

q finance: with NANCY YOUSSEF

Simple daily actions that help keep your financial goals on track

Are you feeling overwhelmed at the enormity of your savings goals, thinking your home deposit is unachievable? Perhaps you are drowning in debt and unable to get ahead? Or you could be managing just fine, but you'd prefer to be a little more comfortable, or to be able to save for something special like a wedding or holiday.

While these big goals and dreams may seem like huge mountains to climb, if you spend a little time tackling the small stuff you just might find they're not as impossible as they first appear.

I've come up with a list of my favourite tips that have helped my clients in the past to keep their financial goals on track. Each one is simple and relatively easy to implement, but put them all together and you'll have a brand-new outlook towards managing your money, and a bank balance to match.

1. Having a financial tracker is important – The first step is to come to terms with the fact that you need a budget. If that sounds like a dirty word to you, try calling it something else such as "Spending Plan" or "Expenses Tracker". These novelty names can help encourage partners and children to jump on board, too! If you don't know what you're spending, how can you take charge of it? Bank statements are really helpful here, as they'll detail all those little purchases you've forgotten about by the end of the month. Which brings me to . . .

2. Being conscious of the unconscious spend – It's so easy to "tap and go" with plastic fantastic these days, and before you know it, you've drained the bank account. Some people prefer to use cash for splurge purchases like coffees and pedicures, because the visual of handing over the money helps them keep on track. Others have a separate account and when it's gone, it's gone.

3. Set a goal and put a price tag to it – What will your wedding, trip to Europe or house deposit cost you? Figure that out and work backwards, dividing the total figure by the number of pay cycles you have left before the event. Every time you're tempted to spend on a frivolous item, remind yourself it's only delaying you achieving this big goal.

4. Review where you can save money – Compare deals for your utilities, loans, insurance, credit cards, internet and phone plans at least once per year. Sometimes just making the phone call and saying you're thinking of switching is enough to convince your current provider to offer you a better rate or a month for free. When you lock onto a cheaper plan, direct the money you're saving straight into debt repayment or your savings account.

5. Seek out all the discounts – Another rule successful money managers live by is "never pay full price"! That might mean waiting until your favourite store has a 20% off sale and stocking up, or buying the kids clothes for next year at the end of the season when they're reduced to clearance prices. Savvy spenders know which shops will price-match, they scour the internet for discount codes and free shipping offers, and they make the most of sites like Groupon and their local Entertainment voucher book.

6. Buy what you need, when you need it – Australians waste So. Much. Food! And it's not only bad for our hip pockets, it's terrible for the environment. When you become more conscious of your food waste, you'll save loads of cash and be able to feed your family nutritious meals with fresh, seasonal produce.

7. Live as though you already have a mortgage – If it's a new home you're saving for, figure out how much your repayments are likely to be. If you're currently paying \$3,000 a month in rent, but your repayments will be around \$4,000, start putting the difference away in a separate bank account now. Not only does it boost your savings and help build your discipline, it also shows potential lenders that you can afford a mortgage.

Saving money and achieving financial security is really just a habit like any other. Imagine if you were training for a marathon – you'd work towards this goal each day, and if you had a setback like an injury or illness, you'd dust yourself off and keep on going. The same is true for managing your finances. If you spend a little too much one week, commit to spending the next week or two at home rebuilding your slush fund. It's never too late to get back onto the savings wagon.

Make it fun, challenge yourself to smash your goals, and don't forget to celebrate when you achieve them – you deserve it!

Nancy Youssef is an award-winning finance broker, mentor, philanthropist, and founder of Classic Finance and Classic Mentoring. Recognised as a leader, innovator and industry expert, she is an ambassador for change both within the finance industry here in Australia, and in some of the world's most impoverished communities. Nancy is the author of Fear Money Purpose, which is designed to inspire others – women especially – to step out of their comfort zone and be inspired to achieve more. Find out more at www.nancyyoussef.com.au

