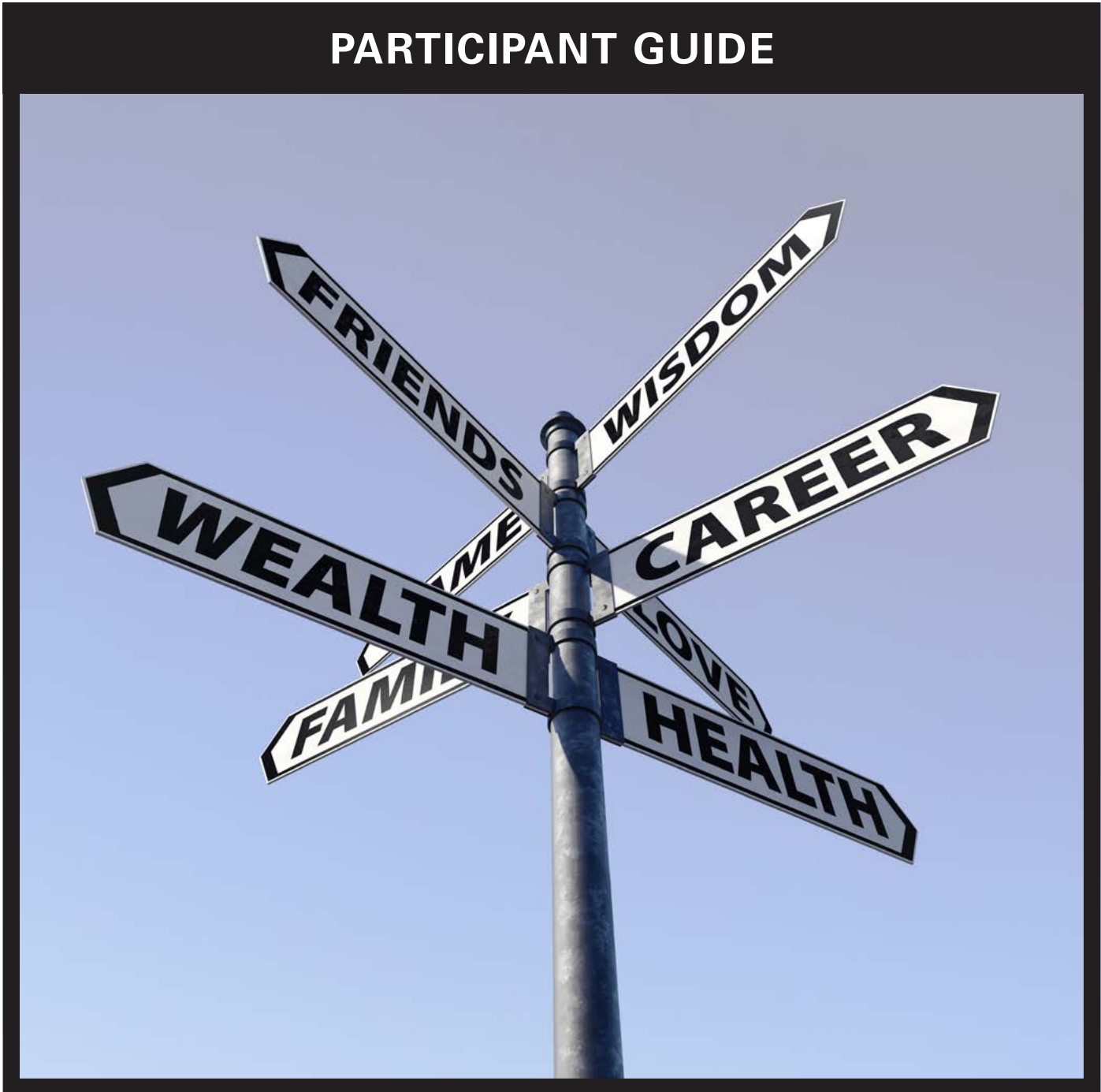




**MODULE 1:**  
**Your Money Values and Influences**

**PARTICIPANT GUIDE**



**MONEY SMART for Adults**

SEPTEMBER 2018

The Federal Deposit Insurance Corporation is an independent agency created by the Congress to maintain stability and public confidence in the nation's financial system. One way we do that is by providing free, non-biased financial education materials, including this Participant Guide. For more information about our family of Money Smart products, visit [www.fdic.gov/moneysmart](http://www.fdic.gov/moneysmart).

# Contents

|  |    |
|--|----|
| <b>Welcome</b> .....                               | 2  |
| Module Purpose.....                                | 2  |
| <b>Section 1: Values and Money</b> .....           | 3  |
| What Are Values? .....                             | 3  |
| <i>Apply It: My Values</i> .....                   | 3  |
| <i>Try It: Values and Financial Choices</i> .....  | 4  |
| Aligning Behavior With Values.....                 | 5  |
| <b>Section 2: Goals and Money</b> .....            | 6  |
| What Are Goals? .....                              | 6  |
| Setting SMART Goals.....                           | 6  |
| <i>Try It: Writing a SMART Goal</i> .....          | 7  |
| <i>Apply It: My SMART Goals</i> .....              | 9  |
| <b>Section 3: External Influences</b> .....        | 10 |
| Influences on Choices About Money .....            | 10 |
| Examples of External Influences .....              | 10 |
| Social Pressure and Advertising.....               | 11 |
| Strategies for Staying Focused on Your Goals ..... | 12 |
| <i>Apply It: Staying Focused on My Goals</i> ..... | 14 |
| <b>Module Closing</b> .....                        | 16 |
| Remember the Key Takeaways .....                   | 16 |
| Take Action .....                                  | 16 |
| Where to Get More Information or Help.....         | 17 |
| <b>Pre-Training Survey</b> .....                   | 19 |
| <b>Post-Training Survey</b> .....                  | 21 |

# Welcome

Welcome to the FDIC's Money Smart for Adults!

This is the Participant Guide for **Module 1: Your Money Values and Influences**. Use it during and after training. Mark it up, write in it, take notes—it is yours to keep.

## Module Purpose

This module helps you understand your values and how they influence your financial decisions.

This module also:

- Covers identifying values, why they are important, and how they influence financial decisions
- Discusses goals and why they are important in the short- and long-term
- Considers how goals are related to values
- Shares the SMART framework for setting goals
- Discusses factors, including advertising, that influence spending
- Introduces strategies for controlling those influences

# Section 1: Values and Money

We will discuss values: what they are, why they are important, and how they influence financial decisions.



**Key Takeaway**   
 Understanding your values can help you set achievable financial goals.

## What Are Values?

Your values are the people, things, and places that are important to you and guide how you make decisions.



### Apply It: My Values

Answer the questions to identify your own values.

**What are the people, things, and places that matter to you?**

**What values might your answers represent?**



## Try It: Values and Financial Choices

Read the scenario and answer the questions.

### Scenario: Valentina and Isaiah Decide How to Spend Their Tax Refund

Valentina and Isaiah recently received their tax refund and can't agree how to use it.

Valentina put herself through college by working 30 hours a week on top of a full course load. She still has some student loans. Her mother is struggling to make ends meet. Valentina would like to give her mother most of their tax refund to use as a security deposit to move in to a new apartment. She wants to use the rest to continue paying down her student loan debt.

Isaiah's parents helped him with college expenses with money they saved over the years. He graduated with minimal loans and paid them in full a few years before he and Valentina met. He would like to put most of their tax refund into the savings accounts they've set up for their three children. He wants to use the rest to take a family vacation. He wants to spend quality time with his family.



**What values are influencing Valentina?**

**What values are influencing Isaiah?**

**If Valentina and Isaiah came to you for advice, what would you tell them to do?**

**Do you think any of your own values are influencing how you view their situation and your advice?**

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## **Aligning Behavior With Values**

Sometimes your values might conflict with others' values.

Understanding your core values can help you:

- Set realistic goals
- Make spending decisions that will help you meet your goals



### **Remember the Key Takeaway**

**Understanding your values can help you set achievable financial goals.**

## Section 2: Goals and Money

We will discuss what goals are and how you can use them to prioritize how you use your money.



### Key Takeaway



Setting SMART goals helps you achieve your hopes and dreams for the future by providing a realistic plan to follow.

### What Are Goals?

What kind of future do you want? Goals are your desired results. Developing a plan will help you visualize how you can reach your goals.

Setting goals helps you prioritize how you use your money so it goes toward what matters to you. Setting goals can also help you measure and track your progress toward achieving your hopes and dreams.

### Setting SMART Goals

Use the acronym S.M.A.R.T. to remember that goals should be **S**pecific, **M**easurable, **A**ction-oriented, **R**eachable, and **T**ime-bound.

| To ensure your goals are.... | Ask yourself...   |
|------------------------------|---|
| <b>Specific</b>              | What exactly do I want to accomplish? Why is this important to me? Is this something I really want? |
| <b>Measurable</b>            | How much? How many? How will I know when I've met my goal?  |
| <b>Action-oriented</b>       | What specific actions do I need to complete to meet this goal?                                      |
| <b>Reachable</b>             | Is this goal something I can actually reach?  |
| <b>Time-bound</b>            | When will I reach this goal?  |





## Try It: Writing a SMART Goal

Read the scenario and complete the table.

### Scenario: Maria Sets SMART Goals

It's almost summertime and Maria wants to start planning for the next school year. She knows she'll need extra money for school supplies and clothes when her kids start school near the end of August, now 15 weeks away.

Every year she tries to pull together the money she needs in the weeks right before school starts by picking up extra shifts at her job. It can be stressful because sometimes shifts aren't available.

She remembers spending about \$300 last year on school supplies and clothes. She divided \$300 by 15 (weeks) and realized that's \$20 dollars a week until school starts.



Complete this table:

| Ask yourself...   | What you know |
|---|---------------|
| <p><b>Specific</b></p> <p>What does Maria want to accomplish?</p> <p>Why is it important to her?</p>            |               |
| <p><b>Measurable</b></p> <p>How much money does she need?</p> <p>How will she know when she's met her goal?</p> |               |

### Try It: Writing a SMART Goal *continued*

| Ask yourself...  | What you know |
|--|---------------|
| <p><b><i>Action-oriented</i></b></p> <p>What specific actions does she need to complete to meet this goal?</p> |               |
| <p><b><i>Reachable</i></b></p> <p>Is this goal something Maria can actually reach?</p>                         |               |
| <p><b><i>Time-bound</i></b></p> <p>When will she reach this goal?</p>  |               |

Using the information above, write a SMART goal for Maria.



## Apply It: My SMART Goals

You can use this table to set SMART goals that involve money.

| My Goals | Is My Goal...  |
|----------|--|
|          | <input type="checkbox"/> Specific?<br><input type="checkbox"/> Measurable?<br><input type="checkbox"/> Action-oriented?<br><input type="checkbox"/> Reachable?<br><input type="checkbox"/> Time-bound? |
|          | <input type="checkbox"/> Specific?<br><input type="checkbox"/> Measurable?<br><input type="checkbox"/> Action-oriented?<br><input type="checkbox"/> Reachable?<br><input type="checkbox"/> Time-bound? |
|          | <input type="checkbox"/> Specific?<br><input type="checkbox"/> Measurable?<br><input type="checkbox"/> Action-oriented?<br><input type="checkbox"/> Reachable?<br><input type="checkbox"/> Time-bound? |




### Remember the Key Takeaway

Setting SMART goals helps you achieve your hopes and dreams for the future by providing a realistic plan to follow.

## Section 3: External Influences

We will discuss how external influences affect financial decisions and how to deal with those influences.



**Key Takeaway** 

**External influences impact financial choices. Use strategies to stay focused on your goals.**

### Influences on Choices About Money

Messages about money can be so widespread you do not even realize they are influencing your decisions.

Most people are influenced in some way.

Influences can be productive or unproductive.



### Examples of External Influences

You can take notes based on the discussions from each small group.

#### Advertisements

## Media

## Celebrities

## Peers/Friends

## Social Pressure and Advertising

Noticing what other people have and feeling envious is human nature.

Advertisers spend billions of dollars a year to make us want things and influence how we use our money.



## Strategies for Staying Focused on Your Goals

Here are some strategies for staying focused on your goals by blocking unproductive messages and resisting impulse spending. You may have others.

### Recognize the Tactics Used to Influence You to Spend Money

Advertisers and influencers are purposefully trying to get you to spend more money than you've planned. For example, they may give you a sense of false urgency or make it very easy to spend money. Recognize these tactics so you will know how you may be influenced.



### Notice When and Where You're Tempted

Start paying attention to when and where you feel like making an impulse purchase. You might even try jotting down notes for a week – you could use paper or the notes app on a mobile device. Once you've spent some time noticing what triggers your impulses, see if you can identify any patterns.



### Set Yourself Up for Success by Controlling Your Environment

It helps to avoid temptation altogether when possible.

- Do some people you follow on social media tempt you to spend money or derail your effort on your goals? If so, consider unfollowing or blocking them.
- Unsubscribe from mailing lists that create urgency by sending you lots of deals or coupons. You can shop for deals when you're actually ready to purchase something.
- Check customer reviews.
- Use a list when you go shopping and stick to the list. Find a mantra that may work to help you stay focused, such as:



**If it's not on the list = It doesn't exist**

### Build in a Pause

You may be tempted to spend money on something you don't really need right now. Force yourself to pause so you can be sure it's not just an impulse.

- If you add an item to an online cart, shut down the browser before you purchase it. You can always come back later to buy it.
- If you're tempted to buy something you don't really need in a store, build in a pause. Don't put the item in your cart. Tell yourself you can come back at the end of your shopping trip to get it.
- Don't save your payment information at online retailers. Sometimes having to go find and input your payment information gives you enough time to resist the impulse.



### Talk Yourself Out of It

When you're tempted to make a purchase that isn't in your spending and saving plan, try asking yourself:

- Is this a want or a need?
- Does it help me reach my goals?
- Is this in my spending and saving plan?
- If it isn't, can I plan for this expense by creating a savings goal?
- If I spend this money now, will it affect my ability to achieve my goals?
- Is there a way I'd rather spend this money?



Talk yourself out of it by reminding yourself of your goals.

### Calculate How Many Hours or Days of Work an Item is Worth

Think about your hourly wage. If you are a full-time salaried employee, divide your annual salary by 2,080 hours.

Divide the cost of the item by your hourly wage. If you think an item costs "48 hours of work" or "six full days of work," it might help you decide to postpone buying it now and set a financial goal to save money to buy it later.

$$\begin{array}{ccccccc}
 \$ & \div & \$ & = & \text{Hours you} & & \\
 \text{cost of} & & \text{hourly} & & \text{have to} & & \\
 \text{item} & & \text{wage} & & \text{work to} & & \\
 & & & & \text{pay} & & \\
 & & & & \text{for item} & & 
 \end{array}$$



## Apply It: Staying Focused on My Goals

Think about the strategies we've discussed today. You can use them to block unproductive messages. Or, use them to let go of ideas that aren't helping you achieve your goals. Answer the questions below to figure out which ones might work for you.

**When and where do I feel like making an impulse purchase?**

**What are some changes I can make to my environment to block unproductive messages or resist impulse spending?**



**Apply It: Staying Focused on My Goals *continued***

What are some changes I can make to “build in a pause” to give me time to think through a purchase?

What phrase can remind me how important it is to stay on track to achieve my goals?

**Remember the Key Takeaway**

External influences impact financial choices. Use strategies to stay focused on your goals.

# Module Closing

## ★ Remember the Key Takeaways

| Section                | Key Takeaway  |
|------------------------|---|
| 1: Values and Money    | Understanding your values can help you set achievable financial goals.  |
| 2: Goals and Money     | Setting SMART goals helps you achieve your hopes and dreams for the future by providing a realistic plan to follow. |
| 3: External Influences | External influences impact financial choices. Use strategies to stay focused on your goals.                         |

## Take Action

You are more likely to take action if you commit to **taking action now**. One way to commit is to think about what you plan to do because of what you learned today. Then write it down.

### What will I do?

### How will I do it?

**Will I share my plans with anyone? If so, who?****Where to Get More Information or Help**

*Your Money, Your Goals* includes tools on values and goal setting. Visit **consumerfinance.gov** and search for “*Your Money, Your Goals.*”

The National Responsible Fatherhood Clearinghouse includes resources for fathers on putting their values into practice. Visit **www.fatherhood.gov**.

The National Resource Center for Healthy Marriage and Families helps social services organizations to promote healthy relationship skills, including relationship skills that are relevant to finances and personal values. While many of the resources on the site are geared towards organizations that provide healthy marriage and relationship education, some of the resources can be downloaded and used by individuals, couples, and families. Visit **www.healthymarriageandfamilies.org**.

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If you have a question about a banking product, ask a customer service representative at the financial institution for help.

If you have a concern, explain to the customer service representative what happened and what you would like them to do to correct the situation. If that does not help, consider contacting the federal regulator for that financial institution.

To find out who regulates the financial institution, call the FDIC toll-free at 1-877-ASK-FDIC (1-877-275-3342) or visit **www.fdic.gov/consumers/assistance/filecomplaint.html**.

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## Pre-Training Survey

Your instructor may ask you to complete this pre-training survey before the training begins.

Please answer these questions:

1. Which of the following are features of strong goals? Choose all that apply.
  - a. Fewer than five words
  - b. Time-bound
  - c. Realistic
  - d. Action-oriented
  - e. Money-related
  
2. Values don't matter when making financial decisions. It always comes down to the math. True                      False
  
3. Most people aren't susceptible to outside influences around how they spend money. True                      False
  
4. The only strategy for resisting impulse spending is to stop spending money entirely. True                      False

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## Post-Training Survey

Your instructor may ask you to complete this post-training survey after the training ends.

Please answer these questions:

1. Which of the following are features of strong goals? Choose all that apply.
  - a. Fewer than five words
  - b. Time-bound
  - c. Realistic
  - d. Action-oriented
  - e. Money-related
  
2. Values don't matter when making financial decisions. It always comes down to the math. True  False
  
3. Most people aren't susceptible to outside influences around how they spend money. True  False
  
4. The only strategy for resisting impulse spending is to stop spending money entirely. True  False

### About the Training

Check the box that best describes your agreement or disagreement with each of these statements.

|  | Completely agree         | Somewhat agree           | Somewhat disagree        | Completely disagree      |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| 5. I would recommend this training to others.                                | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. I plan to apply what was discussed in this training to my life.           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. The instructor used engaging training activities that kept me interested. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. The instructor was knowledgeable and well prepared.                       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. The Participant Guide is clear and helpful.                               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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Visit the FDIC's website at [www.fdic.gov/education](http://www.fdic.gov/education) for more information and resources on banking-related issues. For example, FDIC Consumer News provides practical hints and guidance on how to become a smarter, safer user of financial services. Also, the FDIC's Consumer Response Center is responsible for:

- Investigating all types of consumer complaints about FDIC-supervised institutions
- Responding to consumer inquiries about consumer laws and regulations and banking practices

**You can also call the FDIC for information and assistance at  
877-ASK-FDIC (877-275-3342).**



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