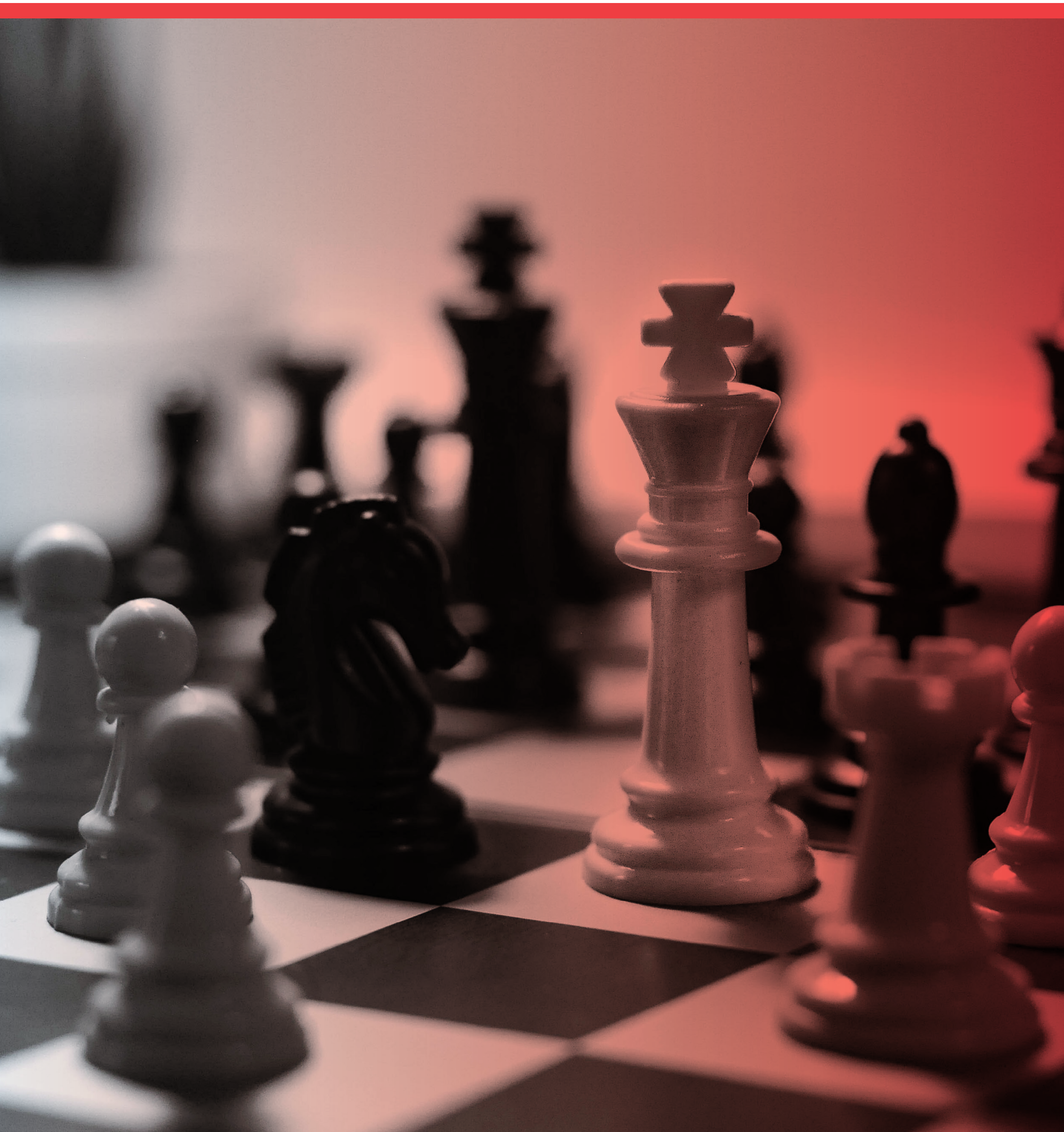
Do You Know Your Financial Goals?



What are your financial goals?

Understanding your financial goals is central to your financial plan, but identifying goals that truly matter can be tough. Morningstar's behavioural science team developed this exercise to help you identify your top financial goals and uncover goals you might have overlooked.

Instructions

Sometimes the simplest things make the biggest difference.
Following this 3 step process may help you.

Step 1:

List your top three financial goals. We suggest doing this privately, so you don't feel anchored to what first comes to mind or embarrassed if you decide to change your mind later. Think of this as brainstorming.

Step 2:

Take a look at the master list of common financial goals. Are any of these goals important to you?

If so, tick the box next to those goals. You may also consider crossing out any goals that are not important to you. Use the list to identify what you find appealing, and what you don't. Sometimes identifying what you don't care for can help clarify what really drives you.

Step 3:

Look at your initial list and master list. Consider the goals you wrote down and the goals you ticked. Of these goals, what are the top three? Write them down in order of importance.

Step 1

What are your top three financial goals?

Most important goal: ____

Second most important goal: ____

Third most important goal: ____

Step 2

Here's a master list of common financial goals.

Are there any goals here that are important to you? If so, tick the box next to those goals. (Tick five at most). You might find it useful to cross out those goals that aren't important to you.

☐ To pay for personal self-improvement (e.g., go back to school, learn a skill)

☐ To experience the excitement of investing

☐ To pay off my mortgage(s)

☐ To start a new business

☐ To buy a house

☐ To help pay for my child's/children's education

☐ To stop working and do something I love

☐ To be able to travel

☐ To relocate in retirement

☐ To care for my aging parents

☐ To give to charity or other causes I care about

☐ To be prepared in case of unexpected illnesses or events

☐ To maintain my current lifestyle in retirement

☐ To feel secure about my finances in retirement

☐ To feel secure about my finances now

☐ To leave an inheritance to my loved ones

☐ To retire early

☐ To be better off than my peers

☐ To not be a financial burden to my family as I grow older

☐ To fund aged care

☐ To manage my debt

Step 3

Look at your initial list and master list. Consider the goals you wrote down, the goals you ticked and the goals you crossed off. Of the goals you listed or ticked, what are the top three?
Write them down in order of importance.

Most important goal: ______________________________

Second most important goal: ______________________________

Third most important goal: ______________________________

Notes:

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