



Te whai hua - kia ora!

sorted
in Schools

US 28089 (version 4)

Goal Getters

Demonstrate knowledge
of personal financial goal setting

LEVEL

1

CREDITS

3

THEMES

Goals
Saving
Managing my money

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Nau mai haere mai!

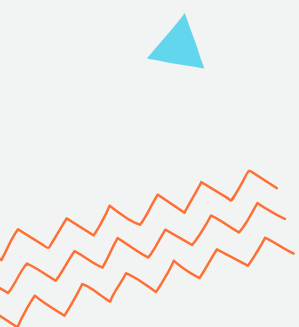
Welcome to the Goal Getters module.

This module supports you to develop your understanding of personal financial goal setting, including ways to monitor and maintain progress towards a financial goal.

You will be assessed on how well you:

- describe a personal financial goal in terms of it being specific, measurable, achievable, realistic and time-bound, and may include a budget
- identify THREE impacts on spending behaviour across the timeframe of the personal financial goal
- describe a plan for monitoring, and maintaining progress in terms of achieving the personal financial goal
- explain how a personal financial goal can be achieved when spending behaviour changes
- justifying the plan to achieve the personal financial goal.

Evidence/Judgements for Achievement	Evidence/Judgements for Achievement with Merit	Evidence/Judgements for Achievement with Excellence
<p>You need to:</p> <ul style="list-style-type: none"> • describe a personal financial goal in terms of it being specific, measurable, achievable, realistic and time-bound, and may include a budget • identify THREE impacts on spending behaviour across the timeframe of the personal financial goal • describe a plan for monitoring, and maintaining progress in terms of achieving the personal financial goal. 	<p>As well as meeting the requirements for Achievement, you need to:</p> <ul style="list-style-type: none"> • explain how a personal financial goal can be achieved when spending behaviour changes. 	<p>As well as meeting the requirements for Merit, you need to:</p> <ul style="list-style-type: none"> • justify the plan to achieve the personal financial goal.



Potential links to NCEA Level 1 Unit and Achievement Standards

You may be able to use your knowledge, content, and modified work in this module and assessment task as evidence towards the following Unit and Achievement Standards:

- **US 26623** Use number to solve problems
- **AS 90971** Take action to enhance an aspect of personal well-being.

Discuss this possibility with your teacher.

This module is about ways to set and achieve financial goals. Working through this module will help you to build the skills and knowledge you need to adjust your spending patterns to help you achieve your financial goals.

In this module you will explore:

- **Topic One: Personal financial goal setting** – SMART goals
- **Topic Two: Personal budgeting** – deficits and surpluses; creating a budget
- **Topic Three: The impacts of financial goals on spending behaviour** – making spending changes
- **Topic Four: Strategies for monitoring and maintaining progress** – how to reach your goals.



Resources

There are lots of useful resources for exploring financial goal setting.

Two Sorted in Schools resources that have particular relevance to this module are:

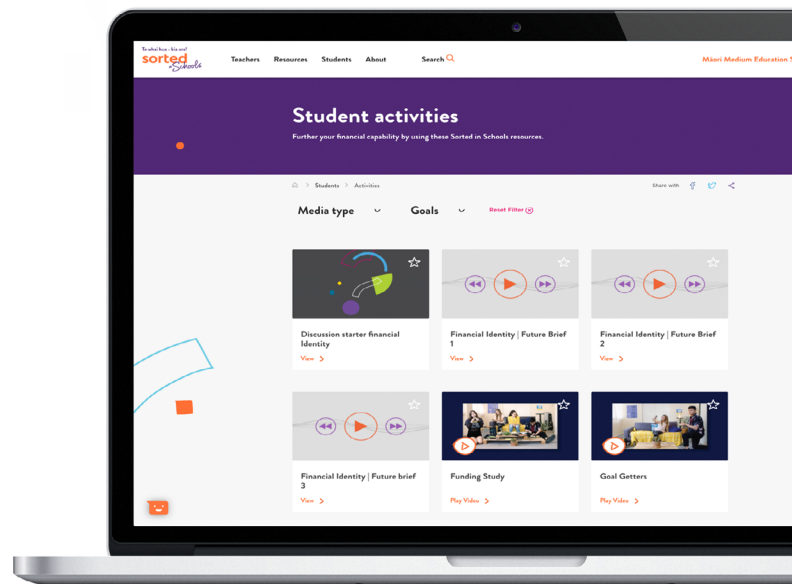
- [Goals Sorted Booklet](#)
- [Goals infographic](#).

You can find these resources on the [student activities](#) page of the Sorted in Schools website by clicking on Theme and selecting **Goals** from the dropdown menu.



Be sure to watch the fun, informative video that accompanies this module

[Goal Getters video](#)



Other useful tools and websites include:

- [Sorted.org.nz guide to budgeting](#)
- [Sorted.org.nz budgeting tool](#)
- [Sorted.org.nz goal planner](#)



Topic One:

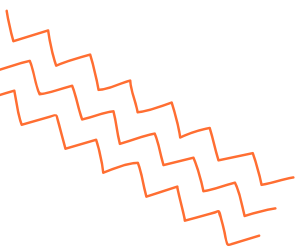
Personal financial goal setting

Learning Outcome for Topic One

- ✓ Describe a personal financial goal in terms of it being a SMART financial goals.

Success criteria

You should complete all activities in this topic. They will help you to meet the assessment requirements of demonstrating knowledge of personal financial goal setting, by identifying ways that it is specific, measurable, achievable, realistic and time-bound.



Whāia te iti kahurangi ki te tuohu koe me he maunga teitei

*Seek the treasure you value most
dearly: if you bow your head, let it
be to a lofty mountain*

This well-known whakataukī is about aiming high and setting your sights on achieving something truly valuable. It also encourages us to be persistent about reaching our goals.

The focus of this module is on financial goal setting, but the purpose of setting financial goals is to achieve something that has meaning or value to you or your whānau; it's not about just accumulating your money for the sake of it. Most financial goals are focused on saving up for something, paying off debt or investing. They might also focus on helping family or contributing to your community. The objective will include ongoing cost implications of ownership and/or maintenance and have an impact on other financial commitments.

What is one goal that you have that money will help you to achieve? Share this goal with a classmate.

Financial goals can be small or large and can be set for any length of time. It's good to have a few spread over the short, medium and long terms.

- A short-term goal is a goal that can be achieved in 1–3 years, for example, saving for a laptop, a cell phone, buying concert tickets or a school trip.
- A medium-term goal is a goal that can be achieved in 4–9 years, for example, saving up to do a course when you leave school so that you don't have to get a large student loan, buying an electric bicycle or saving up for a trip overseas.
- A long-term goal is a goal that might take 10 or more years to achieve, for example, saving up for a deposit on a house or saving for retirement.

Assessment tip:

In your assessment, the focus needs to be on a financial goal that can be achieved **within a year**. It also needs to be a goal that has on-going costs, for example, insurance, fees, or running costs.

SMART goals

If you've been to a school assembly or prize-giving over the past five years, you'll almost definitely have heard about the importance of setting goals. There's a good reason that teachers, coaches and other adults in your life talk about the importance of setting goals. Having clear goals, and working out the steps you need to follow to meet them, can help you to achieve great things.

Smart financial goals are goals that are:



Specific: When you set a goal, try to make it as specific as possible, for example, by writing down what you are saving for, how much money you need to achieve your goal and when you need the money by.



Measurable: It's important to be able to track your progress towards a goal. For this to happen, your progress needs to be measurable. This is pretty straightforward for financial goals provided you have information about the money you need to achieve your goal.



Achievable: Goals should push you but they also need to be manageable. How much do you need to save each week or month to achieve your goal? Is this do-able? How will you make this happen?



Realistic: You don't want to set yourself up for failure, so it's important to consider whether your goal is achievable in your timeframe. Are the changes you need to make manageable? Can it work alongside your other life commitments?



Time-bound: Having a set deadline helps us to stay on track. How long will it take you to achieve your goal? Is there any flexibility?



Assessment tip:



In your assessment, you need to describe a personal financial goal in terms of it being specific, measurable, achievable, realistic and time-bound. The goal can be your own goal or you can use the goal outlined in the task.

Financial goals fit the SMART goal formula so well that many of them overlap. In your assessment, don't worry if you end up repeating information; it's important that you complete each part of the SMART goal table.

Here is an example of a SMART goal:

Specific	Hine wants to save up money to go to the Ōtaki summer camp. The camp costs \$115 and the transport costs for getting there and back are around \$220. Hine will also need some spending money. She estimates that \$40 will be enough. Hine needs to pay for the camp registration and transportation in 4 months. The camp is in 6 months.
Measurable	Hine needs to save \$335 over the next 4 months, and then \$40 in the following 2 months.
Achievable	Hine needs to save \$20 a week to reach her goal. Hine is going to look for work in her neighbourhood to try to fund her trip, for example, walking her neighbour's dog, washing cars and weeding gardens.
Realistic	Even if Hine can't earn \$20 every week, she might be able to earn more some weeks, which will balance things out.
Time-bound	Hine has four months to earn the money she needs for the camp and two months to earn spending money.

Activities

There are three types of financial goals: short, medium, and long-term:

- A short-term goal is a goal that you want to achieve in 1–3 years.
- A medium-term goal is a goal you want to achieve in 4–9 years.
- A long-term goal is a goal that might take you 10 or more years to achieve.

- 1) a. Identify a financial goal that you have. It can be a short, medium, or long-term goal. If you don't have a financial goal, you can identify another type of goal to work with, for example, a health-related goal or a goal related to school.

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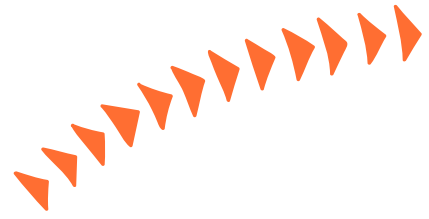
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- b. Check out the Sorted in Schools goal setting infographic to help you set and achieve your goals. You can find this infographic on the **student activities** page of the Sorted in Schools website. Click on Theme and select **Goals** from the dropdown menu.



2) Watch the video Goal getters then complete the table below to turn Sapphy's plan to buy a camera into a SMART goal.



Specific	<div></div> <div></div> <div></div> <div></div>
Measurable	<div></div> <div></div> <div></div> <div></div>
Achievable	<div></div> <div></div> <div></div> <div></div>
Realistic	<div></div> <div></div> <div></div> <div></div>
Time-bound	<div></div> <div></div> <div></div> <div></div>

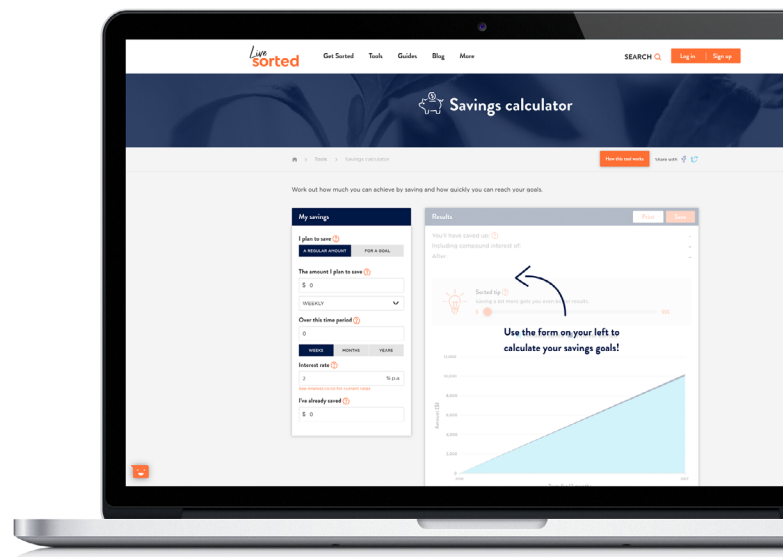
3) a. Read this scenario from the Sorted Saving booklet:

Sam is at high school. He lives with his parents on a dairy farm and works with his father milking the cows every morning and night. It's hard work, but he earns good money – about \$380 a month, which is a lot more than most of the other kids he goes to school with.

Sam sits down and works out some goals. He singles out two things he'll need serious money for in the next two years. First, he wants to go with his mate Mike and his family to Bali (great surf in Bali) – that's in six months' time and he'll need \$2,000. Second, he wants a car. Not any old bomb, but a decent car worth a few grand. He's patient enough to wait a couple of years to get it. However, Sam is really into his music and up till now he's been spending most of his wages on iTunes downloads and new stereo gear. So he sets a goal of only spending \$20 a month on his music and putting \$80 a week in a savings account at 1.6% interest.

Using **Sorted's savings calculator**, Sam works out that he will have \$2,298 in six months, and after two years (and after paying for his trip) he will have \$7,192 – enough to buy the car he wants.

- b.** Describe how Sam's goal is a SMART goal by filling in the table. It's okay to repeat information you have used in another row. Once you have completed the table, get feedback from your teacher on how you've done because you'll be doing a similar task in your assessment.



Specific

.....
.....
.....
.....

Measurable
Achievable
Realistic
Time-bound

Before moving on to Topic Two, check that you understand:

- ☒ how to describe a financial goal in terms of it being specific, measurable, achievable, realistic, and time-bound.

Topic Two:

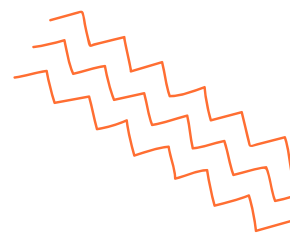
Personal budgeting

Learning Outcome for Topic Two

- ✓ Understand how to create a budget.

Success criteria

You should complete all activities in this topic. They will help you to meet the assessment requirements of making changes to a budget that will help to achieve a financial goal.



To set financial goals, you need to know how much you can afford to set aside for paying off debt or for saving so that you can set goals that match these amounts.

Creating a budget can show you how much income you have coming in and how much money you have going out. You can also use a budget as a planning tool, experimenting with minor changes in different areas of income or expense to see how much money you can save. When it comes to budgeting, making several minor changes can create a big difference.

A budget lets you see whether you have money left over (a surplus) or not enough money to cover your spending (a deficit). The aim is to make as much surplus as possible so you have spare money to pay off debt, save, or invest towards your goals.

What is a deficit?

A deficit is when you don't have enough money to cover your spending – in other words, spending more than you earn. Spending more than you earn will always make it hard to achieve a financial goal!

What is a surplus?

A surplus is when you have money left over – in other words, spending less than you earn, which can create opportunities for saving.



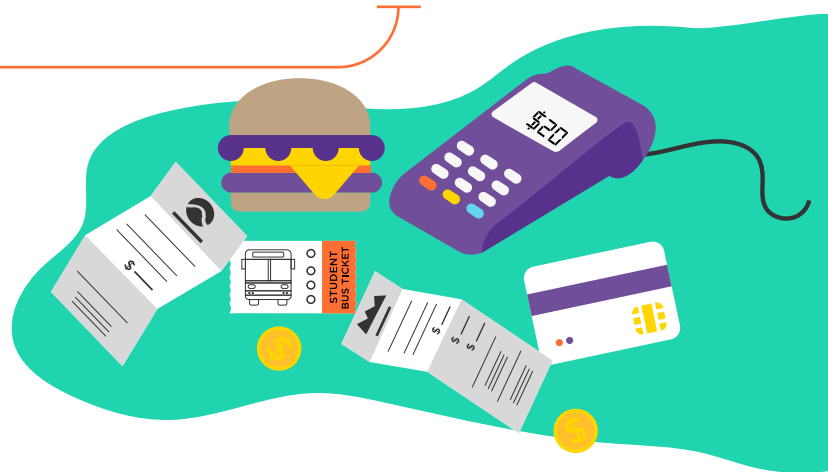
How to create a budget



1

List income

Create a list of any money you have coming in, for example, money you earn or receive on a regular basis.



2

Track spending

Create a fairly accurate list of how much you spend each week and what you spend it on. It may take a couple of weeks to get all the information you need. When it's all together in one place, you're ready to build a budget.

One way to track your spending is to keep shopping receipts. There are also smartphone apps that can help track spending, for example, the YNAB (you need a budget) app. You can also track your spending by looking at your bank account.

As well as listing your daily or weekly spending, you need to list your regular costs such as your mobile phone data. If you're creating a weekly budget, you can convert monthly payments into weekly payments by multiplying them by 12 and then dividing by 52.

4

Calculate difference

Identify how much your income is and how much your expenses are and calculate the difference between the two using the equation **difference = income - expenses**.

If the result is a positive number, you have a surplus. You're spending less than you have coming in. If the result is negative, you're on shaky ground financially. You're spending more than you have coming in.

3

Include savings

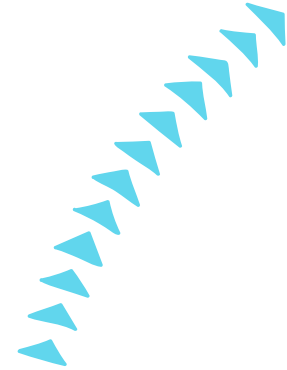
Add any money you save regularly to your budget.



Making a budget that works

For a budget to work, the information you put in it needs to be accurate and complete. This includes little things like ice-creams or bus fares. A budget also needs to be up to date, so it's a good idea to check it regularly.

Budgets need room to breathe. If you make your budget super tight, without leaving yourself some flexibility and room for a bit of fun, it will be hard to stick to it. Try to be realistic about how much you need and include some fun money if you can.



Activities



1) Discuss with a classmate whether you have ever set yourself a budget.

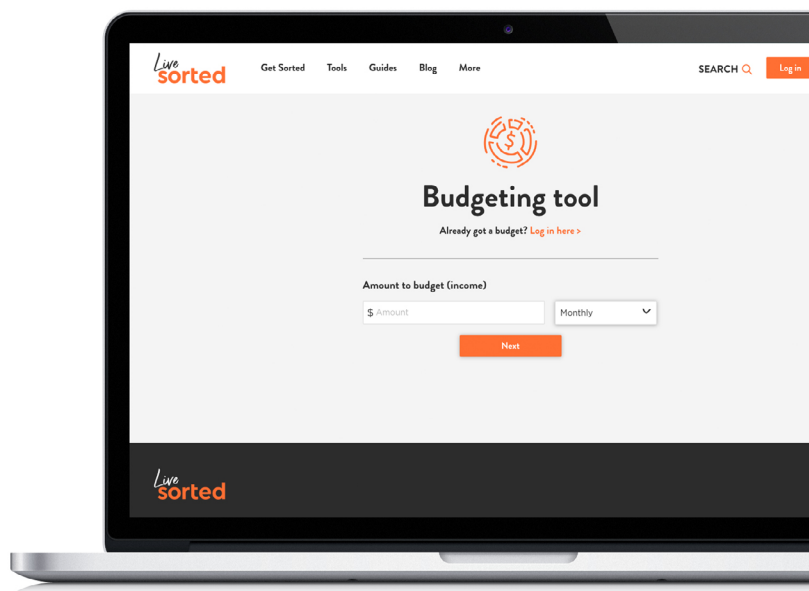
- If so, how did it go? What challenges did you face in sticking to it? Did you adjust it? Why or why not?
- If not, discuss any barriers to you creating a budget.

2) Ask an adult about whether or not they use, or have used, a budget, and what challenges and opportunities using a budget can create.

3) Explore the **Budgeting tool** on the Sorted.org.nz website.

Create a budget using your own, or fictional, information to learn how this tool works.

4) This WikiHow page shows the **steps you need to take to create a budget spreadsheet**. Set up a spreadsheet that you can use to show your income and expenses. You may like to do this with a classmate and then share it with the class.



Before moving on to Topic Three, check that you understand:

- ✓ what a surplus and deficit are
- ✓ how to create a budget.

Topic Three:

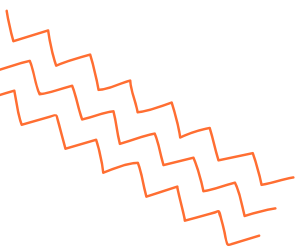
The impacts of financial goals on spending

Learning Outcome for Topic Three

- ✓ Understand the impacts on spending behaviour across the timeframe of your financial goals.

Success criteria

You should complete all activities in this topic. They will help you to meet the assessment requirements of identifying three impacts on spending behaviours across the timeframe of the personal financial goal.



Pursuing a financial goal often means taking action and making changes to our lives.

Some of these changes will be small and others might be quite large. Some common actions that people take to achieve a financial goal include finding ways to:

- cut back on expenses, for example, not buying food from the school canteen
- earn extra money, for example, offering to do some gardening for your neighbour
- access additional resources, for example, making sure you know which government allowances you can access when you are studying.

If our financial goal is something we really want, we won't mind making changes to achieve it. In fact, making necessary changes can add to the sense of satisfaction we get when we finally achieve our goal.





With a classmate, brainstorm some ways that setting a financial goal can impact on the ways people spend money.

To help you to come up with specific examples, think about all the things you and/or your whānau spend money on at the moment, and then think about what impact changing your spending patterns may have.

Here is an example:

Emily loves going to the movies and tries to watch a movie at least once a month. When she did her budget, she discovered that her movie visits are more expensive than she realised. This is because she often buys a snack and a drink while she is there.

An impact of trying to spend less could be that Emily takes her own snacks and drink to the movies. This can save her money and might also be healthier.

Another impact might be that Emily limits herself to one movie a term instead of seeing one every month. She could choose to watch a downloaded movie at home instead.

Assessment tip:








In your assessment, you need to identify three impacts a financial goal can have on spending behaviour across the lifespan of the goal. These impacts can include lifestyle changes, such as socialising in different ways, or spending less money on transport.

To get a Merit grade in your assessment, you need to explain how a personal financial goal can be achieved when spending behaviour changes.

As part of your assessment, you may like to create a spreadsheet to show how much you (or the person in the assessment scenario) can save by cutting back on unnecessary spending such as buying food from the school canteen or the dairy and bringing a lunch from home instead.

Being creative with the way you reduce your costs or earn additional money can make the impact of budgeting a positive thing.

For example:

Gifts 	When it comes to giving someone a birthday gift, you could choose to give them special words or spend some of your time and energy doing them a favour. Gifts of this kind are often more valued and memorable than a bought gift.
Food 	Replacing food bought out with homemade lunches and dinners can help you to eat more healthily.
Transport 	Choosing to walk instead of taking the bus can be great for your mental and physical well-being.
Sustainability 	Some budgeting choices have environmental benefits, for example, choosing to only buy clothes from an op-shop can not only save you money, it's good for the environment.
Work 	Getting a part-time job can help you to develop new skills and looks great on your CV.

Activities



1) For each person below, identify two potential impacts of making changes in order to achieve a personal financial goal.

a. Lizzie is saving money for a school rugby trip. She has decided to cut back on buying snacks after her twice-weekly rugby training.

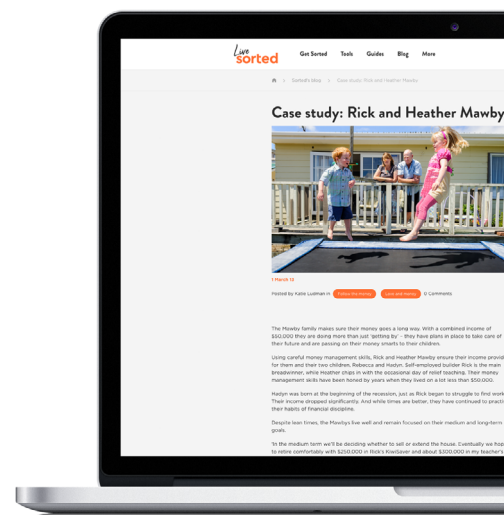
- i.** What could Lizzie do instead of buying snacks? How much money do you think she could save by doing this?

ii. Identify two potential impacts of making this change.

b. Kahu's goal is to get to Whāngarei to spend time with his cousin. His mum says he can go as long as he pays for the travel costs. Kahu wants to see whether he can save money by cutting back on bus fares to and from school.

- i.** Assuming that Kahu lives several fare stages from school, what is one way that he could save some money on his bus fares?

ii. What are the potential impacts of doing so?



2) Read this case study of **Rick and Heather Mawby** and identify:

- changes that they have made to stay in budget and reach their goals

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- the impacts of these changes on their spending behaviours.

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**Before moving on to Topic Four,
check that you understand:**

- ☒ ways that financial goals can impact on spending behaviours
- ☒ ways that changing spending behaviours can impact on people's lifestyle choices.

Topic Four:

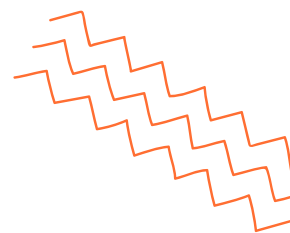
Strategies for monitoring and maintaining progress

Learning Outcome for Topic Four

- ✓ Describe how to monitor and maintain progress towards achieving a personal financial goal.

Success criteria

You should complete all activities in this topic. They will help you to meet the assessment requirements of describing a plan for monitoring and maintaining progress towards the financial goal, and being able to justify these strategies.



Setting up a budget is one thing, but sticking to the budget and adjusting it if necessary are what really make a budget work.

In this topic, we'll take a look at some strategies you can use to get that budget working!

Monitoring and maintaining progress are closely connected. Firstly, you won't know whether you have made any progress if you aren't monitoring how you are doing. Monitoring our progress can also help us to:

- feel a sense of achievement if we're on track for meeting our goals
- motivate us to try a bit harder if we've let things slip
- adjust our budget if it's not working for us. This may involve adjusting our SMART goal as well.

Discuss with a classmate ways that you can monitor and maintain your progress towards a goal. The goal doesn't need to be financial – you may like to discuss a goal related to whānau, your culture, school or a hobby.

If the goal you discussed was not a financial goal, how might the same approaches to monitoring and maintaining your progress be applied to a financial goal?

Assessment tip:



In your assessment, you need to describe a plan for monitoring and maintaining progress in terms of achieving a personal financial goal. This includes providing two strategies for maintaining progress.

To get an Excellence grade in your assessment, you need to justify the plan you have recommended. Justifying means explaining the strengths of the plan in terms of helping someone (or yourself) achieve a financial goal. One way to strengthen your argument is to compare one strategy to another strategy, emphasising why the strategy you are recommending is a better option.



Here are a range of plans that people use to monitor and maintain their progress towards achieving financial goals:

Make things manageable

It's important that a budget isn't so tight that there isn't some room to move. Making minor adjustments across a number of expenses, instead of making one major change, can help ease the pain of cutting down on spending.

Organise your bank accounts

Set up a special bank account so that you can keep the money set aside for achieving your financial goal separate from your spending account. You may like to put it in a bank account that charges a fee for withdrawing money. It may seem strange to create a way to punish yourself, but it can be helpful to have an extra reason not to withdraw money. Some bank accounts require 30 days' notice before you make a withdrawal, which can also help you to not spend the money.

Regularly checking your bank statements can help you to track your spending and your progress towards your goal.

Use an app

There are lots of apps you can use to help you to measure your progress, set targets and reminders, and celebrate milestones.

Review and track your progress regularly

Make a date to check your budget every month. If your budget feels too tight, you may need to adjust it, including extending the timeframe of your SMART goal if necessary.

Team up

Ask someone to be your goal-saving buddy. Let them know by text or email how things have gone with your budget each week.

Negotiate

Have a look at your existing circumstances and see whether you can negotiate some minor changes. For example, if you have a job and are a reliable worker, you might be able to negotiate a small pay increase. A pay rise of even a few cents per hour can help your savings to mount up over the course of a year.

Treat yourself

Celebrate achieving your goals. Give yourself a small reward if you meet your financial goals each week. If these rewards have a cost, make sure you have budgeted for them!

Activities

- 1) Research strategies for monitoring and maintaining progress towards financial goals. If you find any ideas worth sharing, share them with the class.
- 2) a. Choose three strategies for monitoring and maintaining progress towards a financial goal. These can be strategies included in this topic or other strategies that you or a classmate have identified.
 - b. Rank the strategies in order of effectiveness and justify your ranking by explaining the relative strengths and weaknesses of each strategy.

Strategy	Strengths	Weaknesses
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Before moving on to your assessment, check that you understand:

- ☒ why it is important to monitor progress towards a financial goal
- ☒ strategies for monitoring and maintaining a financial goal
- ☒ the strengths and weaknesses of a range of strategies for monitoring and maintaining a financial goal.



Ka pai!



You've completed the Goal Getters module. Use the checklist below to make sure that you are ready for your assessment.

Checklist for:

US 28089 Demonstrate knowledge of personal financial goal setting

I can:

- ☒ describe a personal financial goal as a SMART goal by identifying ways that is specific, measurable, achievable, realistic, and time-bound
- ☒ describe what a budget is and what information you need to include in one
- ☒ Identify by giving examples of ways that working towards a financial goal can impact on spending behaviours, including lifestyle choices
- ☒ calculate and explain how changing spending behaviours can help a person achieve a personal financial goal
- ☒ describe a plan for monitoring and maintaining progress towards a personal financial goal
- ☒ justify the plan to achieve the financial goal.

Reference list

Student activities	sortedinschools.org.nz/students/activities/
Glossary	sortedinschools.org.nz/api/v1.0/download?filename=goal-getters-glossary&files=2455
Goal Getters module video	vimeo.com/425276164/bb5737d822
Goals Sorted booklet	sortedinschools.org.nz/students/activities/?category=booklets&tag=goals&start=0&limit=6
Goals Infographic	sortedinschools.org.nz/students/activities/?category=infographic&tag=goals&start=0&limit=6
Sorted - Guide to budgeting	sorted.org.nz/guides/planning-and-budgeting/budget-dont-fudge-it/
Sorted - Budgeting tool	sorted.org.nz/tool/budgeting-tool#/welcome
Sorted - Goal planner	sorted.org.nz/tools/goal-planner/welcome
Video - Goal getters	vimeo.com/425276164/bb5737d822
Sorted - Savings Calculator	sorted.org.nz/tools/savings-calculator
Steps to create a budget sheet	wikihow.com/Create-a-Budget-Spreadsheet
Case study - Rick and Heather Mawby	sorted.org.nz/must-reads/case-study-rick-and-heather-mawby/

Te whai hua - kia ora!



NCEA Level: 1 (version 4)

QAAM Number: #3177

Unit Standard: #28089

Unit Standard Title:

Demonstrate knowledge of
personal financial goal setting

Notes: