



Winning Habits for Financial Fitness



Just as physical vitality requires a nutritious diet and regular exercise, achieving financial fitness also demands deliberate action and conscious choices. And while external factors like the economy and market volatility are beyond your control, a number of healthy habits and smart strategies can empower you to keep your personal finances in peak condition. Consider these steps to build up your monetary muscle and assert greater agency over your financial future.

Make a Game Plan

Financial fitness doesn't require you to set foot on a treadmill. Actually, it all begins with a pen and paper (or keyboard and screen). Studies show that the act of writing down your

aspirations can actually increase your chances of success by a staggering 42%. So craft a plan that's realistic but also aligns with what you ultimately want to derive from your financial life — and refer your playbook to guide your decision making.

Recruit Great Coaches

Teams rely on top coaches to have a winning season. And you don't have to get financially fit alone. Just as you might hire a personal trainer to help you build muscle or a nutritionist to overhaul your diet, there are a variety of financial pros who can help you improve different areas of your fiscal health. These might include a financial advisor, an accountant or CPA, a lawyer, an insurance agent and even your personal banker.

Play the Long Game

In the end, financial fitness is about identifying — and achieving — your long-term goals, so it's important to pay yourself first. Treat emergency savings and retirement funds as top priorities in your monthly budget. Automate retirement savings by electing to put a certain amount of each paycheck in your employer-sponsored 401(k).

Don't Go Out of Bounds on Budget

Financially fit individuals live within their means whenever possible. Whether you earn a more modest income or command a substantial salary, prioritize expenses and avoid unnecessary spending to secure your financial wellness. Surprisingly, 40% of people earning more than \$100,000 a year in the U.S. find themselves living paycheck to paycheck. Keeping a close eye on expenditures is a key habit across all income brackets.

Play Defense by Diversifying

The old adage "don't put all your eggs in one basket" holds true for your nest egg too. Diversifying your investments across different asset classes, such as stocks, bonds and cash equivalents — and also within each class — can help mitigate risks from a number of economic conditions. A well-diversified financial portfolio is often recommended to play defense against economic and market uncertainty.

Huddle up Regularly

When working toward financial fitness, it's important to review your investments, budget, credit report, taxes, debts and insurance at least annually or whenever your situation changes significantly. This might include a job change, marriage, medical crisis or even a bonus or raise. That way, you can make any needed adjustments to your financial game plan.

Get Your Game Face On

While it's never too late to start making improvements in your personal finances, the sooner you begin the better — because the game clock is already running. A good starting point is to make an appointment with a qualified financial professional and set your sights on the finish line.

<https://www.mywellcents.com/articles/winning-habits-for-financial-fitness/>

2024 Copyright | All Right Reserved