



Goal Setting

Standard 1

The student will describe the importance of earning an income and explain how to manage personal income using a budget.

Lesson Objectives

- Explain the reasons for setting goals.
- Differentiate between short-term, medium-term, and long-term goals.

Personal Financial Literacy Vocabulary

Goal: A statement about what a person wants to be, do, or have, accomplished by taking certain steps; provides direction to a plan of action.

Goal setting: The process used to determine what an individual wants to be, do, or have (i.e., what a person wants to accomplish).

Introduction

Natalia wants to be a fashion designer and live in Paris. Her parents think her plans are unrealistic and expensive. They would prefer she attend the local community college and find a job close to them because it's more practical and affordable. However, Natalia is staying true to her dreams. What can she do to make them come true?

Lesson

Almost everyone has a personal dream. Some want to be doctors, others want to be lawyers, while others may want to play professional sports. At the same time, others may dream of being a stay-at-home mom or a small business owner. Some have hopes of living in a beach house, taking regular trips to the mountains to go snowboarding, or even owning a home with a big yard for their dogs.

Dreams come in all shapes and sizes. Whatever they are, they can come true if you have a plan to make them realities. Otherwise, they remain fantasies.

The difference between dreams and goals is the level of commitment. Setting goals helps you identify what is really important and allows you to prioritize your actions. It provides a way to keep you focused on what you really want instead of allowing distractions to sidetrack you or throw you completely off course.

To transition from dreams to goals, most experts recommend writing them down. Once written, they give you a sense of control and hope for the future because you now have a purpose and can make the necessary choices. The more you believe in your goals, the more determined you will be to achieve them.

Short, Medium and Long-term Goals

Short-term goals are more immediate. They can be reached in a few days, a few months or anytime up to one year. Examples may be making an A in your math class, getting the lead role in the class play or helping Dad clean out the garage. Medium-term goals take a little longer, generally about one to three years. That may include buying a car or graduating from high school. Long-term goals take five years or more to accomplish, and may be more difficult because they are further away. Long-term goals may be graduating from college, owning a home, running a marathon or retiring on a tropical island.

When setting goals, it is recommended that you start with at least one long-term goal. Shorter goals have little meaning or purpose unless they are leading to some kind of long-term objective. Smaller, short-term goals can keep you working everyday on a consistent basis towards your main goal. When a goal is far away, it is often easier to forget about it or get discouraged. Those short-term goals, however, are frequent reminders of what we want to achieve.

Following are some suggestions for setting personal goals:

1. Be specific. If you want to own your own business by age 25, then say so.
2. Write down your goals on a piece of paper. That makes them real.
3. Post your goals where you can see them. Seeing them on a regular basis will remind you what is important.
4. Think outside the box. Your goals are yours — not someone else's.
5. Stay positive. Even when things get rough or seem impossible, a positive state of mind will keep you going.
6. Stay focused on the outcome. You may have to take a step back or a step sideways, but you can get back on track if you focus on the desired result instead of the problem.
7. Believe in yourself. Others may doubt you, but only you know your ability to succeed.
8. See roadblocks as learning opportunities. Sometimes we learn more when things do not go our way! Take those lessons learned and use them to your advantage.
9. Remember, we all make mistakes. It only proves you are human. The secret is how you deal with it.
10. Celebrate your successes. When things do go right, take time to enjoy it.
11. Be good to yourself. No one will take better care of you than you!
12. Review your goals. Priorities will change throughout your life, and it is okay to change your mind about what you want. That does not mean you have failed; it means you have grown.

REMINDER

When setting goals, it is recommended that you start with at least one long-term goal. Long-term goals may be such things like graduating from college, owning a home, or running a business.

And finally . . .

13. Establish new short-term, medium-term and long-term goals when you reach the ones you set previously.

Conclusion

There's an old saying that goes like this: "If we do not know where we are going, it does not matter how we get there." Having goals will help you know where you are going — and how to get there. Each day, you can take small steps toward meeting lifelong dreams if you set goals and stay focused on them. Whether personal or financial, goals help make your dreams come true.

FINAL NOTE: Natalia needs to start writing down her goals and identifying what steps she needs to take to make them a reality. For example, she may decide to get a part-time job and start saving money for her college education. She may also decide that studying is a higher priority than hanging out at the mall because it will help her get a scholarship to a better school.

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Name: _____ Class Period: _____

Goal Setting Review 1.3

Answer the following questions and give the completed lesson to your teacher to review.

1. Match the terms related to goal setting with its definition.

- a. Goal
- b. Goal Setting
- c. Short-Term Goals
- d. Medium-Term Goals
- e. Long-Term Goals

- _____ 1. The process used to determine what an individual wants to be, do, or have, i.e., what a person wants to accomplish.
- _____ 2. Goals that could take five years or more to accomplish.
- _____ 3. A statement about what a person wants to be, do, or have, accomplished by taking certain steps; provides direction to a plan of action.
- _____ 4. Goals that are met between one and three years.
- _____ 5. Goals that are obtained more immediately.

2. Write a short paragraph explaining the reason for setting goals.

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Goal Setting Practice Activity 1.3A

In this activity, you can practice goal-setting by using the following goals. List two steps you can take accomplish each of the goals. Remember to use the rules for setting goals when working through each situation. On the line provided, put an S if the goal is short-term, an M if the goal is medium-term, and an L if the goal is long-term.

_____ Goal #1: Help a new kid in school feel included.

_____ Goal #2: Get a good summer job.

_____ Goal #3: Stop bullying on the school grounds.

_____ Goal #4: Earn enough money to buy a new bicycle.

_____ Goal #5: Raise money to buy a new computer for the school library.

_____ Goal #6: Set your own goal!

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Setting Goals for Life Activity I.3B

Write one short-term and one long-term goal for each of the categories.

Personal — goals relating to character development and personal growth.

Short-Term	
Long-Term	

Health — goals relating to exercise, appearance, diet, and overall well-being.

Short-Term	
Long-Term	

Recreation — goals relating to relaxation, hobbies, vacations, and fun activities.

Short-Term	
Long-Term	

Family — goals relating to your parents, siblings, and relatives.

Short-Term	
Long-Term	

Friends — goals such as expanding your circle of friends and enriching existing relationships.

Short-Term	
Long-Term	

Community — goals involving a commitment to serving others through your time, talents, heart, and possessions.

Short-Term	
Long-Term	

Career — goals relating to school grades, skill development, and future ambitions.

Short-Term	
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Long-Term	
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Financial — goals relating to earnings, savings, and understanding the value and purpose of money.

Short-Term	
Long-Term	

Household — goals relating to household chores and your contribution to building a happy home life.

Short-Term	
Long-Term	