're making by having our resolutions measurable. Then we can see our growth and not feel like we're spinning our wheels and not getting anywhere. We should not only have a plan that's attainable, but know what to do when we deviate. Maybe we re-evaluate our progress in a couple of months, recalibrate, and create new action steps to keep moving us towards our resolution.

**04:50 Daniela:** When I think about your plan to pay off that credit card debt or any financial-based goal, I always think of a budget. Making a savings and spending plan is a great place to start. Look at each of the line items on your spending plan and see if there's anywhere you can reduce, forgo, or substitute your spending. For most of us, there isn't one single expense that will solve all of our money problems if we reduce it. Usually, we need to reduce several expenses to get to where we want to be financially. And don't overlook that savings part of this plan. Having an emergency savings account in place acts as a safety net during unexpected bumps in the road, like job loss, a medical bill, or in your case, Megan, a vet bill for eating cake.

**05:36 Megan:** You're right. If I had the funds in an emergency savings account, I could have used those extra funds to pay for the vet bill rather than not making the extra payment on my credit card. We know that applying more funds to our credit card debt will help us save some money in interest. But if I had also been saving money in my emergency savings, then I could have been working towards two SMART goals at the same time and may not have derailed from my resolution.

**06:05 Daniela:** Having an emergency savings account in place can help with all kinds of bumps in the road. Putting money aside for emergencies automatically will ensure that there's a safety net in place. You could have part of your paycheck deposited into your savings account or set up reoccurring transfers from your checking to your savings account.

**06:20 Megan:** Taking the time to establish this automated savings plan will really help me stay on track and establish a savings habit. We schedule time for work tasks and family obligations, so why not schedule time for our resolutions too? No matter what our resolutions are, we need to dedicate some time to them. Maybe this means we occasionally decline social invitations to focus on self-care. We block 30 minutes of our day to exercise. Or we schedule an appointment with a financial advisor to help establish a mutual fund with automatic payroll contributions.

**06:59 Daniela:** Another proven way to help us stay on track is by sharing our goal. An

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accountability partner can help keep tabs on our progress, keep us moving in the right direction, and celebrate with us as we make strides. Check in with them on a regular basis. When my friend and I met and discussed his weight loss journey, he asked me to be his accountability partner. I loved this. Now we can track his progress and milestone wins along the way.

**07:24 Daniela:** We just have to be sure our celebration doesn't set him back in the progress towards his goals. For example, when you do pay off that credit card, going out to an expensive dinner may be counterproductive. Smaller rewards, like renting a movie or taking a day off work to go to the park, may be a great reward without spending a lot of money.

**07:43 Megan:** Our goals may change over time, or our priorities may shift. Through the ups and downs on your journey to goal achievement, acknowledge that there is no such thing as the right or perfect path. Review your goals more than once a year- monthly or weekly if need be. Think about what makes you happy, what's fulfilling to you, your emotional tie to the goal, and remember that each step forward, no matter how big or small, is still a step in the right direction. It takes time to redirect entrenched habits and make everlasting change.

**08:19 Megan:** Thank you so much for joining us today. This has been Megan.

**08:24 Daniela:** And Daniela wishing you financial health and happiness- and as always, reminding you to.

**08:30 Daniela and Megan:** Stay golden!

**08:33 Megan:** Golden 1 Credit Union is insured by NCUA.

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