## Use psychology to **BUILD A BUDGET** you'll stick with!



IT'S TIME TO RETHINK

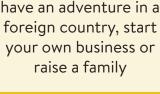
"bad", but they will often contradict each other.

## Rather than trying to follow all of the expert advice, start by losing the desire to classify everything as "good" and "bad". Instead, just remember these three steps.

Notes Prioritize Track



What do you want your Prioritizing your goals life to look like over the should not be confused next few years? with categorizing your expenses It could be your dream to train for a new career, You shouldn't prioritize





what you think you "should" be saving up for-

do not let other people's priorities define your goals

You are asserting your It reminds you that beliefs and your values you're in charge—that you have a say in where your You are reminding yourself money goes

Studies show that you're more invested in activities

of why you're willing to adopt a budgeting system

in the first place

**GET STARTED** 

Grab a Ask pencil and yourself what you paper

want

**TRACK** 

**PAPER** 

Some swear by

tracking their

You start to realize

that every transaction,

**APPS** 

Others like to use budgeting apps on expenses with good their smartphone ol' pencil and paper or spreadsheets on their computer When you track your expenses,

no matter how big or you've been tracking how small, is either your expenses, the more contributing to a goal or you'll see evidence taking away from it of your progress

Another critical element in sustaining motivation is competence, or your ability to do something well. We thrive on being reminded that we're improving.

By tracking your spending, you're also tracking your effort—you're creating a record of your progress along

a couple of things will come to light.

Tracking your expenses helps you to identify your spending patterns and to course-correct when necessary

Don't spend Try out a new Browse the Just pick budgeting App Store much time one and try system today or the web, comparing it out budgeting or pick up a book approaches

and celebrating your progress as you

create healthier financial habits.

**GET STARTED** 

REWARD Rewarding yourself means encouraging

MILESTONES

Time-based

Use budgeting app every day for 30 days

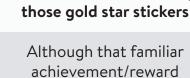
**Achievement-based** 

Pay off all credit card debt

Increment-based

Emergency fund reaches

\$500, \$1,000, \$2,000



As kids, we loved earning

structure practically

disappears in later years, it doesn't mean that

rewards are any less

effective in adulthood

Brainstorm a list of minutes to budgeting milestones keep yourself on track

our achievements and renew our commitment.

WHY REWARDING WORKS

Quite simply, rewards feel good. Rewards highlight

**GET STARTED** 

milestones exciting to work toward

## Allow your goals to be a judgment-free zone goals and dreams are as diverse as the minds and personalities behind them. In most cases, goals reach beyond the familiar trifecta of "pay off student loans, buy a house, save for retirement". WHY PRIORITIZING WORKS Prioritizing your goals gets you buzzing about what your money can do for you. There are a couple of motivating factors at work here.

that reflect your personal It's powerful to realize values—this is what that your budget is a generates stamina and collection of choices you determination make in order to create the life you want

**Think** 

about it

for 10

minutes

answers your down goals are achievable STEP 2

Write the

Realize

Social scientists point

to autonomy as being a critical element to

sustain motivation

Tracking your expenses means being aware of where your money is going as you spend it. IT'S TOTALLY UP TO YOU

**ENVELOPES** 

Some gravitate to

unique approaches

like portioning their

spending money into envelopes

The second thing you'll

notice is that the longer

## WHY TRACKING WORKS

with a record of your transactions Before long, you'll have tangible evidence of how your actions and your follow-through are contributing to a calmer, happier financial life You'll see how capable you are of budgeting and you'll find it easier to keep your budgeting winning streak going

STEP

REWARDS

Material rewards Fancy coffee, movie night,

new gadget

Time- and experience-

based rewards Give yourself permission

to spend an entire day

just vegging out

incentive and boosts

your motivation

When you earn, claim and enjoy a reward, your

brain gets an extra hit of

dopamine, which increases

your focus and drive

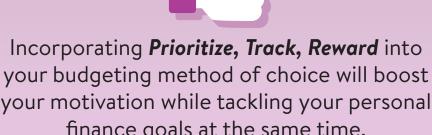
Assigning rewards to a milestone creates added

time is up, should celebrate assign the rewards your efforts

Rewards

and be

When you reach your milestones, claim your rewards!



finance goals at the same time.

**BROUGHT TO YOU BY** 

and a list of possible rewards

The better way to bank

Set a timer for 10

After the

to your