

The Money Talk

Talking to your spouse or partner about your financial goals is key to avoiding financial conflicts. Not sure how to start the conversation? Use Credit.com's helpful worksheet to break the ice and keep the discussion productive. Start the conversation now.

Step 1: Schedule some time

Set aside about an hour with your sweetheart that you can spend talking about your family finances uninterrupted. It shouldn't be a serious "we need to talk" discussion, but you should both be ready to commit some time and attention to your money. Try to stay focused on goals and facts in your conversation. Bringing your emotions into the equation can throw the entire conversation off track.

Step 2: Make a list of goals

Come up with a list of five or ten financial goals. These can be anything from wanting to buy a new lawnmower to saving for retirement. Think about both long term and short term objectives that you share. Aim for positive goals (saving for a vacation) rather than negative goals (I wish you would stop spending so much darn money). Don't spend time discussing the goals during this step; just write them down:

Step 3: Discuss your goals

Once you have written down all of your financial goals, think about what they actually mean. You should take notes during this discussion. For each goal, talk about the following questions:

- ▶ Do we both agree on this goal? If not, how can we compromise?
- ▶ When do we want to achieve this goal?
- ▶ How are we going to start working on this goal?
- ▶ Do we need help from anyone?
- ▶ What are some obstacles that we need to overcome?

Step 4: Develop a plan

At this point you should have a good idea of what your financial goals are and you should be in agreement. Now, you need to start setting some objectives to reach your goals. For example: if your first goal was to buy a home in the next year, your objectives could be to boost both of your credit scores above 700 and to save \$5,000 for a down payment. Or, if your goal was to establish a college savings account, your objectives could be to open a 529 account and set up automatic withdrawals from your bank. Write down your revised goals, objectives, and dates in detail using this worksheet:

Our Goals	Our Objectives	Key Dates

Step 5: Take action

Now that you have a plan and deadlines to keep, get to work! Work together on achieving your financial goals and set regular check-up meetings to see how you are doing. Charting your progress each month is a great way to keep you on track. Just like a fundraiser, put up a paper thermometer on the refrigerator and mark your progress regularly. Don't forget to celebrate when you accomplish a goal!