

**SMALL STEPS
TO
HEALTH AND WEALTH™**
Second Edition

Authors

Barbara O’Neill, Ph.D., CFP®

Extension Specialist in Financial Resource Management

Karen Ensle, Ed.D., RD, FADA

Family and Community Health Sciences Educator

Rutgers Cooperative Extension of Union County

Rutgers—The State University of New Jersey

Plant and Life Sciences Publishing (PALS)

PO Box 4557

Ithaca, NY 14852-4557

NRAES-182
February 2013

© 2013 by PALS (Plant and Life Sciences Publishing)
All rights reserved. Inquiries invited.

ISBN-13: 978-1-933395-07-4

Trademarks

Small Steps to Health and Wealth and Money 2000 are trademarks of Rutgers, The State University of New Jersey, in the United States and other countries. All other trademarks or service marks are the property of their respective owners. Rather than include a trademark symbol in every occurrence of a trademarked name or phrase used in this book, we state that we mention them only in an editorial fashion and with no intention of trademark infringement or implication of affiliation.

Request to reprint parts of this book should be sent to PALS.

In your request, please state which parts of the book you would like to reprint and describe how you intend to use the material.

Contact PALS if you have any questions.

Plant and Life Sciences Publishing (PALS)

PO Box 4557

Ithaca, NY 14852 - 4557

phone: (607) 255-7654 • fax (607) 254-8770

e-mail: PALSPUBLISHING@CORNELL.EDU • website: [HTTP://PALSPUBLISHING.CALS.CORNELL.EDU/](http://PALSPUBLISHING.CALS.CORNELL.EDU/)

Printed February 2013

TABLE OF CONTENTS

List of Tables	iv
Acknowledgments	v
Disclaimers	vi
About the Authors	vii
Dear Small Steps to Health and Wealth Reader	ix
1 Small Steps to Health and Wealth Overview	1
2 Health and Wealth Connections	7
3 Overcoming Obstacles and Taking Action	13
4 25 Behavior-Change Strategies for Health and Wealth	16
<i>Strategy 1.</i> Track Your Current Behavior	17
<i>Strategy 2.</i> Unload Your Childhood Baggage	20
<i>Strategy 3.</i> Put Your Mind to It	23
<i>Strategy 4.</i> Commit to Making a Change	27
<i>Strategy 5.</i> Defy Someone or Defy the Odds	30
<i>Strategy 6.</i> Think Balance—Not Sacrifice	33
<i>Strategy 7.</i> Control Your Destiny	38
<i>Strategy 8.</i> Make Progress Every Day	41
<i>Strategy 9.</i> Get Help and Be Accountable	44
<i>Strategy 10.</i> Meet Yourself Halfway	47
<i>Strategy 11.</i> Say “No” to Super-Sizing	51
<i>Strategy 12.</i> Convert Consumption into Labor	54
<i>Strategy 13.</i> Compare Yourself with Recommended Benchmarks	58
<i>Strategy 14.</i> Use Easy Frames of Reference	63
<i>Strategy 15.</i> Automate Good Habits and Create Templates	66
<i>Strategy 16.</i> Live “The Power of 10”	70
<i>Strategy 17.</i> Take Calculated Risks and Conquer Your Fears	75
<i>Strategy 18.</i> Appreciate Teachable Moments and Wake-Up Calls	78
<i>Strategy 19.</i> Weigh the Costs and Benefits of Changing	81
<i>Strategy 20.</i> Step Down to Change	84
<i>Strategy 21.</i> Kick It Up a Notch	88
<i>Strategy 22.</i> Control Your Environment	92
<i>Strategy 23.</i> Monitor Your Progress and Reward Success	95
<i>Strategy 24.</i> Expect Obstacles and Prepare for Relapses	102
<i>Strategy 25.</i> Set a Date and Get Started...Just Do It!	105
5 Taking Action and Staying Motivated	110
<i>Appendix 1.</i> Small Steps to Health and Wealth Planning Worksheet	113
<i>Appendix 2.</i> Small Steps to Health and Wealth Resources	115
<i>Appendix 3.</i> References	120
About PALS	132

LIST OF TABLES

<i>Table 1.</i>	Body Mass Index (BMI) Figures for Select Heights and Weights	52
<i>Table 2.</i>	Annual Interest Payments on Various Credit Card Balances	52
<i>Table 3.</i>	Calories Expended in Common Physical Activities	54
<i>Table 4.</i>	Health Benchmarks	58
<i>Table 5.</i>	Body Mass Index Table	59
<i>Table 6.</i>	Wealth and Personal Finance Benchmarks	60
<i>Table 7.</i>	Portion-Size Measurement Aids	63
<i>Table 8.</i>	Financial Frames of Reference—Based on a \$50,000 Annual Income	65
<i>Table 9.</i>	Examples of Automated Health Behaviors	67
<i>Table 10.</i>	Examples of Automated Wealth Behaviors	68
<i>Table 11.</i>	The Power of 10—Health Examples	71
<i>Table 12.</i>	The Power of 10—Wealth Examples	72
<i>Table 13.</i>	Positive and Negative Teachable Moments	78
<i>Table 14.</i>	Food Substitutions to Step Down Calorie Intake	85
<i>Table 15.</i>	Savings at Age 65 from an Additional 2% Contribution to Tax-Deferred Savings	89
<i>Table 16.</i>	Impact of Saving an Additional \$20 per Week	89

ACKNOWLEDGMENTS

This publication provides practical applications of behavior change theories that have been studied for decades. The authors would like to specifically acknowledge Dr. James O. Prochaska, Dr. John C. Norcross, and Dr. Carlo C. DiClemente for their ground-breaking empirical research of the process of making positive behavior changes, Dr. Martin Seligman for his study of learned optimism, and Dr. Julian Rotter for developing the concept of locus of control.

We would also like to acknowledge Barbara C. Kerkmann of Utah State University and Barbara J. Bristow formerly from Cornell University as the first two family economists to suggest applying the Transtheoretical Model of Change (TTM) to personal finance behaviors such as saving/investing and debt repayment. Their initial insights into the process of changing financial behavior helped inform this publication.

The authors thank the following peer reviewers whose thoughtful comments helped to improve the accuracy and usefulness of this book: Linda Block, Associate Agent (retired), Family and Consumer Sciences/Community Health Promotion Programs, Pima County Cooperative Extension, University of Arizona; Bonnie Braun, Associate Professor and Extension Family Policy Specialist, Family Studies, College for Health and Human Performance, University of Maryland; Katie Brown, Vice President, Show-Me Food & Nutrition Services, Inc.; Debra A. Bryant, Extension Educator (retired), Penn State Cooperative Extension; Jean Clements, Extension Educator (retired), Ohio State University Extension; Gayle Coleman, Nutrition Education Program Specialist, University of Wisconsin Extension; Ljiljana Curcija, Extension Nutrition Educator, University of Massachusetts; Marilyn M. Furry, Associate Professor, Financial Education, Department of Agricultural and Extension Education, Penn

State University; Carol C. Giesecke, Nutrition, Consumer Economics, and Health Specialist, Delaware State University Cooperative Extension; Debra Palmer, Associate Specialist in Community Nutrition, Departments of Extension Specialists and Nutritional Sciences, Rutgers Cooperative Extension and Rutgers University; Constance Y. Kratzer, Family Resource Management Extension Specialist (retired), Department of Extension Home Economics, New Mexico State University; Dolores Langford-Bridgette, Associate Director (retired), University of the District of Columbia Cooperative Extension Service; Claire Anne Perez, Extension Educator, Consumer and Financial Management, Cornell Cooperative Extension of Tompkins County; Vanessa A. Stanford, Senior Research Specialist, Nutritional Sciences, University of Arizona; and Marie Boyle Struble, Adjunct Professor, Foods and Nutrition Department, College of Saint Elizabeth.

The book was copy edited by Marty Sailus, formerly NRAES Director, with assistance from Joy Freeman, Holly Hyde, and Kent Smith. The book was designed by Andrea Gray, Burlington, VT. Maria del Carmen Aranguren, University of Arizona, developed the cover illustration.

Finally, a special thanks to the following individuals who provided the authors with valuable insights into the process of behavioral change and applications to health and wealth:

- Patricia Q. Brennan, CFP®, Family and Community Health Sciences Educator, Rutgers Cooperative Extension, Morristown, NJ
- Sarah Gibson, LCSW, social worker, Newton, NJ
- Carole Glade, President, Consumer Dynamics International, Madison, NJ
- Angie Hollerich, Author of *The Health and Wealth Factors*, Gahanna, OH

— Disclaimers —

The content of this publication is believed to be current as of this printing, but new health and personal finance recommendations and developments may date the material.

The intent of this publication is to provide accurate and authoritative information. The publication in no way purports to render specific medical, health, financial, or legal advice or other professional services. Readers should consult the services of a competent professional if expert assistance is required. Before beginning an exercise or weight loss program, check with a physician.

Mention of a trademark, proprietary product, or commercial firm in text or figures does not constitute an endorsement by the Cooperative Extension System or the publisher and does not imply approval to the exclusion of other suitable products or firms.

ABOUT THE AUTHORS

Barbara O'Neill, Ph.D., CFP®

Extension Specialist in Financial Resource Management
Rutgers Cooperative Extension
ONEILL@AESOP.RUTGERS.EDU

Dr. Barbara O'Neill is Rutgers Cooperative Extension's Specialist in Financial Resource Management. From 1978 to 2004, she was Family and Consumer Sciences Educator in Sussex County, NJ, and taught over 1,100 programs for 24,000 adult learners. She provides national leadership for the Cooperative Extension programs *Investing for Your Future* and *Small Steps to Health and Wealth* and directed the *MONEY 2000™* campaign in the 1990s that resulted in almost \$20 million of savings and debt reduction by participants nationwide. Dr. O'Neill has written over 1,500 newspaper articles and over 120 articles for academic journals, conference proceedings, and other professional publications. She has held various leadership roles in state and national professional associations and served as president of the Association for Financial Counseling and Planning Education in 2003. Dr. O'Neill is the author of *Saving on a Shoestring* and *Investing on a Shoestring* and co-author of *Money Talk: A Financial Guide For Women*. Her research interests include financially distressed families, measuring the impact of financial education programs, and associations between health status and personal finances.

Karen M. Ensle, Ed.D., RD, FADA

Family and Community Health Sciences Educator
Rutgers Cooperative Extension
ENSLE@AESOP.RUTGERS.EDU

Dr. Karen M. Ensle has been a Family and Community Health Sciences Educator and County Extension Department Head for Rutgers Cooperative Extension of Union County since 1987. She is a Registered Dietitian, a Fellow of the American Dietetic Association, and certified in Family and Consumer Sciences. She holds an Ed.D. from Rutgers University in Allied Health Education (1990), a master of science degree in Nutrition from Hunter College, CUNY (1976), and a bachelor's degree in Home Economics Education from Montclair State University with permanent teaching certification. She develops and teaches nutrition and health programs and is the Project Investigator for a Supplemental Nutrition Assistance Program-Education grant, along with oversight of the Union County Senior Meal Program. She is a member of the Board of Trustees for Community Access Unlimited, an agency that assists disabled and disadvantaged youth and adults to lead self-sufficient lives. Dr. Ensle is committed to assisting consumers to improve the quality of their health and life through her teaching, writing and applied research.

*If I am not for myself,
who will be for me?
If I am not for others, who am I?
If not now, when?*
— Rabbi Hillel

Dear *Small Steps to Health and Wealth*TM Reader,

Small Steps to Health and Wealth was written because many Americans are experiencing “issues” (read: serious problems) related to their health (e.g., diabetes and obesity) or personal finances (e.g., high debt and low savings) or both. There are also many similarities between both aspects of life that few books have explored, including:

- Problems generally develop slowly over time and take time to address.
- Financial problems negatively affect health and poor health negatively affects personal finances.
- Lack of limits causes problems and restrictions help avoid them.
- Evidence of denial and disconnects between what people do and say they’re doing.
- Drastic solutions, such as bankruptcy and gastric bypass surgery, have serious drawbacks.
- Many people expect quick fixes and are susceptible to fraudulent health and financial claims.

In addition, small, positive behavior changes, such as saving \$5 or cutting 100 calories a day, make a big difference over time and are always better than taking no action at all. You will read about 20 similarities between health and wealth issues that we discovered by researching financial parallels for expert health recommendations and vice versa. You will also learn about 25 behavior change strategies that can be applied to simultaneously improve both your health and personal finances. These include: visualization and affirmations, meeting yourself halfway, stepping down or kicking current practices up a notch, comparing yourself with recommended benchmarks, converting consumption into labor, and living “The Power of 10.”

This *Small Steps to Health and Wealth* guidebook will provide you with information to help you take charge of your future. It was designed primarily for young and middle-aged adults to provide motivation to take action to improve your health and personal finances. Each of the 25 behavior change strategies has health and wealth “action steps” and one or more worksheets that provide an opportunity to apply the strategy to your health and wealth goals and life situation. We suggest adopting *no more than three or four strategies* and to coordinate those that are related (e.g., automating a good habit to avoid “becoming a statistic” and to reach a recommended benchmark).

Simply reading *Small Steps to Health and Wealth* will not change your life. You now need to take action (e.g., exercising and starting an IRA) to achieve your health and financial goals. Your local Cooperative Extension office can assist you with classes and speaking engagements, publications, websites, newspaper articles, and other resources. Feel free to get in touch if we can be of assistance.

Barbara M. O’Neill, Ph.D., CFP®
Extension Specialist in Financial
Resource Management
ONEILL@AESOP.RUTGERS.EDU

Karen M. Ensle, Ed.D. RD, FADA, CFCS
Family and Community Health
Sciences Educator
ENSLE@AESOP.RUTGERS.EDU

Rutgers Cooperative Extension – NJ Agricultural Experiment Station

The greatest wealth is health.

— Virgil

1

SMALL STEPS TO HEALTH AND WEALTH OVERVIEW

*Unless you think about, choose, say, and do what you really want,
you risk getting stuck with a life or circumstances you do not desire.*

—Unknown

Every New Year's Eve, millions of Americans resolve to get healthier (e.g., quit smoking and lose weight) and wealthier (e.g., increase savings and reduce debt). This is not surprising because health and personal finance “issues” (people don't have problems anymore...they have “issues”) affect millions of Americans. Major societal problems that have been widely reported in recent years include an increasing incidence of diabetes, more overweight and obese adults and children, low household savings rates, and high household debt. Many people are overweight, have few financial resources, and are looking for a way to *both* live healthier lives and achieve financial security.

The statistics are startling. *F as in Fat: How Obesity Threatens America's Future 2010* reports a continued increase in obesity rates with adult rates increasing in 28 states and significant disparities among racial and ethnic groups. According to a 2011 report, *Obesity: Halting the Epidemic by Making Health Easier*, more than one-third of adults and 17% of U.S. children are obese. Obese is defined as a body mass index of 30 or greater, see page 59. From 1980 to 2008, obesity rates doubled for adults and tripled for children. Unfortunately, statistics about Americans' financial status aren't any better. The savings rate of U.S. households, while higher than before since the 2008–2010 financial crisis, is still a relatively low 5% to 6%. Simultaneously, levels of household debt and bankruptcy filings remain high. The average credit card debt of households with credit card debt is about \$15,000. Data are no better with respect to household net worth. The median net worth (assets minus debts) of

U.S. households in 2010 was \$77,300. The April 2004 *AARP Bulletin*, in an article called “Facing a Savings Crisis,” noted that 36% of working adults said they hadn't started saving for retirement, while another 16% said they'd put aside \$10,000 or less. More than half of U.S. households are believed to live “paycheck to paycheck.”

What's wrong with this picture? Why are so many people at risk for health and/or financial crises? An alarming 79 million Americans have “pre-diabetes” (a high enough blood-sugar level to substantially increase their risk of disease) according to the U.S. Department of Health and Human Services (HHS). Some 25.8 million Americans already have full-blown diabetes. Millions of other Americans are living on the “financial edge” with less than the recommended three months' emergency fund and little or no money set aside for long-term financial goals, such as college for their children and retirement.

Life doesn't have to be this way: living in fear of developing a catastrophic illness, experiencing financial ruin, or both. Almost *everyone*, except for the most desperately ill and poor, can do *something* to improve their health and finances. So why don't we? One reason is that self-improvement goals often seem so insurmountable. For example, lose 50 pounds and save a million dollars for retirement. Who wouldn't be afraid to get started? That's why the “small steps” approach is so useful. *Anything* you do to improve your health and/or accumulate wealth is a step in the right direction. Maybe you'll lose 25 pounds and save \$250,000. That's okay. It's still *a lot* better than doing nothing.

Former HHS Secretary Tommy G. Thompson alluded

to the “small steps” approach to improving health when he stated “Consumers *don’t* need to go to extremes—such as joining a gym or taking part in the latest diet plan—to make improvements to their health. But they *do* need to get active and eat healthier.” The same is true for improvements to your personal finances. *Small steps* are key. Fortunately, you don’t have to do all the work by yourself because compound interest and employer matching of deposits to retirement savings plans (e.g., 401(k)s) are two of the best friends a saver can have. Save what you can (e.g., 2% of your salary) now and, when you are able to kick it up a notch (e.g. 5%), *do so*.

No step is too small to get started and you can *never* be too early or too late. In another chapter, you’ll see exactly how small amounts of savings—just \$10 a week—and small dietary changes can have a powerful effect over time. For example, compound interest helps build wealth because interest is paid on previously earned interest as well as the original deposit or investment. Never underestimate its awesome power. Mathematical genius Albert Einstein is reported to have called compound interest “the 8th wonder of the world” because he was so impressed with the concept.

No step is too small to get started and you can never be too early or too late.

The “small steps” approach is so powerful that the HHS department has designed an interactive website (www.SMALLSTEP.GOV) to encourage Americans to make small activity and dietary changes, such as using stairs instead of an elevator and eating more fruit and less cake. Check it out. There are some very good ideas along with a few “flaky” ones (“Take wheels off your luggage?”). The website is organized around four main small-step tasks: get the facts, eat better, get active, and learn more.

By now, you might be wondering how a certified financial planner (CFP®) with a Ph.D. in family financial management and a registered dietitian (RD) with an Ed.D. in allied health education and nutrition teamed up to write *Small Steps to Health and Wealth*. In 2003, Rutgers Cooperative Extension decided to focus its adult consumer education programs on health and wellness topics instead of both health and personal finance. As we prepared to “retool” to teach and conduct research on the

financial aspects of health, we started paying attention to health and wealth linkages and realized that there were financial parallels for virtually every health problem and behavior-change strategy. It was like translating “health language” into “personal-finance language” but the underlying messages about changing behavior were basically the same. After about a year of investigating health and personal finance linkages, we identified 20 common issues (see Chapter 2, *Health and Wealth Connections*, page 7) and 25 common behavior-change strategies (see Chapter 4, *25 Behavior-Change Strategies for Health and Wealth*, page 16).

Others have also noticed strong relationships between health and wealth. The book *Getting Rich in America: 8 Simple Rules* by Dwight Lee and Richard McKenzie discusses maintaining good health as a major factor associated with wealth creation. These authors point out that healthy people are often more productive at work and more likely to get promoted and earn larger salaries than unhealthy people. They also have fewer work absences and medical expenses that erode their wealth. A healthy lifestyle also increases a person’s chances of living longer—so another financial benefit of good health is that people live long enough to collect their Social Security and pension benefits.

Another impact of good health upon wealth, according to Lee and McKenzie, is that the longer one lives, the longer compound interest works its magic to increase the value of one’s savings. This point was brought home in the late 1990s, when a 91-year-old woman in Sussex County, New Jersey died and left about \$3 million to local charities. She was a school teacher, who never made more than \$16,000 a year before she retired. People were amazed at both her generosity (her bequests were a surprise), as well as her wealth, and the fact that she was, quite literally, “the closet millionairess next door.” “How could she possibly have had all this money?” people asked. Further examination revealed that she did everything that the “millionaire books” at that time were advising: she lived below her means, bought and held high-quality blue-chip stocks, invested the maximum allowed in her tax-deferred 403(b) retirement savings plan, and had seven decades of compound interest on her side.

Lee and McKenzie also talk about the financial impact of eliminating specific unhealthy behaviors. They give an example of investing \$1.50 a day saved by not consuming junk food, alcohol, or tobacco from age 18 to 67 (full

retirement age for younger workers). The result? Almost \$300,000 at an 8% rate of return. Bump that amount up to something more expensive such as a pack of cigarettes and you're talking about the difference between becoming a millionaire several times over at retirement...or not.

During the time that we were becoming more fully aware of health and wealth connections, David Bach's book, *The Automatic Millionaire*, was published. In it, he uses the trademarked phrase, "The Latte Factor," to describe the strategy of "finding" money to invest by re-directing the money spent on small everyday expenses, such as expensive coffees and snacks. But Bach only described half of the story...the amount of money that could be saved by eliminating expensive lattes as a habit. A subsequent article in *Consumer Reports* listed the caloric value of different types of lattes. A 10-oz. Dunkin Donuts Mocha Swirl Latte (with whole milk) cost \$1.79 in 2005 and has 230 calories. A 16-oz. Starbucks Chocolate Frappuccino Blended Crème (with whipped cream) cost \$3.40 and has a whopping 530 calories. This is more than a quarter of the total calories that most people need in an entire day. Not only are fancy coffees hazardous to your wealth (one of Bach's students calculated a lifetime cost, including foregone interest and employer matching on a 401(k) plan, of over \$1.7 million) but they're also not great for your health either. *Consumer Reports* described these lattes with the phrase "coffee as candy" in the title of their article.

There are many similarities between health and personal finance "issues" and behavior change strategies.

As you will see throughout this workbook, there are many similarities between health and personal finance "issues" and behavior-change strategies. The only difference is in their application. So it occurred to us that what was really needed is information about changing behavior, with health and personal finance issues as examples. After all, there are already many fine books and programs available that can teach people how to invest or how to reduce dietary fat and sugar. What is really needed is information about changing behavior.

Small Steps to Health and Wealth provides a detailed description of 25 "small steps" that readers can take to

improve their health and increase their wealth simultaneously. Just think of it: you'll be doing two things at once, "dovetailing," "multi-tasking"...whatever you want to call it. Instead of making two separate New Year's resolutions (e.g., "lose weight" and "save money"), you can pick a strategy (or two or three) and apply it to both goals. Think of the ideas provided by this workbook as akin to the menu in a diner or Chinese restaurant. You can't possibly try everything at once. Instead, you'll want to pick strategies that mesh best with your income, goals, and lifestyle.

Poor health and financial behaviors generally take time to reach critical proportions.

As you read about the 25 strategies that you can use to simultaneously improve your health and finances, you will become aware of five overall themes: 1. *time*, 2. *control*, 3. *knowledge and awareness*, 4. *automation*, and 5. *environment*. *Time* is a key factor because poor health and financial behaviors generally take time to reach crisis proportions. It also takes time to reverse the damage by a change to more positive habits. A health example is gaining weight. On average, Americans gain a half pound to a pound a year. A typical man gains 18 pounds from age 20 to 50 and women gain about 26 pounds. It takes an excess of about 3,500 calories to gain a pound. Break that down further and you'll see that 100 extra calories per day will add about 10 pounds a year (100 calories \times 7 days \times 5 weeks = 3,500 calories \times 10 five-week periods in a year). The good news is that losing 10 pounds in a year can be as easy as eating 100 calories *less* each day for a year.

A comparable financial example is Americans' large debt balances. Many households have a permanent revolving credit card balance that has been dubbed "perma-debt." Perma-debt never goes away and, in fact, will increase every year if you're in the habit of charging more each month than you repay. Not only do you have the unpaid balance with which to contend but increasingly higher finance charges as outstanding balances rise. Again, the good news is that small, positive steps make a difference. For example, add a dollar a day extra to the minimum payment due on a 17% credit card with a \$5,000 balance and minimum payments of 2% of the outstanding balance. You'll save 30 years of payments

and \$7,624 in interest according to the book *Slash Your Debt* by Detweiler, Eisenson, and Castleman. Another facet of time as it relates to health and wealth is that you can set a deadline for both health and financial goals (e.g., how long it will take to lose 20 pounds or save \$3,000). Time also affects specific actions taken, such as the amount of time available to exercise or to research investment options.

There is a school of thought that personal *control* is an important factor affecting changed behaviors such as those associated with improving health and building wealth. Very often, when there's a will, people find a way to achieve a desired goal. An inspirational success story on the www.SMALLSTEP.GOV website provides one such example. Marcia Potts, 48, stood 5'3" tall, weighed 317 pounds, and found size 28 clothes too small. Then she changed her life through three years of awesome determination. Instead of consuming "probably 3,000 to 5,000 calories" daily (she wasn't really sure), Marcia joined a popular weight loss program and started eating healthy foods. She also kept a food and activity journal, reduced her portion sizes, and began walking and swimming for exercise. Eventually, Marcia lost 188 pounds with the encouragement and assistance of a supportive fitness instructor. By age 51, she weighed 129 pounds and reported a high energy level versus feeling tired and fatigued three years earlier. Marcia's fitness instructor described her as follows: "She's one of the most disciplined people I know. No excuses. She was single-minded. She truly believed every step she took, every stair she took, and every bite of food—the right kind of food—brought her closer to her goal. She was so motivated." It reminds you of the old high school football cheer: "You can do it, you can do it, if you put your mind to it." In the health arena, there are a number of things that can motivate people to change, including fear of diseases, wanting to look good, being able to wear favorite clothes, and a need to have more energy.

The same control, motivation, determination, discipline, resolve, focus, or grit can be just as easily applied to financial challenges. *Money* magazine recently profiled a couple who had racked up almost \$10,000 in credit card debt. Both in their 50s, neither spouse had any money set aside for retirement. Over the course of a year, however, the couple vowed to eliminate their debt so that they could redirect their credit card payments to retirement savings plans. Their strategy: identify cost-cutting moves (e.g., reduced grocery spending and less eating out), add

\$600 more a month to debt repayment, and apply their \$2,300 federal income tax refund to their outstanding debt balance. The couple also stashed their credit card in a bag of water in the freezer and increased their accountability by telling their friends, their family, and all of the readers of *Money* magazine about their plans.

When people know more about an issue, they can often make better decisions.

Several behavior-change strategies fall under the general category of *increased knowledge and awareness*. When people know more about an issue, they can often make better decisions. This is especially true at the "point of purchase," such as when dining out at a restaurant. Some national-chain restaurants publish calorie counts and nutritional information on their menus or websites, which makes it much easier to select healthy choices. Without this information, it can be difficult to estimate and compare calories in unlabeled food items. A good "Plan B" source of information is a "brand name calorie counter" pocket book that can provide a rough estimate of calories consumed.

A financial parallel for helpful "point-of-purchase" information is the illustration required on credit card bills that indicates the time and interest cost of a credit card purchase when only minimum payments are made. This can become a deterrent to "frivolous" spending because many people lack an understanding of the long-term costs of credit. Lack of awareness about credit card fees and traps is widespread. For example, many credit card issuers charge a minimum monthly payment of just 3% of the outstanding balance. On an \$8,000 credit card balance with an 18% interest rate, it would take almost 20 years to pay off the debt with a total interest cost of \$15,698. Another common credit card trap that is also not well understood is penalty annual percentage rates (APRs). Penalty APRs are generally charged for some type of infraction, such as a late payment. In addition, transaction fees may be charged to make cash advances or balance transfers.

Another area of personal finance where people could use more "point-of-purchase" assistance is understanding the magnitude of compound interest on small, regular deposits over time. Few people become wealthy from their wages or salary alone. Rather, they

grow their money—slowly at first and later at a much faster clip—by earning interest on interest. The following example comes from a brochure for the national savings campaign, *America Saves* (see WWW.AMERICASAVES.ORG). If someone saves \$50 a month with a 5% average yield, they'd have \$614 after 1 year, \$7,764 in 10 years, \$29,775 in 25 years, and \$76,301 in 40 years (\$24,000 principal and \$52,301 interest, more than double the amount of their savings). Many people have no idea what multi-decade debt balances and foregone savings opportunities are costing them.

A fourth common theme among some of the 25 behavior-change strategies in *Small Steps to Health and Wealth* is *automation*. In other words, taking action once that precludes future decision-making time and assures future action. An excellent example is a couple described in the first chapter of David Bach's book *The Automatic Millionaire*. Over time, this couple became wealthy and they attributed their success to automating virtually everything about their finances including payroll deposits to savings plans and accelerated mortgage payments. Once a behavior becomes automated, you don't have to think about it again. It's done. And you don't have to worry about having personal qualities like discipline and self-control either. If you've had difficulty "finding" (read: not spending) money to invest for retirement, automated strategies may be the answer.

Once a behavior becomes automated, you don't have to think about it again.

Many investment companies allow investors to open an account and make subsequent deposits with less than the "regular" required deposit amounts if they establish an automatic investment plan (AIP). Here is an example from a well-known family of mutual funds. A regular (non-AIP) account requires a \$100 minimum purchase for additional shares. Investors can also open an AIP, called "Automatic Asset Builder," and have their bank account debited for regular, automated deposits, in which case the required minimum purchase is lowered to \$50. Many mutual fund companies are willing to accept smaller deposits from AIP investors because they have implemented an automated strategy that will keep them connected as long-term customers.

Examples of automated health-maintenance strategies include regular health screening exams, programmed exercise workouts (such as those available at *Curves* fitness centers for women), and "template" menu plans such as Weight Watcher's "points" program. Automation is one of the best antidotes for "information overload." Many people have way too much health and personal finance information coming at them in printed form, websites, television and radio reports, and other sources. It is easy to get overwhelmed, freeze, and do nothing. Having some automated strategies in place can eliminate the tendency to postpone action when you have to sift through information to decide what's relevant.

The final overall behavioral-change theme is *environment*. People who take steps to control their environment generally have an easier time changing their behavior than those who continue to live surrounded by temptation and negative influences. Researchers who study behavior change refer to the process of restructuring one's environment in order to enhance a new, healthy behavior as "stimulus control." A simple health-environment example is building walking into everyday activities by parking as far as safely possible from your destination and walking the rest of the way. Another is having a small refrigerator and microwave oven available at work to store and to cook healthy lunches and snacks, thereby avoiding the expensive, high-calorie foods from vending machines or cafeterias. If you don't have these two key appliances available at work, ask your employer to provide them or take up a collection among co-workers. At home, one of the best environmental control strategies is to simply not buy high-calorie, low-nutrition foods and beverages and replace them with healthier substitutes. Recall that losing 10 pounds in a year requires eating 100 calories less each day. Some 100 calorie targets for elimination include: 1 tablespoon of mayonnaise, 1 tablespoon of butter or margarine, 1½ tablespoons of regular salad dressing, 2 average-size cookies, an 8-oz. beer, and an 8-oz. cola beverage.

A financial-environment example is having a tax-deferred retirement savings plan, credit union, thrift savings plan, or other payroll-linked "automation opportunity" available at work. Better still, an automated investment plan where available investments have low expense ratios (e.g., stock index funds) and good historical performance relative to stock and bond market indexes. Some employers offer additional services such as automatic portfolio rebalancing and periodic financial

seminars for workers. Many employees take advantage of these learning opportunities and act upon the information that is provided.

By now, we hope that you are thoroughly convinced that the foundation of health and wealth lies within you. It truly does. Furthermore, small changes in eating habits, exercising, spending, and saving actually work better than drastic ones. People don't like to feel restricted and deprived. They want to feel in control of their diet and finances.

In the next chapter, *Health and Wealth Connections*, you'll learn more about similarities between health and personal finance "issues." For example, obesity and high household debt usually don't happen overnight. Rather, they occur slowly over time and often go unrecognized—or at least unchanged—until a crisis event (e.g., diabetes or car repossession) occurs. Another commonality is the need to balance "intake" (dollars earned and calories consumed) with "outgo" (household spending and calories expended). If you know you're going to have a big meal or a big expense coming up, you can try to "lighten up" elsewhere in order to stay on track.

Take time to celebrate all of the small steps along your path to self-improvement. According to the U.S. Department of Health and Human Services, research has shown

that a person doesn't need to lose a massive amount of weight to see improvements in health. A modest loss of just 5% to 7% of body weight (10 to 14 pounds for someone weighing 200 pounds) helps a lot. Ditto for small financial improvements such as saving \$2 a day, plus pocket change, in a can or a jar. In a year, you would have about \$1,000 saved...compared to nothing, if you do nothing.

Take time to celebrate all of the small steps along your path to self-improvement.

Today is the first day of the rest of your life. Make the most of it. Take charge of your health and your finances, or do nothing and suffer the consequences. The choice is up to you. The key to your future is in your hands, not your employer's, nor your family's, nor the government's. *Small Steps to Health and Wealth* will provide you with tools to help you succeed, such as the *Small Steps to Health and Wealth Planning Worksheet*, page 113, and *Small Steps to Health and Wealth Resources*, beginning on page 115.

Best wishes for health, wealth, and happiness today and for many years to come.

2

HEALTH AND WEALTH CONNECTIONS

*Don't let your past dictate who you are...
let it be a part of who you become.*

—Unknown

Health and wealth are both important resources for living a happy and successful life. People in poor health often die young and spend thousands of dollars (that could have been invested) on health-care costs. On the other hand, those who practice recommended health behaviors are more likely to exceed average life expectancy and need a large nest egg to insure that they don't outlive their assets.

Health and personal finances are both closely associated with happiness. Research data indicate that four factors strongly predict happiness and well-being in most cultures: health, economic stability, work/productive pursuits, and family relationships. Studies indicate that people are happier when they are healthy, employed or doing something productive, married or in a long-term committed relationship, and financially secure.

This chapter describes 20 similarities between health and financial issues. These common characteristics support the premise that the same behavior-change strategies can be used to improve one's health or personal finances or both.

1. Problems Generally Start Small

Weight problems usually develop gradually, such as gaining 3 to 4 pounds a year due to increasingly sedentary lifestyles and larger food portion sizes. According to U.S. Department of Agriculture surveys, the caloric intake of American adults has risen from 1,854 to 2,002 calories per day over the past 20 years. This is

a 148-calorie-per-day increase, which equals a weight gain of about 15 pounds per year. Americans are simply consuming too many calories in relation to their level of physical activity.

Comparable financial examples are “perma-debt” (i.e., a permanent debt balance on credit cards) and increasingly higher interest and/or fees as outstanding balances rise. Credit card issuers also routinely charge transaction fees for cash advances and balance transfers. Another common practice today that exacerbates household debt is penalty annual percentage rates (APRs) that are charged when a “trigger” event such as a late payment occurs. When a penalty APR is triggered, relatively small credit problems can mushroom very quickly.

2. Less Stigma Than Before

With over two-thirds of Americans having “weight issues” and well over one million bankruptcies filed annually by consumers for over a decade, health and financial problems have gone “mainstream” and are more tolerated, if not accepted, by society. When many people are doing the same thing or have the same characteristics, it is hard to view them as “abnormal.”

A factor related to both health and financial problems is the increasing number of people who lack health insurance. About half of those who file for bankruptcy report that medical debt is a problem. Medical debt typically has fewer stigmas than debt from discretionary purchases like new clothes, vacations, eating out, or

luxury items. The number of people without health insurance is a big risk factor for inadequate medical care. Some people forgo health care because of existing medical debts and/or high out-of-pocket expenses.

3. Impacts on Job Productivity and Discrimination

Overweight and unhealthy people often have a difficult time getting hired, and some may have difficulty performing the duties associated with their job. All things being equal, employers generally prefer to hire thin, attractive workers who they perceive to be more productive, better able to interact with customers, and/or less likely to become ill or injured and require medical care. Studies by the National Bureau of Economic Research indicate that the earnings of overweight and obese women are impacted negatively by their appearance

Personal finance problems also affect job productivity. One widely quoted study by Garman et al. estimated that 15% of workers have financial problems (e.g., high credit card debt) that negatively impact their job productivity. There's also another direct link between personal finances and one's ability to land a job. Many employers today check the credit scores of potential employees, as do creditors, landlords, and auto insurance companies. Credit scores are, in effect, a type of character reference and past "blemishes" (e.g., charged-off debts) can prevent someone from getting hired.

4. Lots of Technical Jargon

A 2004 Institute of Medicine study found that nearly half of American adults have higher risks of health problems due to trouble following instructions on drug labels, interpreting medical consent forms, and understanding a doctor's instructions. Comprehending investing terms and the often-arcane language of personal finance is also a challenge for many people. Acronyms like REIT (real estate investment trust) and NAV (net asset value, a term used with mutual funds) can seem like a foreign language to financial novices. Worse yet, both personal finance and health information often contain contradictory "expert" opinions or research results, making it very difficult for lay audiences to know how to interpret and use conflicting findings.

5. Need for Programs at Schools and Work Sites

Much has been written about poor school lunch choices and children's lack of adequate exercise and financial literacy. Not surprisingly, some schools have started to implement (or reinstate) physical education and personal finance programs and are reporting positive behavior changes as a result. Many more schools, however, need to offer these programs.

Just as children can be reached with health and personal finance programs at school, employer-sponsored programs can enhance adults' knowledge and prompt behavioral changes. Examples of health initiatives include a company gym or exercise program, healthy vending machine or cafeteria options, and health screenings. These supports are especially important when a high number of workers commute long distances. A widely quoted 2004 study of Atlanta, Georgia, commuters found that for every 30 minutes they drive, they have a 3% greater chance of being overweight.

6. Fear of Drastic Changes

Many people believe they must make major lifestyle changes to be healthy and wealthy. So instead, they "freeze" and do nothing. A 2004 U.S. Department of Health and Human Services press release alluded to the importance of just getting started: "America needs to get healthier one small step at a time. Each small step does make a difference, whether it's taking the stairs, instead of an elevator, or snacking on fruits and vegetables instead of greasy chips or sugary foods. The more steps we can take, the further down the road we will be toward better health for ourselves and our families." Similarly, some people fear never having "enough" money saved for retirement because they've seen gloomy reports about unprepared retirees needing seven-figure sums. However, any positive change (e.g., saving \$1 a day or 1% more of one's salary) is better than none. The trick is to get started today.

7. Need for "Point of Purchase" Information

Unlabeled food items, like restaurant meals, are a challenge for people watching their weight. There is no nutrition label to look up calories, fat content, etc., making it difficult to tell a 300-calorie muffin from one with

600 calories. A financial example of needed “point-of-purchase” information is the repayment time and interest cost of a credit card balance where only minimum monthly payments are made. As a result of the 2009 CARD Act, billing statements must show the total repayment time and interest cost of making minimum payments and the amount saved by paying more than the minimum due.

8. Need for Realistic Advice

A recent *Wall Street Journal* article questioned whether government nutrition guidelines are out of touch with the way Americans actually eat. Specifically, it asked whether most American households are able to consume the recommended amount of seafood due to time and money constraints. This same type of “reality test” also needs to be given to “ideal” financial advice (e.g., saving 10% of gross income) that is widely ignored because it is unrealistic for many people. It is far better to save a smaller amount (3% to 5% of gross income with gradual increases in savings over time as pay rises) than to save nothing because the 10% guideline seems unattainable. Making small positive steps to “ramp up” to recommended guidelines is perfectly acceptable.

9. Lack of Limits Causes Problems

Studies have shown that when people are served more food, they eat more. Upgrading to larger serving sizes (a.k.a., “super-sizing”) often increases food prices modestly but substantially increases calorie and fat content. A comparable financial example is consumers who are extended a higher credit line on a credit card. Some charge more than they did before just because they can. Lack of understanding about the long-term cost of credit is also widespread. Creditors charge just a fraction of the outstanding balance amount due as a minimum payment, resulting in high interest costs and repayment periods.

10. Restrictions Help Avoid Problems

Some people find it helpful to lose weight by eating portion-controlled foods (e.g., convenience food entrees and nutritional diet drinks) that contain nutrition labels and calorie counts. A buffet meal, on the other hand, with no portion controls or point-of-use caloric information, can make weight loss very difficult. An example of a financial restriction is a fixed rate loan with a de-

finied balance and regular monthly payments instead of an open-ended home equity credit line or credit card balances. Two other common financial-restriction strategies are having tax-deferred retirement plan savings automatically deducted from pay and automated investment plan deposits for investments such as stock and mutual funds.

11. Drastic Solutions Have Major Drawbacks

There is no easy way to lose weight, accumulate wealth, or dig yourself out of debt. Rather, it generally takes discipline, perseverance, and time. Liposuction and gastric bypass surgery can reduce weight quickly, and television “makeover” shows have made it seem easy, but there are risks associated with any surgical procedure, including death. An example of a drastic financial action is filing for bankruptcy. Bankruptcy calls off a person’s creditors through a protection known as the “automatic stay.” The downside, however, is that bankruptcy will stay in a person’s credit file for up to 10 years. This can make obtaining credit difficult and/or expensive and possibly result in lost employment and housing opportunities. In addition, bankruptcy will require that debtors stay on a stringent budget for up to five years or liquidate their non-exempt assets. Not every debt that a person has is eligible for bankruptcy discharge either (e.g. income taxes).

12. The Longevity Connection

People who practice healthy behaviors, such as not smoking, exercising regularly, and eating four or more cups of fruit and vegetables daily, decrease their risk of dying prematurely. They also need to accumulate adequate wealth so they don’t outlive their assets. Stated another way, the “price” of better health is the need for increased wealth. Not surprisingly, financial planners, whose clients tend to practice healthy habits and have good incomes and medical insurance benefits, often run retirement savings calculations out to above-average life expectancies such as 90 or 95. Nobody wants to be the financial planner of a client who runs out of money in their 80s. Quality of later life is also very important and improved by healthy lifestyle choices.

13. People Expect “Quick Fixes”

Health and personal finance issues are both ripe for claims of “miracle” cures and quick fixes. One reason is that it is not easy to make behavior changes. Promises

of quick results provide an attractive alternative, resulting in thousands of books, infomercials, and products that claim to offer fast and effective solutions to health or financial woes. Unfortunately, many product pitches are outright scams designed to defraud consumers. Below are examples of claims that should raise “red flags” about the possibility of fraud:

Health Claims

- “Lose 30 pounds in 30 days” advertisements
- Quick weight-loss claims for dietary supplements, body creams, drugs, and patches
- Ads such as “lose pounds while you sleep” that claim you can lose weight without any effort

Wealth Claims

- “Guaranteed” investment returns, often at rates above historical investment averages
- No apparent relationship between risk and reward
- Pressure to invest money quickly or to pay a high advance fee for services

14. Denial and Disconnects

Studies of both health and financial planning topics indicate disconnects between perception and reality. According to the *2010 Retirement Confidence Survey* by Helman et al, three in ten American workers haven’t saved anything for retirement. Yet, 31% of workers who have not saved were somewhat or very confident they’ll have enough money to retire. Similarly, an Associated Press survey in 2004 found that 60% of those who qualify as overweight under government standards (body mass index of 25+) said they are at a healthy weight. Only a quarter of those who are obese consider themselves very overweight.

Regarding both their health and finances, many Americans are in denial and think they are doing a whole lot better than they actually are. This, of course, makes behavior change difficult since people don’t see their situation as a problem. Personalized self-assessment tools can help counteract this by indicating potential risks and how they can be reduced. Two helpful resources are Rutgers Cooperative Extension’s *Financial Fitness Quiz* www.rce.rutgers.edu/money/ffquiz/ and Harvard University’s health information website <http://www.diseaseriskindex.harvard.edu/update/>.

15. Need for Routine Check-Ups

Nobody would argue that regular medical screening tests, such as blood pressure checks, blood glucose checks, mammograms, prostate cancer PSA tests, or colonoscopies, are essential for maintaining good health. Regular check-ups are especially important as people age and are at greater risk for health problems. Diseases, such as cancer, can take years to develop, and people who are diagnosed in the earliest stages usually have a better prognosis than those who are diagnosed later, when a disease has spread to other parts of their body. Timing is everything when it comes to identifying a health problem and dealing with it.

Periodic financial check-ups are just as important as routine physical exams. People can be sick physically or financially and not know it. A review of one’s finances can help “diagnose” problems (e.g., high consumer debt ratio) before they get worse (e.g., bankruptcy) and assess uncovered risk exposures (e.g., inadequate auto liability coverage). A financial check-up can also evaluate progress toward financial goals, identify needed action steps, provide accountability to oneself and/or to others (e.g., a financial advisor), and provide the motivation to change.

16. Many Available Resources

Lack of money is no excuse for skipping periodic health or financial reviews. For those with limited funds, assistance is available. Free or low-cost medical screening tests are often available through city or county health departments, health clinics, and non-profit organizations such as Planned Parenthood and women’s centers. Inexpensive financial check-ups are available through non-profit consumer credit counseling agencies (see the website www.nfcc.org) and governmental and non-profit organizations that provide financial education programs.

An increasing number of financial planners also provide advice and financial check-ups to middle-income consumers on an as-needed basis. The fees charged are generally around \$150 to \$250 an hour. To minimize the cost of these services, go prepared with cash flow and net worth statements and a list of questions in hand. Several groups of financial planners who cater to middle-income clients have formed national networks, such as Cambridge Advisors and the Garrett Planning Network, to market their services nationwide.

17. Poor Risk Perception

Poor health and financial outcomes are often couched in vague and relatively unthreatening terms such as “you are at increased risk for” heart disease, cancer, outliving your assets, etc. People see “you’re at increased risk for” warnings and tune out. Why? First, there is a natural human tendency to believe that these cautions apply to everyone else. Second, everyone knows somebody who successfully “defied the odds” or, worse yet, did “everything right” (e.g., healthy living and saving money) but died at a relatively young age. Third, risk warnings are rarely personalized or prioritized. We are told that we are “at risk” for so many things in life and the result is that most people just “freeze” or “tune out” and do nothing.

Familiarity is closely related to perceived risk. People often view *their* home, *their* car, *their* food, and *their* employer retirement plan as less risky than that of others. This helps to explain why a common risk in employer 401(k) plans is holding a concentrated position in company stock. A health example of how familiarity affects risk is when someone (themselves or a loved one) is diagnosed with a life-threatening disease. Suddenly the disease and all of its risk factors become *extremely* personal. People often change their lifestyle as a result and pay more attention to expert recommendations for diet, exercise, and other risk-reduction strategies.

18. Personal Traits = Success

Whether it is losing weight or preparing for retirement, people with a positive mental attitude (PMA) have an edge. Why? If you expect to succeed, you will succeed. If you expect to fail, you will fail. It is as simple as that. Seeing results (e.g., pounds lost, lower body mass index, dollars saved, debt reduced) is a powerful motivator and a great way to develop your PMA. Another is consciously replacing negative thoughts (e.g., “I’ll never have \$1 million saved in time for retirement”) with positive ones (e.g., “I’ll save as much as I can now and save even more later when I am earning more money.”).

Nobody can control everything that happens to them in life but they can control their attitude toward life events. A common trait among successful people is their PMA. They look at challenges as opportunities, learn from mistakes, and make the best of difficult situations. A final personal success trait associated with health and wealth is having a tangible goal, passion, or sense

of purpose. In other words, something that motivates them and makes the steps required to achieve it worth the effort. People will work long and hard if something is important to them. Create a mental picture of health and wealth for yourself and then determine the steps required to get there.

19. Government and Employer Intervention

We may have reached a “tipping point” in society’s concern about Americans’ poor health and low wealth. Government and employers are starting to take “serious” action. One example, reported in 2004, was the state of Louisiana contracting with a hospital to provide gastric bypass surgery, at \$25,000 per operation, for some of its most obese employees. Cost was a primary motivator with the thought being that the operation was cheaper than health complications related to obesity down the road. Employers are increasingly implementing policies and fitness programs that provide incentives and opportunities for workers to improve their health. *Smart Money* wrote about a company that pays its employees \$25 per quarter, plus a yearly bonus of another \$25 and a day off, if they are able to lose weight and keep it off. That’s the “carrot” approach. Other employers are using the “stick.” For example, some have benefit programs that penalize workers who smoke or are obese.

In the wealth-building arena, there are also “carrots” and “sticks.” Perhaps the sweetest carrot is the match provided by employers to workers’ 401(k) and, in some cases, 403(b) plans. This is “free money” that no one should pass up, if possible. A growing “stick” approach to wealth building is an “opt-out” retirement savings plan. This automatically enrolls workers by deducting a relatively low default contribution amount (usually 2% or 3% of pay) unless they specifically indicate otherwise.

20. Ongoing Maintenance Is Required

Health and wealth can free you or restrict your life and should never be taken for granted. Otherwise, you could wake up one day and realize that you’re broke or in poor health or both. Health and wealth require periodic “maintenance” activities and can be destroyed by doing nothing. In other words, like a marriage, you need to work at health and wealth and develop good lifetime habits, including self-control. Recommended health maintenance activities include eating a nutritious

diet that follows recommended dietary guidelines, regular exercise, and adequate sleep. Recommended financial maintenance activities include regular deposits to retirement savings plans and an emergency fund of at least three months' expenses.

Health and wealth should be viewed as simultaneous goals. It is not a case of "either/or" or "now/later." Some people make the mistake of spending the first 20 to 30 years of their working life focused on accumulating money, often with a high level of associated stress that harms their health. Their busy schedule crowds out a good diet, exercise, and adequate sleep, but for a while, they get by. Health problems eventually occur, however, and they then spend their hard-earned money on expenses associated with failing health. In other words, they pursue wealth at the expense of health instead of considering both areas of life equally important and working on them together.

Summary

People "invest" in their health through healthy lifestyle choices, just like they invest in wealth-building assets such as stock or a college education. Good health is a form of human capital and has been identified as a major factor in the accumulation of household wealth. Conversely, high medical expenses and unhealthy habits, such as smoking, erode household wealth and claim income that might otherwise be used to save or reduce debt.

Poor health is a financial albatross around the neck of anyone trying to live a financially secure life. Medical crises are a particularly difficult source of financial problems because there are two negative effects: the high cost of medical bills (many of which are placed on credit cards) and the loss of income due to an accident, illness, or disability. Coupled with inadequate savings and med-

ical insurance, poor health is a major factor in the financial distress experienced by many U.S. households. This is especially true when families are living at or above the limits of their income.

Perhaps the simplest association between health and wealth is the high cost of unhealthy habits. Kick a \$5-a-day smoking habit and you can save \$1,825 annually. Invest this amount with an 8% annual return over 25 years and you'd accumulate over \$130,000. A 2004 study by Zagorsky investigated the effect of smoking on an individual's financial situation and found the typical nonsmokers' net worth is roughly 50% higher than light smokers and roughly twice the level of heavy smokers. With respect to the issue of obesity, the U.S. Department of Health and Human Services estimates that a 10% weight loss will reduce an overweight person's lifetime medical costs by \$2,200 to \$5,300.

This chapter has explained characteristics that health and wealth have in common. You've learned that "issues" generally develop slowly and take time to address. And, a lack of limits can cause problems and restrictions help avoid them. In addition, you've learned that health and wealth are related in many ways. For example, if you practice healthy habits and live a long life, you'll probably need a lot of money to maintain your lifestyle in retirement. Healthy habits are also likely to improve your quality of life and may result in lower medical bills. In addition, you may be able to work longer, if desired, so retirement can begin later and assets will last longer.

Remember the phrase "If it is to be, it is up to me." Set realistic goals, take small steps to reach them, learn from your setbacks, and—above all—believe in yourself and your capacity to become healthy and wealthy. If you don't believe in yourself, nobody else will either. As Walt Disney once observed, "All our dreams can come true, if we have the courage to pursue them."

3

OVERCOMING OBSTACLES AND TAKING ACTION

*Obstacles are those frightful things you see
when you take your eyes off your goal.*

—Henry Ford

So what's stopping you from becoming healthy and wealthy? What are the major obstacles that keep getting in your way? For many people, it's one or more of the following items: denial, environmental influences, fear, lack of specific goals, negative thought patterns, not knowing where to get started, and other people (e.g., family and friends). Let's examine each obstacle individually.

Denial

According to the *2011 Retirement Confidence Survey* by Helman et al, there are “disconnects” between retirement confidence and savings behavior. People think they're “on track” because they are unaware of how much they need to save. Workers also overestimate their ability to remain employed later in life. Similarly, six in ten people who qualify as overweight under government standards said they were at a healthy weight in a 2004 Associated Press poll. Why the disconnects? Two reasons. One is that people generally think they're doing a whole lot better than they actually are. The second is that it is much easier to remain in a state of denial. If people find out how they're doing and what they ought to be doing, they feel more pressure to change their behavior (e.g., spend less and exercise more) and many don't want to. American marketing methods also encourage immediate gratification and discourage taking the time to make behavior changes.

Environmental Influences

Behavior-change researchers have consistently found that environmental conditions affect one's ability to make positive changes. People are more likely to change for the better when they can replace negative environmental influences with healthy/positive ones. In the book *The Health and Wealth Factors*, author Angie Hollerich listed environment as one of twelve common factors associated with improvements to health and wealth. Poor environments are obstacles to making progress. A poor health-environment example is not having a refrigerator and microwave oven available at work so that you can bring healthy lunches. This encourages eating expensive, high-calorie “take-out” meals. Two poor financial-environment examples are having a weekly “gambling pool” with coworkers and an employer that does not provide any payroll deduction savings opportunities.

Fear

Financial experts often write about fear as a major influence in investment decisions. Fear about making any type of change can be paralyzing and cause people to “freeze” and take no action. The key to overcoming your fears is to, first, acknowledge them and, second, research them to determine if they are truly worthy of concern or simply “False Evidences Appearing as Real.” What is it that you fear most about changing a health or financial behavior? Write it down. Is it saying “no” to family members? Or

having a heart attack while exercising? Or losing money in the stock market? Once you've identified your fear, check it out...ask a doctor or financial advisor, visit reputable websites, or attend a meeting for people with similar concerns. Knowledge is power. Often when people learn more about an issue (e.g., stock market performance data), they are less afraid of making changes.

Lack of Specific Goals

Short-term New Year's resolutions aside, many people fail to set specific health or personal finance goals. The best goals are written and include a time deadline and a numerical target (e.g., amount of weight change or increased savings). In virtually every book about health and finances, there is some mention of the need to set goals prior to making behavior changes. Goals that aren't written down and quantified are little more than dreams that often go unfulfilled. *Financial Fitness Quiz* data (see WWW.RCE.RUTGERS.EDU/MONEY/FQUIZ/) from Rutgers Cooperative Extension's *Money and Investing* website have shown written goals, with a specific target date and dollar cost, to be the second-least-frequently performed financial practice, after having a will. This is unfortunate. Written goals make it easy to plan action steps and monitor progress. They are also motivational. Lacking goals is like taking a trip without a map or destination.

Negative Thought Patterns

Winston Churchill once said, "The pessimist sees difficulty in every opportunity. The optimist sees opportunity in every difficulty." People who are chronically pessimistic in their worldview tend to give up more easily (or not even attempt to make a health or financial behavior change) compared to those with optimistic thought processes. Fortunately, negative thought patterns are "curable," according to Martin Seligman, author of the book *Learned Optimism*. The trick is to purposefully counter negative thinking patterns with positive thoughts and evidence of past successes. For example, instead of thinking, "I will never lose 30 pounds," say "I will lose 2

pounds a week over the next 15 weeks" or "I lost weight once, I can do it again." The same can be done with financial actions such as saving money and reducing debt. When bad things happen, try to view the glass as "half full" rather than "half empty." Think of how much worse things could have been, instead of how bad they are.

Not Knowing Where to Get Started

The secret to getting ahead with improved health and finances is getting started. For many people, however, the first step is the worst step, because there are no prior experiences or role models to follow. Unsure of what to do, who to call, where to go, and/or how to do something, we simply fail to act. Then procrastination and inertia set in and health and personal finance goals begin to seem insurmountable. At the end of this chapter, you'll find ten "generic" health and wealth action steps to get you started on the path to success. Now there are no excuses. Additional background information can also be found in Appendix 2 *Small Steps to Health and Wealth Resources* that begins on page 115.

Other People

Friends and family can be a resource or an obstacle to health and financial progress. When you are pressured to take action that causes you to take a step backward, it is time to speak up and address the issue. Many communication experts recommend "I" messages because they allow someone to express their feelings without making accusations against the other party. An example of a financial "I" message is "I feel worried with more than \$500 on our credit card" instead of "You are spending too much money." A health "I" message is "I am concerned that you are overweight because it may cause health problems" instead of "You are getting too fat."

Generic Health and Wealth Action Steps

Not sure where to begin? Consider the commonly recommended strategies for improving health and wealth on the following page.

— Action Steps —

Health Action Steps

- ❑ Be physically active. Buy a pedometer and track the number of steps walked per day. The recommended goal is 10,000 steps (approximately five miles), but many people fall far short of this mark. Any gradual increases (e.g., walking 250 steps more each week) are steps in the right direction (pun intended). The *2008 Physical Activity Guidelines for Americans* recommends a minimum of 150 minutes of moderate intensity exercise (e.g. brisk walking) per week or 75 minutes of vigorous activity each week (e.g. aerobic dance, swimming laps, jogging, dancing).
- ❑ Read the nutrition fact labels on foods and use them to meet your daily caloric intake. Use a “pocket calorie-counter book” for unlabeled items and restaurant meals. Give yourself a daily calorie “budget” and try not to exceed it. If one meal is particularly high in calories, compensate by eating less at the others. To lose about 10 pounds per year, eat 100 fewer calories per day or spend 100 extra calories in daily physical activity.
- ❑ Make smart menu substitutions a permanent habit. For example, replace whole milk with 1% or skim milk, tuna packed in oil with tuna packed in water, regular salad dressing with low-fat, low-calorie dressing, and potato chip and nacho snacks with unbuttered popcorn, baked potato chips, or carrot sticks.
- ❑ Decrease the number of calories consumed by reducing the amount eaten at meals and as snacks. A good way to start is to simply decrease current portion sizes by one-third or one-half. Save the leftovers for another meal.
- ❑ Calculate your body mass index (BMI), which is a ratio of height to weight (see the calculator at www.CONSUMER.GOV/WEIGHTLOSS/BMI.HTM). If your BMI is 25 or over, follow the steps described above to gradually lower it to between 18.5 and 24.9, which is considered a normal BMI range.

Wealth Action Steps

- ❑ Track household spending for a month or two by writing down the amount spent and the expense category (e.g., gas for car). Use this information to develop a spending plan (budget) that includes savings for financial goals. Increase income and/or make reductions in discretionary expenses (e.g., food, clothing, entertainment), as needed, so that income = expenses + savings.
- ❑ Place two dollars a day, plus pocket change, in a can or jar. At the end of a month, you’ll have about \$80 to \$100 accumulated. Save this money in a bank account or, better still, if you have credit card debt, add it to the minimum payment due on a credit card. One of the best “investments” people can make is to use their savings to pay off outstanding credit card bills with double-digit interest rates.
- ❑ Set up “automated routines” for saving and investing. For example, have money directly debited each month from your bank account to purchase U.S. savings bonds, shares in a stock index fund, or stock from companies with a dividend reinvestment plan. You won’t miss what you don’t have. Anytime you get a raise, put some or all of the extra money into savings or investments or use it to reduce debt.
- ❑ Participate in a work-related retirement savings plan (e.g., 401(k)). If you’re not currently enrolled, sign up and start saving. If you’re currently saving something, save at least 1% more of your pay. Try to save at least the amount required to earn the maximum savings match from your employer (e.g., 6% of pay). This is “free money” that, unfortunately, many workers pass up the opportunity to earn. A 50-cent-on-the-dollar match is like earning an automatic 50% investment return.
- ❑ Complete the *Ballpark Estimate* retirement planning worksheet developed by the American Savings Education Council (see www.ASEC.ORG) to get a rough estimate of what you need to save each year to fund your retirement. Try several scenarios until you get to an affordable savings figure. Then adjust household income and expenses to “find” the required dollar amount and start saving.

4

25 BEHAVIOR-CHANGE STRATEGIES FOR HEALTH AND WEALTH

*You don't have to see the whole staircase.
Just take the first step in faith.*

— Martin Luther King, Jr.

Now that you have become familiar with connections between health and wealth “issues,” it is time to explore specific behavior-change strategies that can be applied to improve your health, increase your wealth, or both. Each of the 25 strategies listed below has one or more worksheets that you can use to make the advice “personal” to your own situation. Think of this list as a “menu” from which you will choose the ideas that work best for you. Start “small,” however, or you may become overwhelmed. Choose no more than three or four behavior-change strategies to get started. Best wishes for health, wealth, and happiness.

Health and Wealth Behavior-Change Strategies

1. Track Your Current Behavior. See page 17
2. Unload Your Childhood Baggage. See page 20
3. Put Your Mind to It. See page 23
4. Commit to Making a Change. See page 27
5. Defy Someone or Defy the Odds. See page 30
6. Think Balance—Not Sacrifice. See page 33
7. Control Your Destiny. See page 38
8. Make Progress Every Day. See page 41
9. Get Help and Be Accountable. See page 44
10. Meet Yourself Halfway. See page 47
11. Say “No” to Super-Sizing. See page 51
12. Convert Consumption Into Labor. See page 54
13. Compare Yourself with Recommended Benchmarks. See page 58
14. Use Easy Frames of Reference. See page 63
15. Automate Good Habits and Create Templates. See page 66
16. Live “The Power of 10”. See page 70
17. Take Calculated Risks and Conquer Your Fears. See page 75
18. Appreciate Teachable Moments and Wake-Up Calls. See page 78
19. Weigh the Costs and Benefits of Changing. See page 81
20. Step Down to Change. See page 84
21. Kick It Up a Notch. See page 88
22. Control Your Environment. See page 92
23. Monitor Your Progress and Reward Success. See page 95
24. Expect Obstacles and Prepare for Relapses. See page 102
25. Set a Date and Get Started...Just Do It! . See page 105

TRACK YOUR CURRENT BEHAVIOR

*The refusal to choose is a form of choice;
disbelief is a form of belief.*

— Frank Barron

People often “disconnect” themselves from their personal health habits and financial practices. However, it’s hard to change behavior, to improve your health or increase your wealth, when you don’t fully acknowledge the problems with your current situation. Trying to make changes without an identified starting point is like making a plane reservation and not indicating the airport that you’re leaving from. You have to admit that you have a problem before you can take steps to address it.

Denial is common with both health and personal finance issues, even when there’s ample visible evidence (e.g., a bulging waistline and increasing credit card balance) to the contrary. Several recent studies, for example, have found that many people said they were “healthy” even though they were overweight, smoked, drank too much alcohol, and/or never exercised. Examples of financial denial (e.g., “other people will need long-term care, but I won’t” and “I’ll be OK in retirement even though I haven’t saved any money yet”) have also been well documented.

Awareness of one’s current behaviors and shortfalls is the first of the five A’s of successful behavior change. The other four are *ability* (being able to make a change), *ambition* (a strong desire to change), *attitude* (a positive state of mind about changing), and *action* (taking steps to actually change).

Most people don’t have a clue how many calories they consume daily or how many dollars they spend monthly on incidental expenses such as food and entertainment. One of the best ways to increase awareness is to record everything you eat each day and every time you are physically active for 10 minutes or more. A financial counterpart is to record what you earn and spend daily for a month or two. Keeping written records, although tedious, has been shown to be an effective way to track current practices and make behavioral changes in eating, exercise, and spending.

Ready to get started on the path to health and wealth? Use Worksheet 1, *Food and Activity Log*, page 18, and Worksheet 2, *Income and Expense Log*, page 19, to keep track of your current health and financial practices. Be as specific as possible. Each log has some example entries to get you going.

Since keeping written records will increase your chances of accomplishing the desired behavior changes, you may want to do it for an extended period or indefinitely. If so, purchase a notebook or set up a spreadsheet for record keeping. Use the Worksheets 1 and 2 as a guide.

— Action Steps —

Health

- Ask yourself truthfully if you are in denial about one or more aspects of your health.
- Record everything that you eat and drink for several days, including the quantity of food and beverages consumed and their estimated number of calories.
- Record each time that you are physically active for 10 minutes or more (e.g., walking).
- Total the number of calories consumed daily and the total time spent on physical activity (exercise).

Wealth

- Ask yourself truthfully if you are in denial about one or more aspects of your personal finances.
- Record everything that you earn and spend for a typical month or two.
- Total monthly income and expenses to determine whether cash flow is positive (income greater than expenses) or negative (expenses greater than income).

Worksheet 1

Food and Activity Log

Date: _____

Time of Day	Description of Food and Beverages Consumed	Quantity of Food and Beverages Consumed	Estimated Calories Consumed	Activity	Time Spent on Activity
7:00 am				Treadmill-	20 mins
7:20 am	Plain small bagel with cream cheese	1 bagel/1 tbsp. spread	340 cals		

Worksheet 2

Income and Expense Log

Month of: _____

Date	Description of Income	Amount	Description of Expenses	Amount
7/1	<i>Paycheck</i>	<i>\$300</i>	<i>Food</i> <i>Movie Tickets</i>	<i>\$45</i> <i>\$18</i>
7/2			<i>Allowances</i> <i>Child Care</i> <i>Gas</i>	<i>\$20</i> <i>\$50</i> <i>\$15</i>

UNLOAD YOUR CHILDHOOD BAGGAGE

*Man's mind, once stretched by a new idea,
never goes back to its original dimensions.*

— Oliver Wendell Holmes, Jr.

People's emotions and childhood experiences can influence their health and personal finance behaviors. Adults develop beliefs about health, eating, and money from their family and surrounding culture (e.g., media advertising). They may eat the same foods, for example, or tithe the same amount to their church that their parents did. Even if an individual's behavior is exactly the opposite of their parents' (e.g., not smoking in a family of smokers), the parents probably still had an influence.

Once people understand the origins of their beliefs about health and money and unload the “baggage” that has been holding them back, it is often easier to make behavior changes. Insights into your underlying emotions can be helpful in making the changes to improve health and increase wealth.

What is “baggage”? “Baggage” is the false, and often irrational, set of feelings and beliefs, which distort people's thinking and affect their health and financial behaviors.

Here are some examples of health baggage:

- Sick and unhealthy people get more attention than healthy people.
- Diets don't work.
- Good people die young.
- You can't change bad health genes.
- Outward appearance = inner quality.
- Eating a meal with your family is stressful.
- Disciplining is done at the dinner table.
- Skipping meals is a shortcut to becoming thin.
- All snacks and desserts are bad.
- Food is used to punish or reward.
- Children should eat differently from their parents.
- Alcohol and cigarettes are associated with pleasurable social experiences.
- Exercise is painful and/or unnecessary.

Here are examples of financial baggage:

- Net worth = self worth.
- Money is a tool to use for power and control.
- Money is an end, not a means to an end.
- Hard work is always rewarded.
- I'm not smart/capable enough to earn a lot of money.
- Live for today—the future doesn't matter.
- High debt is normal.
- The man should make all the financial decisions.
- You must work long hours and neglect your family in order to earn a good income.
- You're not supposed to talk about money.
- Buying expensive gifts proves that you love someone.
- You will never have enough.
- The government (Social Security) and my employer will take care of me in later life.
- The more money you make, the happier you'll be.

Once you recognize and understand your health and personal finance “baggage,” how do you unload it? By turning your negative “baggage” into positive and motivating health and financial messages. Does this sound hokey? It's not. In her 2004 book, *Secrets of Six-Figure Women*, author Barbara Stanny wrote about the power of mental imaging, noting “our state of mind, more than anything else out there, determines our level of success.”

Here is an example of negative “health baggage” turned into a positive health message:

- **Health Baggage:** You can't control your bad health genes.
- **Health Message:** I can decrease my risk of health problems through diet, exercise, and regular checkups.

Here is an example of negative “financial baggage” turned into a positive financial message:

- **Financial Baggage:** You have to work real hard for money and, even when you do, you may not be rewarded for your effort.
- **Financial Message:** Money is a resource for health and wealth and can be used to create my own rewards.

Your current health and financial decisions are influenced by what you've seen and heard since childhood. Ready to break free of negative thought patterns that have been weighing you down emotionally, physically, and financially? Put them in writing and you can start to

address them. Understanding your “baggage” is a critical first step on the path to health and wealth. It helps explain why you do what you do.

Close your eyes, think about your past experiences and current practices. In Worksheet 3, *Health Baggage*, page 22, write down some of the negative health messages you recall and in Worksheet 4, *Wealth Baggage*, page 22, write down negative wealth messages you recall. Using the examples above as a guide, turn your “health baggage” and “wealth baggage” into positive messages by completing the rest of the worksheets.

— Action Steps —

Health

- Make a list of your “health baggage” and reflect about why you came to adopt certain false and/or negative beliefs about health behaviors.
- Convert each example of health baggage into a positive health message.
- Share a positive health message with a friend.

Wealth

- Make a list of your “financial baggage” and reflect about why you came to adopt certain false and/or negative beliefs about financial behaviors.
- Convert each example of financial baggage into a positive financial message.
- Share a positive wealth message with a friend.

Worksheet 3

Health Baggage

My "Health Baggage" is: _____

My Positive Health Message is: _____

Worksheet 4

Financial Baggage

My "Financial Baggage" is: _____

My Positive Financial Message is: _____

PUT YOUR MIND TO IT

*I've discovered that numerous peak performers
use the skill of mental rehearsal of visualization.
They mentally run through important events before they happen.*

—Charles A. Garfield

One of the most powerful motivational strategies to improve health and increase wealth is visualization. As the quote above describes, many successful performers report “seeing” what they want to achieve long before they actually accomplish it. People can alter their lives just by altering their mindset. Visualization (a.k.a., mental imagery) is a powerful step in the process of setting and achieving goals. Unfortunately, it is often ignored. All too often, people want to “do something” immediately or they focus solely on current problems instead of picturing where they want to be in the future. There’s also the “fear factor” associated with picturing a behavior change. In the popular book about changing behavior, *Who Moved My Cheese?*, one of the characters eventually “envisioned himself in realistic detail—finding something better—much better.” He overcame his fear of change and found new “cheese” (i.e., success).

So how do you get started visualizing improvements to your health and finances? Start by painting a mental picture of your preferred future. If you have a weight-loss goal, picture yourself 20 pounds slimmer fitting into clothes that you haven’t worn for years. See yourself as active and walking 30 minutes a day. If you plan to reduce debt, imagine yourself receiving a credit card statement that shows a zero balance. Experts also advise visualizing how you will deal with obstacles to your goals (e.g., enjoying a holiday party without overeating). Emotions are another important component of the behavior-change process. Visualize, and then verbalize to others, how you think improved health and increased wealth will make you feel. Positive and long-term feelings can be powerful motivators.

Use the *Small Steps to Health and Wealth Planning Worksheet*, page 113, to get started visualizing your health and wealth goals. Spaces are provided to write each goal and draw or attach a picture of it. Why include a picture?

To remind yourself daily of your future goal(s) because visual cues can help you stay focused. Post the worksheet someplace you’ll see it every day such as a dresser mirror or refrigerator. In order to make behavior changes, you must have a vision of what you want to achieve. Once you “see” it, you can name it, describe it, and take small steps over time to achieve it. Sometimes visualizing negative images can prompt a behavior change. For example, seeing a relative die of lung cancer and envisioning yourself in a similar situation might provide the necessary impetus to quit smoking.

In addition to visualization, there are several other ways to “think yourself” healthy and wealthy. The first is to frequently remind yourself of your strengths as an individual (e.g., personality characteristics and things you are good at) and goals that you’ve already set and achieved. Success is a powerful motivator and failure is a mind-set that can be changed. When you are tempted to abandon your health and wealth objectives, think about how good it felt to achieve a previous goal. Challenge the negative influences around you with affirming messages such as “If I could do [action], I can certainly do [action].” Draw upon the focus and discipline you showed at an earlier time in your life. If you and/or people around you are saying you’ll never be able to do something, ask yourself, “Why not?”

Another way to foster a positive mind-set is with words used to describe behavior changes related to health and personal finance goals. Experts call this using the “language of change.” Start by banishing “weasel words” such as “I hope to,” “I plan to,” “Hopefully I can,” and “I’ll try to” from descriptions of future action steps. Replace them with bold declarative statements starting with words such as “I am,” “I can,” and “I will.” “I will save \$100 a month,” for example, has a much more powerful impact on the unconscious mind than “I’ll try to save \$100.” It also increases accountability to yourself

and to others because you've stated exactly what you intend to do with an expectation that you'll deliver results.

Another language "trick" is to describe the behavior you intend to take in the present tense, preferably with words like "automatically," "annually," and "always," as if you have already been doing it for some time. Again, there is an accountability aspect to talking this way. It is an incentive to start "walking your talk" because, otherwise, you are basically telling other people a lie. It is also motivational to focus on small, positive action steps. Some examples of present-tense phrases include:

- I automatically deposit \$100 a month into a growth mutual fund.
- I quit smoking.
- I almost always exercise at least 30 minutes a day.
- I have a Roth IRA account and contribute to it annually.
- I save spare change every day in a jar.
- I always eat fruit for dessert at dinner.

Similarly, behavior-change experts recommend speaking of negative behaviors and relapses in the past tense as if they no longer happen, using words like "I was," "I no longer," and "I used to." Again, this provides accountability to oneself and others and trains the unconscious mind to believe that change is occurring or is at least possible. Some examples of past tense phrases are:

- I once weighed 200 pounds.
- I used to live paycheck-to-paycheck and not save any money.
- I was once a couch potato.
- I used to spend recklessly on credit cards.
- I used to smoke a pack of cigarettes a day.
- In the past, I spent \$5 a day on lottery tickets.

When it comes to improving health and increasing wealth, you can do it if you put your mind to it. When people expect a lot, they generally achieve a lot, and when they expect a little, their performance suffers. Visualization is the process of creating pictures in your mind and using them to commit to a goal. To get started, complete Worksheet 5, *Visualization and Positive Self Talk—Health*, page 25, and Worksheet 6, *Visualization and Positive Self Talk—Wealth*, page 26. Use them as a tool to train your mind to expect success and take action to achieve it.

— Action Steps —

Health

- Make some "quiet time" to visualize yourself making behavior changes to improve your health.
- Write an "I will" statement to describe each health-behavior change.
- Speak of positive health behaviors in present tense and negative health behaviors in past tense.
- Acknowledge current positive health behaviors and health goals that have already been achieved.

Wealth

- Make some "quiet time" to visualize yourself making behavior changes to improve your finances.
 - Write an "I will" statement to describe each financial-behavior change.
 - Speak of positive financial behaviors in present tense and negative financial behaviors in past tense.
 - Acknowledge current positive wealth behaviors and wealth goals that have already been achieved.
-

Visualization and Positive Self Talk—Health

1. Write your health goals in brief phrases: _____

2. What will it feel like to achieve your health goals? _____

3. Write a sentence to describe something you are good at or a past goal that was achieved: _____

4. Write a sentence that clearly states a health-behavior change without any weasel words: _____

5. Write a positive health behavior in the present tense: _____

6. Write a negative health behavior in the past tense: _____

Visualization and Positive Self Talk—Wealth

1. Write your wealth goals in brief phrases: _____

2. What will it feel like to achieve your wealth goals? _____

3. Write a sentence to describe something you are good at or a past goal that was achieved: _____

4. Write a sentence that clearly states a financial-behavior change without any weasel words: _____

5. Write a positive financial behavior in the present tense: _____

6. Write a negative financial behavior in the past tense: _____

COMMIT TO MAKING A CHANGE

*Unless commitment is made,
there are only promises and hopes...but no plans.*

—Peter Drucker

Most people make improvements to their health and finances by changing themselves without the assistance of professionals or 12-step support groups. According to a leading theory about personal behavior change, improvements, such as losing weight and saving money, take place in defined stages over a period of time. This theory, called the Transtheoretical Model of Change, has been applied to a variety of health-related behaviors including weight control and addictions (e.g., smoking).

According to the Transtheoretical Model, there are five major stages of change. At the *pre-contemplation* stage, people may not even be aware that a problem (e.g., high debt load and risk for diabetes) exists or that a change should be made in their lives. At the *contemplation* stage, they gain knowledge about alternative behaviors and begin to understand ways to change (e.g., reduce spending and increase physical activity). At the *preparation* stage, people seriously plan to make changes and gain required skills (e.g., taking a personal finance course or visiting the www.nutrition.gov website). At the *action* stage, they “take the plunge” and actually change a be-

havior. In the *maintenance* stage, people work to sustain their change and reap the rewards of their efforts (e.g., decreased debt balance and improved blood-glucose levels).

Commitment takes place during the preparation stage of change. Here people acknowledge that “if it is to be, it’s up to me” and begin to develop a plan of action. Studies have found that “plans to change” can predict actual changes. An example of a statement of commitment to change is “I will save \$25 per week in a 401(k).” Another is “I will take two 600-mg calcium tablets with meals daily.” As people prepare to change their behaviors, they often seek “how to” information and advice. Common activities performed during the preparation stage of change are: enrolling in a class, consulting a counselor, buying a self-help book, and paying increased attention to a behavior-change issue (e.g., preventing diabetes).

Sometimes people are able to simply “will” a behavior change. When asked later how they succeeded in changing, they reply, “I just decided to do it.” Perhaps they drew a mental “line in the sand” at some point (e.g., weighing 180 pounds) and dared not cross it. Or maybe they be-

— Action Steps —

Health

- Identify the stage of change you are in with respect to a health behavior that you want to change.
- Write a statement of commitment to change a health behavior using the words “I will.”
- Identify the primary factors that motivate you to make health changes (e.g., fitting into tight jeans).
- Turn a negative behavior into a positive (e.g., I’ll cut back on sweets and eat fresh fruit instead).

Wealth

- Identify the stage of change you are in with respect to a financial behavior that you want to change.
- Write a statement of commitment to change a financial behavior using the words “I will.”
- Identify the primary factors that motivate you to make financial changes (e.g., fear of living in poverty).
- Turn a negative behavior into a positive (e.g., I’ll cut back on lottery tickets and save the money).

came aware of the dangers of an unhealthy practice and told themselves “Something has to change” or “I’ve got to do something about this” or “I’m just not going to do this anymore.” More commonly, however, successful behavior change requires a variety of self-help strategies and/or a strong support system.

As you commit to take action to improve your health and finances, determine what behavior(s) you are changing, the pros and cons of making changes, and how you intend to change your behavior and address obstacles along the way. To firm up your plans, complete Worksheet 7, *Commitment to Change*, below, for both health-related goals and wealth-related goals.

Worksheet 7		
Commitment to Change		
Question	Health	Wealth
What behavior changes are you planning to make?		
What are some reasons to make these changes?		
What are some reasons not to make these changes?		
How strongly do you want to change? How confident are you that you'll succeed?		

Worksheet 7

(continued)

Question	Health	Wealth
What is keeping you from changing right now?		
What steps will you take to make the behavior changes?		
Will you need any help?		
Do you have any role models?		
When will you start taking action? Give a specific date.		
What obstacles do you expect to face? How do you plan to address them?		

DEFY SOMEONE OR DEFY THE ODDS

*Don't be afraid to attempt something new.
Remember, it was amateurs who built the ark.
It was professionals who built the Titanic.*

—Unknown

Remember when you were a small child and your parents told you *not* to do something? What did you often do? You turned around and *did* it anyway. Acts of defiance are how preschoolers begin to assert themselves. It is their way of rebelling against parental restrictions and attempting to manipulate people. Defiant children generally perceive several “payoffs” to their behavior including increased power and control over others and the satisfaction that comes with successfully “breaking the rules.”

Acts of defiance can also be used in a positive way to improve your health and/or increase your wealth. One way is to simply defy someone and make a recommended behavior change. If others say you’ll never be able to do something (e.g., lose weight, quit smoking, exercise, repay debt, save money), defy them and take the necessary action to prove them wrong. For added motivation, make a bet with someone (e.g., a friend or sibling) with a desired reward and a time deadline. For example, “I bet you [a certain dollar amount] or [tickets to a play] that I’ll be able to [describe behavior change] by [date].” Better still, challenge the other party to a competition and compare your respective progress. Tap into the same urges to rebel and compete that you once had as a child. Feel the smugness that comes with proving other people wrong as you take small steps toward improved health and finances.

There are many similarities between expert recommendations to challenge a defiant child and using defiance to improve a health and/or financial behavior. Step one is to decide which current behavior you want to change and the preferred behavior you eventually want to see. Step two is to determine the smallest sign of change. Step three is to “catch someone doing something good” (i.e., making a positive change) and acknowledge it as an incentive to continue making progress.

What if you don’t have anyone to defy? Not to worry. You can still employ this behavior-change strategy by “defying the odds” and not allowing yourself to “become

a statistic” with regard to issues like diabetes, obesity, overspending, and bankruptcy. Not sure where to get started? Review the lists of startling health and personal finance statistics below that are definitely worth defying. Then, fill out Worksheet 8, *Defy Someone or Defy the Odds*, page 32. Make plans to use a bet or a dare or a competition with someone as an incentive to change a health or personal finance behavior. Pick a health statistic and a wealth statistic that you would like to defy and describe your action plan.

Health Statistics to Defy

- In 2010, 34% of adults were obese as were 17% (or 12.5 million) of children between ages 2 and 19 according to the Center for Disease Control. The number of states with an obesity prevalence of 30% or more has increased to 12 states in 2010. ([HTTP://WWW.CDC.GOV/NCHS/FASTATS/OVERWT.HTM](http://www.cdc.gov/nchs/fastats/overwt.htm))
- Two thirds of Americans are overweight (BMI between 25 and 29.9), obese (BMI between 30 and 39.9), or extremely obese (BMI of 40 and above).
- In 2008, medical costs associated with obesity were estimated at \$147 billion; the medical costs paid by third-party payors for people who are obese were \$1,429 higher than those of normal weight.
- American adult caloric intake has risen from 1,854 to 2,002 calories per day over the past 20 years. This 148-calorie-per-day increase equals a weight gain of 15 pounds per year.
- Cigarette smoking, followed by poor diet and physical inactivity, are the leading preventable causes of death in America.
- Some 25.8 million Americans have diabetes and 79 million have pre-diabetes, meaning their blood-sugar levels are higher than normal but not yet at the level that qualifies for a diabetes diagnosis.

- More than 60% of American adults do not get the recommended 30 minutes of physical activity a day and 25% aren't physically active at all.
- In a 2004 study, for every 30 minutes spent commuting, workers had a 3% higher chance of becoming obese compared with workers who spent less time driving.

Wealth Statistics to Defy

- The average U.S. household with credit card debt carries a balance of about \$15,000.
- About 70% of Americans are living “paycheck-to-paycheck” and have no money left over after paying basic monthly expenses.
- The number of U.S. household bankruptcy filings

has exceeded 1 million during the past four years (2008–2011).

- About half of all bankruptcies are triggered by illness or medical debts.
- Average American households are saving only about 5% to 6% of their disposable personal income.
- Only three in ten U.S. households meet the recommended guideline of holding at least three months' expenses in cash assets for emergencies.
- The median net worth (assets minus debts) of all U.S. households in 2010 was \$77,300. It has since declined.
- One-quarter of U.S. households are considered wealth-poor. They have net assets under \$10,000 and are a layoff or emergency expenditure away from financial disaster.

— Action Steps —

Health

- Pick someone to defy or compete with as an incentive to change a health behavior.
- Keep imagining how good it will feel to prove to someone that you can change.
- Pick a troubling health statistic and take action to defy it.

Wealth

- Pick someone to defy or compete with as an incentive to change a financial behavior.
 - Keep imagining how good it will feel to prove to someone that you can change.
 - Pick a troubling financial statistic and take action to defy it.
-

*If you want to see something done,
just tell some human beings it can't be done.
Make it known that it's impossible to fly to the moon,
or run a hundred metres in nine seconds,
or solve Fermat's Last Theorem.
Remind the world that no one has ever hit
sixty-two home runs in a season,
Stuffed eighteen people into a Volkswagon Bug,
Set half the world free, or cloned a sheep.
Dangle the undoable in front of the world.
Then consider it done.*

—Unknown

Worksheet 8

Defy Someone or Defy the Odds

Question	Health	Wealth
What is the current behavior you want to change?		
What is the preferred behavior that you want to practice?		
Who do you want to defy?		
Why do you want to defy this person?		
How will you defy this person?		
What statistic do you want to defy?		
How will you defy this statistic?		

THINK BALANCE—NOT SACRIFICE

Discipline is the bridge between goals and accomplishments.

—Anonymous

It's no wonder that many people quickly ditch New Year's resolutions to improve their health and increase their wealth. One reason is the negative feelings associated with words like "diet" and "budget." Immediately, we think of the three C's (cut back, cut out, and can't) or the three D's (denial, deprivation, and don't) and resist making a change. This is unfortunate because positive behavior changes aren't about making big sacrifices... they're about balance and tradeoffs. Whether it's the "energy balance" involved with weight management or the "money balance" (a.k.a., cash flow) associated with managing personal finances, the process is the same: you need to balance intake and outgo. To lose weight, you must maintain a "negative energy balance" by burning off more calories with exercise and daily activity than you consume. To save money, you need "positive cash flow," which means having income greater than expenses. Despite lots of marketing hype, there are no magic tickets to weight loss and saving money other than "eat less and exercise more" and "spend less and save more."

Lets start with your health. *Energy balance* is the difference between the energy you consume from food and beverages and the energy that your body burns in physical activity. This energy is measured in calories. The math is pretty simple. Each pound of stored body fat represents 3,500 calories. In order to lose one pound, a person must eat 3,500 fewer calories, burn 3,500 calories through exercise, or better still, combine calorie reductions with physical activity. For sustained weight loss, it is recommended that no more than two pounds (7,000 calories) be lost per week. Doctors often suggest a 10% weight loss, achieved over a six-month period, as an initial goal.

Between 1960 and 2002, the average U.S. men's and women's weight increased from 166 to 191 pounds and from 140 to 164 pounds, respectively. On average, peo-

ple consume 800,000 to 900,000 calories per year. If you've found yourself steadily gaining weight, your energy balance is "out of balance" because you are taking in more calories than you are burning off. The good news is small steps are all that are needed to reverse the trend. Losing 10 pounds in a year can be done with exercise, less eating, or a combination of the two. Here are some examples.

- Add 15 minutes of brisk walking (one mile at 4 mph) daily to burn off 100 calories.
- Make dietary modifications, such as eliminating a tablespoon of butter or soft drink to cut 100 calories.
- Walk briskly (4 mph) for 10 minutes and eat half a slice of bread or drink half a can of soda.

Here are some common activities and the number of calories that can be burned per hour by a person weighing 150 pounds: bicycling 5 mph (174), bicycling 13 mph (612), dancing (210), golfing without a cart (324), light housework (246), tennis (312), and walking 2 mph (198).

Some commonly eaten foods that contain 100 calories include 1 tbsp. mayonnaise, 1 tbsp. butter or margarine, 8 oz. cola beverage, 8 oz. beer, 6 to 7 French fries (2" × 1/2" × 1/2"), 1 1/2 tbsp. salad dressing, 8 to 9 medium potato chips, 3 tbsp. coffee cream, 1 medium-sized cookie, 5 oz. wine, 2 1/2 cups popcorn with oil, 2 "snack size" candy bars, and 1 slice bread. Substitutions are another way to save 100 (or more) calories. Two examples are using water-packed tuna instead of oil-packed, and 1% or 2% milk instead of whole milk. Low-fat or reduced-fat foods and condiments can also help reduce caloric intake.

Changing just one habit can have an enormous impact. For example, replacing a workday doughnut habit with an English muffin could save 350 calories a day or 91,000 calories annually (350 × 260 = 91,000), which

adds up to 26 pounds of weight loss in a year (91,000 divided by 3,500). Similarly, 45 minutes of brisk (4 mph) walking burns up about 244 calories. If this is done every day, 89,060 extra calories are burned in a year (244 × 365). Divide this number by 3,500 and this translates into a one-year weight loss of 25 pounds. The take-home message is that “calories count.”

The USDA ChooseMyPlate recommendations have been developed for the American diet to keep dietary intake “balanced” with suggestions for breakfast, lunch, and dinner. Visit www.choosemyplate.gov to explore healthy eating and physical activity recommendations. The site includes nutritional information for over 8,000 foods that provide a quick reference for weekly menu planning. Sample menus based on a 2,000 calorie per day food pattern over seven days provide suggestions for balanced meals with all the MyPlate food groups. Tips are included for healthy eating when away from home.

Simple messages for consumers to follow from the Choose MyPlate website include:

- **Balance your calories by enjoying your food, but eat less food.** Aim for avoiding oversized portions and make physical activity a part of your daily routine! Start by doing 10 minutes of activity and taking “small steps” to increase activities. Aim for 150 minutes per week of moderate exercise or 75 minutes per week of vigorous activity.
- **Increase the amount of fruits and vegetables in your diet.** Vary the vegetables you eat by choosing raw or cooked, fresh, frozen, canned, or dried/dehydrated. They may be served whole, cut, or mashed.
- **Make at least half of your grains whole grains** that contain the entire grain kernel – the bran, the germ, and the endosperm. Some examples include whole-wheat flour, bulgur or cracked wheat, oatmeal, whole cornmeal, and brown rice.
- **Switch to fat-free or low-fat (1%) dairy products.**
- **Select lean or low-fat meat and poultry foods.** The USDA recommends including at least 8 ounces of cooked seafood per week for adults.
- **Reduce the consumption of sodium.** Compare the amounts of sodium in foods like soup, bread, and frozen meals. Choose foods with lower amounts of sodium.

- **Make water your drink of choice rather than consuming sugary drinks.**

Let’s extend the “balance” concept to personal finances. There’s a popular saying: “If your outgo exceeds your income, then your upkeep will be your downfall.” Cash flow is the relationship between income and expenses, including savings for future goals such as retirement. Ideally, your cash flow should be a positive number because this means you are living below your means. If you continually spend more than you earn, you will have a negative cash flow. As a result, you will eventually go broke. There are three ways to achieve positive cash flow: increase income, decrease expenses, or a combination of the two.

Increasing income is usually the most difficult method because others often make the decisions (e.g., your salary). Yet, there are ways to increase income such as upgrading job skills, a second job or overtime, a side-line business, publicly-provided benefits, tax write-offs such as the earned income tax credit, charging adult children “rent” for living at home, selling possessions, and bartering.

People generally have more options to reduce expenses and bring them in line with income. One way to do this is “The 10% Solution.” This simply means trying to save 10% of your gross income annually by reducing flexible household expenses, such as food, clothing, and entertainment. Over time, the results can be awesome. Some people say there’s no way they could save this much. Perhaps 5% is a more realistic figure, which can be slowly increased over time. The trick to “finding” money to save is tracking household expenses for several months to identify those that can be reduced. See Strategy 1: *Track Your Current Behavior* that starts on page 17.

One place where significant savings can often be found is the family food bill. According to the U.S. Department of Agriculture (August 2012), a middle-income family of four spends an average of \$235.70 a week for food eaten at home. Ten percent of that is \$23.57 or an annual savings of over \$1,200 (23.57 × 52). The next time you go food shopping, take a good look at what’s in the cart before checking out. Are there expensive snacks or convenience foods that you can do without or make yourself? Are you comparing the cost of store and “name” brands and taking advantage of coupons and promotions? An-

other way to decrease food expenses is to reduce the amount spent on food eaten away from home.

Apply the “10% Solution” cost cutting process to other household expenses: clothing, gifts, entertainment, personal care, etc. Also, determine if there are ways to reduce large expenses such as housing (e.g., refinancing mortgage) and insurance (e.g., policy discounts). By combining savings in several expense categories, it is often possible to save 10% of your gross income without feeling deprived. This is especially true when cuts are made to “big ticket” items.

Here are some estimated monthly savings amounts from the Consumer Federation of America’s *America Saves* program: save 50 cents a day in loose change (\$15), substitute coffee for cappuccino (\$40), bring lunch to work (\$60), buy grocery store brands (\$10), eliminate premium cable channels (\$20), use fewer phone features (\$10). For additional ideas, visit WWW.AMERICASAVES.ORG.

One final caution about energy balance and money balance: be prepared to adjust to changed circumstances. If you injure your leg and can’t exercise for a while, you’ll need to reduce your food intake by the number of calories you are *not* burning, so as not to gain weight. Ditto for an “injury” to your income, such as disability or unemployment. You’ll need to reduce flexible expenses as much as possible and avoid the common error of maintaining your previous lifestyle with loans and credit cards.

Are you ready to make changes to your energy balance

and/or money balance? Complete Worksheet 9, *Energy Balance*, page 36, and Worksheet 10, *Financial Balance*, page 37, by brainstorming ideas to improve your health and increase your wealth.

— Action Steps —

Health

- Consult restaurant or food product websites and nutrition labels to increase your awareness of food caloric values.
- Use exercise equipment with displays that indicate the number of calories burned.
- Take action to increase physical activity and reduce the number of calories consumed.

Wealth

- Consult personal finance books or websites for information about budgeting and expense reduction.
 - Download and use the *Spending Plan Worksheet* at WWW.RCE.RUTGERS.EDU/MONEY2000.
 - Take action to increase income and reduce household expenses.
-

Worksheet 9

Energy Balance

Strategies To Reduce My Calorie Intake

1.

2.

3.

4.

5.

Strategies to Increase My Physical Activity

1.

2.

3.

4.

5.

Financial Balance

Strategies To Increase My Income

1.

2.

3.

4.

5.

Strategies to Decrease My Expenses

1.

2.

3.

4.

5.

CONTROL YOUR DESTINY

*To accomplish great things, we must not only act,
but also dream; not only plan, but also believe.*

—Anatole France

The best way to predict the future is to create it. To become healthy or wealthy, expect a positive outcome and work hard to achieve it. Your attitude and beliefs about your control over future life events are important success factors. Winston Churchill once said, “The pessimist sees difficulty in every opportunity. The optimist sees the opportunity in every difficulty.” Walt Disney said of dreams “All our dreams can come true, if we have the courage to pursue them.”

Locus of control (LOC) is a concept that refers to the extent people perceive how their personal behavior influences life events. *Internally* controlled people perceive themselves as having control over the outcome of events, including their health and finances. In other words, they believe that responsibility for outcomes is based, at least partially, on their personal actions. They are “masters of their fate.” Those who are *externally* controlled typically perceive things to “happen” by luck, fate, or the control of powerful people. Life is seen as a game of chance where “whatever will be, will be.”

Locus of control is a learned concept and strongly related to success and achievement of personal goals. Generally, an internal LOC is seen as desirable. Research has shown that males tend to be more internal than females and that people become more internal as they get older. Many people with an external LOC face numerous life challenges or lack role models and opportunities for independent decision-making. LOC is also situation specific. People are generally more internal in familiar situations where they have some experience. In unfamiliar situations, people are more external and are apt to defer to the expertise of others.

LOC is reflected in a person’s behavior with respect to health and wealth. For example, *externals*, as believers in chance or fate, are more likely to buy lottery tickets, read horoscopes, and own “lucky charms.” They have also been found to take fewer precautions to protect

their health and are less likely than *internals* to search for health-related information and to engage in physical activities. *Internals* are more likely to fund 401(k) plans and read self-improvement books because they believe that success depends on preparation, sacrifice, and hard work. They are also more likely to seek out information about maintaining their health and more likely to take action to reduce health risks.

Are you primarily an *internally* controlled person or an *externally* controlled person? In other words, do you see yourself as having some control over future life outcomes or at the mercy of fate or “the powers that be”? Dr. Julian Rotter developed a 13-item scale to test the LOC concept in the 1960s and it has been refined by Rotter and other psychologists ever since. To test your personal LOC, type the words “Locus of Control” into an Internet search engine such as Google. You’ll find dozens of online LOC questionnaires, including several for health locus of control (HLC). HLC is the degree to which people believe that their health is controlled by internal or external factors.

The original 13-item LOC questionnaire developed by Rotter can be taken online at www.PSYCH.UNCC.EDU/PAGOOKA/LC.HTML. The instrument requires people to choose between pairs of statements and pick the one that best describes their feelings about their control over life events. Scores can range from 0 to 13. A low score (e.g., 2) indicates an internal LOC and a high score (e.g., 11) indicates an external LOC. Some of the questions address the following choices:

- Are unhappy events in life the result of bad luck or personal mistakes?
- Does it pay to plan things in advance or do most things work out as a result of good or bad luck?
- Is what happens to people mostly of their own doing or are most things in life beyond their control?

- Can ordinary people influence the government or do a small group in power run everything?

LOC beliefs are generally learned in childhood and can become self-perpetuating later in life. People become externally controlled when they repeatedly experience situations in which they perceive themselves having little or no control over what happens to them. If you find that you have an external LOC on one of the online quizzes, don't despair. LOC can be changed with patience, determination, and focus. The following quote by Carl Bard says it all: "Though no one can go back and make a brand new start, anyone can start from now and make a brand new ending."

How do people move from an external LOC toward an internal LOC? Educators and psychologists often suggest the following:

- Set small, quick goals with a high probability of success so you'll learn to attribute positive results to your own efforts. Include a specific outcome, a timeline, and an action plan. Two examples are "save \$50 a month by placing a dollar a day, plus pocket change, into a can or jar" and "lose 4 pounds in 5

weeks by eliminating 200 calories per day and exercising to burn off 200 calories" (400 calories × 7 days = 2,800 calories/week × 5 weeks = 14,000 calories divided by 3,500 = 4).

- Since you are prone to look externally to others for direction, rewards, and reinforcement, find people to support you in your health and wealth improvement efforts and who can serve as positive role models or mentors. Ask them for guidance or resources where needed.
- Make a list of positive and negative events that happen in your life over the course of the next month and describe how your personal actions (or lack of action) affected the outcome.
- Think about your childhood learning experiences. Did your parents emphasize hard work and responsibility and give you promised rewards upon the completion of tasks? Or do you remember life being out-of-control and that planning and hard work did not seem to matter? Understanding how your LOC beliefs were shaped will help you take action to change them.

Use Worksheet 11, *Locus of Control*, page 40, to better understand your personal LOC belief system.

— Action Steps —

Health

- Take an online health locus of control survey and complete the worksheet to learn more about yourself.
- Make a list of your targets of blame for poor health practices (e.g., job, parents, lack of time and money).
- Work on a specific short term health goal with a high probability of success.

Wealth

- Take a Web locus of control survey and complete the worksheet to learn more about yourself.
 - Make a list of your targets of blame for poor financial practices (e.g., poverty, lack of time and money).
 - Work on a specific short-term financial goal with a high probability of success.
-

Worksheet 11

Locus of Control

Question	Health	Wealth
<p>Do you primarily have an internal or external locus of control? Why?</p>		
<p>How did childhood experiences affect your locus of control?</p>		
<p>What are the ways that your locus of control affects your current practices?</p>		
<p>What words and phrases do you use that indicate your locus of control? Examples: <i>"If it is to be, it is up to me"</i> <i>"Why is this happening to me?"</i></p>		
<p>Where do you go for information and support to make behavior changes?</p>		

MAKE PROGRESS EVERY DAY

Where attention goes, energy flows, and results show.

—Unknown

Make Progress Every Day was the tagline of a successful Verizon Communications branding campaign launched in 2002. In a press release about the campaign, Verizon stated that “making progress means helping its customers and communities move forward every day” through the use of its telecommunications products. “Whether it’s holding a conference call on a project, finding a shop that carries a gift you want to buy, or doing online research...when our customers accomplish any of these simple, everyday feats, it represents a small step of progress.”

Remember the old phrase “a journey of a thousand miles begins with a single step”? That single step is doing something positive every day. “Make progress every day” is a strategy for improving health and increasing wealth because it promotes a healthy attitude about behavior change. Many people fail to make the connection between big goals and the small steps required to achieve them. They expect progress to “happen” instead of building progress steps into their daily activities. Making progress requires hard work and may make you uncomfortable at times. James Bryant Conant wrote, “Behold the turtle. He makes progress only when he sticks his neck out.” You have to stick your neck out in order to move closer to your goals.

The secret to making progress is getting started...today. Three ways to make progress every day toward health and wealth are: daily affirmations, daily learning activities, and daily action steps.

Daily Affirmations

Affirmations are a motivational technique to help people believe that change is possible in their lives. They are positive statements about how someone wants to think, feel, and/or behave that are repeated multiple times each day. Affirmations should be short (so they are easy to re-

member), positive, and stated in the present (rather than future) tense, even though they probably do not reflect your current reality. An example of the latter is “I weigh 140 pounds,” when you actually weigh more. You would not say “I no longer weigh 200 pounds,” because this is a negative statement, nor would you say “I am going to weigh 140 pounds” because this is a future-tense statement that mentally postpones action. Start your affirmations with the word “I” (e.g., “I have,” “I believe”) or “my” to make them personally yours.

Affirmations are a tool for changing how people think and act, and can change lives for the better. They have been compared to burning a CD... in your mind. Affirmations need to be imprinted into your subconscious with daily repetition. One recommended frequency is 10 times, twice daily. Speaking them out loud (e.g., while commuting to work or in the shower) is recommended. You don’t even have to believe your affirmations initially. That can come later after you’ve experienced some progress. You do, however, need to be willing to make necessary behavior changes to realize your affirmations or they are basically a waste of time. Below are examples of health and wealth affirmations. Review these and then write your daily affirmations in Worksheet 12, *Make Progress Every Day*, page 43.

- I am healthy, wealthy, and happy.
- I am a millionaire in the making.
- I choose to honor and take care of my body.
- I give thanks every day for all my blessings.
- I am aware that my dreams and goals create my reality.
- I have no debt on my credit cards.
- My work is deeply fulfilling.
- My income is growing.
- My investment portfolio is increasing.
- My weight and body mass index are decreasing.

Daily Learning Activities

Learning to learn is one of life's most important skills. One way to make progress toward a health or wealth goal is to learn more about health and wealth. Make a conscious effort to learn something new every day. Read an article, watch a television show, listen to the radio, talk to other people, (family, friends, co-workers, professionals) and/or visit relevant websites. Start a filing system for interesting information so that you can refer to it later, if needed. Links to dozens of reputable health and wealth websites can be found in Appendix 2, *Small Steps to Health and Wealth Resources*, that begins on page 115. Review the sources of knowledge available to you and then write your daily learning activities in Worksheet 12 on the next page.

Daily Action Steps

Perhaps you've heard the phrase "Yesterday is the past. Tomorrow is the future. Today is a gift. That's why it's called the present." Today, and everyday, is the time to take action to improve your health and increase your wealth. You can "keep your eyes on the prize" and make progress every day by setting realistic and attainable goals. Many people overestimate how much they can do in short time periods and underestimate just how much they can do over time. Two examples demonstrate the latter:

- **Health**—Lose 4 pounds in 5 weeks. Repeat 10 times over a year and you can lose 40 pounds.
- **Wealth**—Save \$5 a day or \$35 a week. Repeat for an entire year and you can save \$1,820, plus interest.

There are no "magic bullets" that guarantee health and wealth. But daily progress will build upon itself, just like compound interest. If you do something consistently, at least five times a week, you will make steady progress. Each little step adds to the ones before it.

A common reason given for inattention to health and personal finances is "lack of time" for sleep, exercise, healthy eating habits, investment decision-making, checkbook balancing, etc. People hear that they need to exercise 30 to 60 minutes a day, for example, and auto-

matically say, "I'm too busy." Fitness experts say, however, that you can accumulate those minutes throughout the day in 10- to 15-minute "chunks" of time. Gradual progress is also fine for financial maintenance tasks such as calculating net worth, requesting free credit reports, and preparing written financial goals and budgets.

How can you find chunks of time to improve your health and wealth? You look for them and dedicate them to making daily progress. There are 1,440 minutes in a day or 144 ten-minute chunks of time. Subtract about 7 hours for sleep and that leaves about 100 10-minute chunks. Another way to "find time" is "smart multi-tasking." Read a mutual fund prospectus or exercise while watching television, for example. Carve out pockets of time for activities related to health and wealth goals.

Need some ideas for making daily progress? Consider the following recommendations. Then use Worksheet 12, page 43, to outline your daily action steps.

Health

- Take the dog for a 15–20 minute walk or walk with co-workers during your lunch break.
- Quit smoking and don't look back. Join a support group or use a nicotine patch, if needed.
- Drink 6–8 cups of water per day by taking several sips every hour, especially before meals.
- Eat one more serving of fruit and one less "empty calorie" sweet (e.g., cookie, candy, cola).
- Eat 100 fewer calories a day by eliminating 1 tbsp. mayonnaise, butter, margarine, or salad dressing.

Wealth

- Save \$1, \$2, \$5, or \$10 a day, plus pocket change, in a can or jar. Deposit it monthly into savings.
- Save \$1, \$2, \$5, or \$10 a day, plus pocket change, in a can or jar. Add it to credit card payments.
- Buy one less soda, coffee, latte, doughnut, snack food, lottery ticket, newspaper, etc.
- Join a work-related savings program (e.g., 401(k), credit union) and save part of each day's pay.
- Follow one of *66 Ways to Save Money* found at www.66WAYS.ORG.

— Action Steps —

Health

- Identify three or more 10-minute chunks of time to make progress toward your health goals.
- Follow one new recommended health improvement practice each day.
- Keep track of your health progress (e.g., pounds and inches lost, lower BMI and blood pressure).

Wealth

- Identify three or more 10-minute chunks of time to make progress toward your financial goals.
- Follow one new recommended wealth improvement practice each day.
- Keep track of your financial progress (e.g., increased savings, reduced debt, investment returns).

Worksheet 12		
Make Progress Every Day		
Activity	Health	Wealth
Write your goals in brief phrases.		
Write a daily affirmation for your goals.		
Describe a daily learning activity related to your goals.		
List your five best 10-minute chunks of time to pursue your goals.		
List daily action steps related to your goals.		

GET HELP AND BE ACCOUNTABLE

To solve any problem, there are three questions to ask yourself:

First, what could I do? Second, what could I read?

And third, who could I ask?

—Jim Rohn

Motivational guru Napoleon Hill once observed “What the mind of man can conceive and believe, the mind of man can achieve.” But sometimes you need a little help and people to hold you accountable for your actions until you reach your health and wealth goals. Supports for health and financial behavior changes include other people, employers, support groups, and professional advisors.

Friends, family, and co-workers can be a resource or an obstacle to making progress. In the widely cited Trans-theoretical Model of Change, “helping relationships” are those that help you to make positive changes. Some examples include a friend that walks with you, a spouse that encourages healthy meals, and a co-worker that commiserates with you about credit card debt. A real life example of a helping relationship is described in a January 2005 *U.S. News & World Report* article, “Teddy Trims To Fightin’ Weight,” about the late Senator Ted Kennedy’s weight loss. When asked how he did it, friends of the Senator said that he attributed his success to coaching from his wife Vicki.

It goes without saying that helpers who practice positive behaviors themselves provide the best helping relationships. After all, it’s hard to quit smoking, drinking, or over-spending when you are surrounded by people who smoke and spend all their free time at bars and malls. Accountability has been defined as “a structured system of personalized feedback on outcomes.” In other words, a good helper will tell you whether you’re “walking your talk” or not and give you critical feedback, if needed. Even pets can provide a helping relationship. Studies have found that people who exercise with a dog are more likely to take weight off and keep it off. Pets make loyal walking partners (rain or shine), make exercise fun, and take the focus off the person they’re walking with.

Increasing numbers of employers are also helping their workers with their health and finances. About 40%, for example, offer health-management benefits such as

weight loss and smoking cessation programs. Others use money as a motivator to improve health by paying their workers to lose weight or stop smoking. One company, described in a 2005 *Wall Street Journal* article, pays \$500 to any worker who quits smoking for a year and \$500 for those who keep in shape. The employer, in turn, has received an offsetting decrease in its health premiums and hopes to save even more in the long run by avoiding health-care costs associated with smoking and obesity. Another company pays its workers who lose weight \$25 per quarter, plus an annual bonus of \$25 and a day off, if they maintain their weight loss.

On the financial front, many employers provide supports such as matched retirement savings accounts, sav-

— Action Steps —

Health

- Visit WWW.EATRIGHT.ORG/PUBLIC to find the names of nutrition professionals in your area.
- Take advantage of health support services provided by your employer (e.g., gym).
- Tell one or more people about your health goal and ask them to support your efforts.
- Call your health insurance carrier to see if your plan covers weight loss/exercise programs.

Wealth

- Visit WWW.FPANET.ORG or WWW.NAPFA.ORG to find the names of financial professionals in your area.
 - Take advantage of financial support services provided by your employer (e.g., 401(k)s).
 - Tell one or more people about your financial goal and ask them to support your efforts.
-

ings bond purchase plans, credit unions, financial seminars, and one-to-one financial counseling. Concerned that workers aren't saving enough for retirement, some employers are instituting automatic enrollment in 401(k) plans where new hires are automatically enrolled unless they opt out of the plan. In some of these plans, workers sign forms agreeing to save a higher percentage of their pay in the future as their pay rises. Other employers are providing workers with personalized retirement savings projections to educate them on how much they need to save.

Another resource for positive behavior change is a formal or informal support group (e.g., in person or online). Compared to those who know you, these helpers often have greater objectivity. In addition, they've often

had similar "issues" and can share their experiences and the resources that they found valuable. Professional advisors, such as dietitians, financial planners, and telephone helpline counselors can also provide valuable assistance. In one study, 43% of long-time smokers age 65 and older who called "Quitline" were still smoke-free nine months later, compared to only 5% for do-it-yourself quitters. Whether it's financial planning, weight loss, or smoking cessation, professional advisors can help people customize a plan to change and follow their progress.

Use Worksheet 13, *Resources For Support and Accountability*, page 46, to identify individuals and organizations that can assist you on your path to improve your health and increase your wealth.

Worksheet 13

Resources For Support and Accountability

Question	Health	Wealth
What are your goals? Write them in brief phrases.		
Which people are likely to support your goals? Why?		
Which people are likely to sabotage your goals? Why?		
What supports are available through your employer?		
What supports are available in your community?		
What supports are available through professional advisors?		

MEET YOURSELF HALFWAY

*There are two ways to meet difficulties.
You alter the difficulties or you alter yourself to meet them.*

— Phyllis Bottome

If you want to improve your health and build wealth, downsize your eating and spending. This does not mean being deprived of things that you enjoy. People can lose weight and still eat their favorite foods by decreasing their portion sizes. A comparable financial example is reducing spending on “discretionary” expenses such as meals eaten away from home, clothing, and lottery tickets. In other words, not cutting out these items completely but spending half of what you did before. Any reduction in calories (to lose weight and reduce the risk of disease) and spending (to save money or reduce debt) is a step in the right direction and the “meeting yourself halfway” strategy can make a real impact over time.

Downsizing portion sizes is a great way to counteract the “super-sizing” trend in food and beverage marketing that has taken place over the past two decades. For example, in the mid-1980s, typical bagels were three inches in diameter and had 140 calories. Today, they are six inches in diameter with 350 calories. Similarly, bottles of soda have mushroomed from 6.5 oz. and 85 calories to 20 oz. and 250 calories. Large portion sizes are so common today that many consumers view them as “normal,” even though they greatly exceed the serving sizes seen on nutrition labels. For example, a 20-oz. soda has 2.5 servings but most people drink it as one. Taking steps to decrease portion sizes will help cut your caloric intake.

Many people were raised to eat everything on their plates. Research indicates that people who are served more often eat more. In one study by Dr. Barbara Rolls, author of *Volumetrics: Feel Full on Fewer Calories*, subjects ate 10 oz. when offered a 16-oz. portion of macaroni and 15 oz. when offered a 25-oz. portion, a 50% increase! Meeting yourself halfway is a simple way to fight back. Pick several foods and beverages that you consume every day and eat or drink half your current portion size. If you are used to eating two 90-calorie chocolate chip cookies at lunch, eat one. Ditto for that one-cup dish of

ice cream. Eat a half-cup. Pay attention to nutrition facts labels on food and use them to determine how many calories you are eating from a food item. You can also determine how many calories are saved by eating half a package now and saving the other half for later. Often, a package of food contains several servings anyway. Check to see how many servings are in the package.

Creating a “calorie deficit” of 500 calories per day by reducing calories, increasing physical activity, or a combination of the two (e.g., 300 fewer calories eaten and 200 more burned with exercise), is the most effective route to long-term weight loss. Below are other ways to eat smaller food portions. Review these strategies and then fill out Worksheet 14, *Meeting Yourself Halfway—Health*, on page 49, to determine how you will meet yourself halfway to reduce the calories you consume.

- Order lunch portions, half portions, or appetizers at restaurants, instead of entrees.
- Order an entrée and take half home for another meal, which also saves you money.
- Order an entrée and share it. The “plate charge” is usually cheaper than another entrée.
- Eat one half of any packaged food item (e.g., cookie) instead of the entire item.
- Ask for sauces and dressings “on the side” so you can control the amount eaten.

When it comes to personal finances, apply the same principle. Cut your discretionary expenses in half. Spend less so that you can save more. This strategy of “finding” money to save by reducing small expenses has been referred to as The Latte Factor™ by David Bach in his book *The Automatic Millionaire*. “The Latte Factor” is a trademarked phrase that uses fancy \$4 coffees as a metaphor for all types of frivolous discretionary spending that adds up over time. In the book, Bach describes a

former student, Kim, with a \$5-a-day double nonfat latte and nonfat muffin habit. Figuring a 10% annual return on this money, if it were invested instead in a 401(k) with a 50% employer match, Kim, who was 23 at the time, could have about \$1.7 million at age 65.

Financial experts recommend tracking household spending for a month or two to identify “leaks” and to “find” money to save or to reduce debt. Because we spend money daily, most people do not have an accurate record of where all their money goes by the end of a month. An average person spends money 3 to 5 times a day, or about 120 times monthly. This includes small purchases, such as a pack of gum, as well as larger expenses, such as a mortgage payment, a car payment, or rent.

One way to understand how you spend money is to keep an account of every transaction. Worksheet 2, *Income and Expense Log*, page 19, provides a way to record expenses. Keeping track of the small items you buy will provide an accurate expense record. Many small cash purchases, such as lottery tickets, parking meter money, train tickets, coffee break items, gum, and cigarettes, can add up to considerable monthly amounts. Categorizing expenses will help you see the different areas in which you spend money. You can also calculate what percentage of your income is spent on various items.

Review the additional strategies below to “meet yourself halfway” to increase your wealth. Then, use Worksheet 15, *Meet Yourself Halfway—Wealth*, page 50, to make plans to reduce your expenses.

- Every time your salary increases, contribute half to a 401(k)—or other employer savings plan—and keep half as a pay raise. Saving half of a 4% raise, for example, will increase your payroll contribution by 2%. As soon as a raise becomes effective, sign up to “save half and spend half.”
- At the beginning of each year, mark your paydays on a calendar and identify the months with “extra” paydays. If you are paid weekly, there are four months

with five paydays. If you are paid biweekly, there are two months with three paydays. Monthly expenses usually don’t increase much during these months, so use at least half of the “extra” income to increase savings or reduce debt.

- Review expenses deducted automatically from your checking account, such as gym memberships, telephone calling features, and premium radio and television channels, and decide whether you’re getting your money’s worth. If not (e.g., you haven’t been to the gym or watched a movie in four months), select a reduced cost option or eliminate the expense entirely.
- Save at least half of all windfalls (e.g., tax refunds) or use them to pay down outstanding debt.

— Action Steps —

Health

- Identify a daily calorie savings of at least 100 calories by cutting food and beverage treats in half.
- Purchase a pocket calorie counter book to track the calories in foods that lack nutrition labels.
- Use smaller plates so that servings don’t look so small with reduced portion sizes.

Wealth

- Track spending by writing down every cent you spend and then identify daily discretionary expenses and cut them in half.
 - Check the websites WWW.AMERICASAVES.ORG and WWW.66WAYS.ORG for money-saving ideas.
 - Institute the “24-Hour Rule.” For any expense over \$50, delay spending to give yourself a day to think about it. Ask yourself: “Is this expense a need or a want?” and “How do I plan to pay for it?”
-

SAY “NO” TO SUPER-SIZING

*Always bear in mind that your own resolution to succeed
is more important than any other one thing.*

— Abraham Lincoln

When you improve your wealth, your health is often positively affected. You are able to eat better food, purchase a comprehensive health insurance policy, and afford health-care services, prescription drugs, and screening exams. In addition, the stress associated with financial difficulty that may cause worry, migraines, insomnia etc. is reduced. Sometimes, however, there are disconnects between what’s good for your finances and what’s good for your health. An example is “super-sized” food portions and restaurant meals that seem like good buys on a cost-per-serving basis. Restaurant meals today average three to five times larger than the serving sizes found on the nutrition facts labels on food packages.

“Value marketing” is the term used to describe the recent trend toward super-sized food portions. Instead of decreasing prices to attract consumers, the U.S. food industry has, instead, increased portion sizes and called them “meal deals.” The cost of food is relatively low so that manufacturers can sell larger quantities for only pennies more. Economically, larger portions seem like a “bargain” to consumers. What they are getting, however, is more fat, sugar, and calories. As portion sizes have gotten larger, two-thirds of Americans have become overweight or obese. When people eat more and move less, they put on weight, so more food for less money is *not* healthy. A “bigger is better” mentality has also caused many people to lose perspective on what recommended portion sizes look like. Super-size portions, such as 6.9-oz. French fries with 610 calories, compared to 2.4 oz. with 210 calories 20 years ago, are seen as “normal.” This disorientation about food portion sizes has been referred to as “portion distortion.” More information on analyzing your plate and menu planning can be found at: [HTTP://HEALTHFINDER.GOV/HEALTHTOOLS/ACTIVITY.ASPX](http://HEALTHFINDER.GOV/HEALTHTOOLS/ACTIVITY.ASPX) along with [HTTP://WWW.NHLBI.NIH.GOV/HEALTH/PUBLIC/HEART/OBESITY/WECAN/EAT-RIGHT/DISTORTION.HTM](http://WWW.NHLBI.NIH.GOV/HEALTH/PUBLIC/HEART/OBESITY/WECAN/EAT-RIGHT/DISTORTION.HTM) and [HTTP://WWW.WIN.NIDDK.NIH.GOV/PUBLICATIONS/JUST_ENOUGH.HTM](http://WWW.WIN.NIDDK.NIH.GOV/PUBLICATIONS/JUST_ENOUGH.HTM).

Similar “more is better” (super-sizing) marketing strategies can also be found with non-food items as an enticement for consumers to spend money that might otherwise be invested for future financial goals. These include store coupons (e.g., “spend \$100 and get \$20 off”), paired discounts (e.g., “buy “X” and get “Y” for half price”), and free item offers (e.g., “buy three of X and get one more free”). Many of these offers are only available for a limited time in order to foster a sense of urgency. Like larger food portions, there is a major problem associated with marketing offers based on sales volume...debt. This is especially true if items are paid for with credit card minimum payments. Average Americans with credit card debt are carrying about a \$15,000 balance on their credit cards. With an 18% annual percentage rate and low minimum payments, it will take decades to repay this debt, even if you never charge another cent, according to the *Credit Card Smarts* calculator from Advantage Publications. This phenomenon of carrying debt for decades has been referred to as “perma-debt” because the outstanding credit balance barely budges over time due to small payments toward principal and high interest charges. Perma-debt can lead to financial distress and associated health problems such as anxiety and insomnia.

Both super-sized eating and super-sized spending are dangerous practices. Things can quickly get out of control. Small wonder that millions of U.S. households have “issues” with both their health and finances. According to the book *Fast Food Nation*, a woman who is 5'5" and weighs 132 pounds has a body mass index (BMI) of 22, which is considered normal. Body mass index is a health measure based upon both height and weight. If she gains 18 pounds, her BMI rises to 25 and she’s considered overweight. If she gains 30 more pounds, her BMI reaches 30 and she is considered obese. Eating just 100 extra calories per day will result in a weight gain of 10 pounds per year, so excess weight can add up quickly. No other nation in

— TABLE 1 —

**Body Mass Index (BMI) Figures
for Select Heights and Weights**

Height	120 lbs	150 lbs	180 lbs	210 lbs	240 lbs
5'0"	23	29	35	41	47
5'2"	22	27	33	38	44
5'4"	21	26	31	36	41
5'6"	19	24	29	34	39
5'8"	18	23	27	32	37
5'10"	17	22	26	30	35
6'0"	16	20	24	29	33

history has gotten so fat so fast says *Fast Food Nation* author, Eric Schlosser.

Table 1, page 52, shows how quickly BMI can change from a healthy range (BMI of 18.5 to 24.9) to overweight (BMI of 25 to 29.9) to obese (BMI of 30 to 39.9) to extremely obese (BMI of 40 or higher). Note that the BMI does not differentiate between fat and muscle, so a person with lots of muscle, such as an athlete, may have a BMI in the unhealthy range but still be healthy. Also, the BMI may not be accurate for people who are less than 5 feet tall.

Similarly, household debt-to-income ratios, which include all consumer debts but not home mortgages, can increase quickly and spin out of control. Let's say your take-home (after-tax) pay is \$3,000 monthly (about \$36,000 per year). If you owe a total of \$300 monthly

— TABLE 2 —

**Annual Interest Payments
on Various Credit Card Balances**

APR	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000
14%	\$140	\$280	\$420	\$560	\$700
15%	\$150	\$300	\$450	\$600	\$750
16%	\$160	\$320	\$480	\$640	\$800
17%	\$170	\$340	\$510	\$680	\$850
18%	\$180	\$360	\$540	\$720	\$900
19%	\$190	\$380	\$570	\$760	\$950
20%	\$200	\$400	\$600	\$800	\$1,000
21%	\$210	\$420	\$630	\$840	\$1,050
22%	\$220	\$440	\$660	\$880	\$1,100

on a car loan (\$220) and credit cards (\$80), your debt-to-income ratio is 10% (300/3,000), which is within an acceptable debt-to-income range. If monthly payments increase to \$450, because \$230 is owed on credit cards, the debt-to-income ratio is 15% (450/3,000) which financial experts agree is an indicator of financial difficulty for many people. Increase the monthly payment further to \$600, with \$380 owed on credit cards, and the debt-to-income ratio increases to an even more dangerous 20% (600/3,000). This effectively means that you are working five days and getting paid for four because one day's pay is "spoken for." Table 2 shows how quickly annual interest payments can rise with the double-digit annual percentage rates (APRs) so common on credit cards.

How much super-sizing are you currently doing when eating and spending? Do you have any super-sizing habits that need fixing? Using Worksheet 16, *Super-Sizing Inventory: Diet*, page 53, list five ways that you frequently super-size your diet and calculate the caloric savings from healthier substitutions or reducing portion size. In Worksheet 17, page 53, *Super-Sizing Inventory—Wealth*, list five ways that you frequently super-size your spending and calculate the potential dollar savings from less expensive substitutions or reducing the amount purchased.

— Action Steps —

Health

- Make a list of recent instances when you purchased a super-sized meal and indicate the reason why.
- Estimate the changes in your weight each year during the past decade.
- Calculate your body mass index (BMI) using the website www.CONSUMER.GOV/WEIGHTLOSS/BMI.HTM.

Wealth

- Make a list of recent instances when you purchased items with super-sized terms and indicate the reason why.
- Estimate the changes in your outstanding debt balance each year during the past decade.
- Calculate your debt-to-income ratio by dividing monthly consumer debt payments, excluding a home mortgage, by monthly take-home pay.

Worksheet 16

Super-Sizing Inventory—Diet

Super-Sized Foods Eaten	Caloric Value	Healthier Substitution/ Smaller Size	Caloric Value	Calorie Savings

Worksheet 17

Super-Sizing Inventory—Wealth

Super-Sized Item Purchased	Cost	Less Expensive Substitution/ Smaller Size	Cost	Dollar Savings

CONVERT CONSUMPTION INTO LABOR

*Circumstances may cause interruptions and delays,
but never lose sight of your goal.*

—Mario Andretti

Energy balance is when the calories you consume from food and beverages are equal to the calories that your body burns through physical activity. If you are overweight, this means that your energy balance is “out of balance.” You are eating more calories than your body needs to perform daily activities and the extra calories are being stored as fat. There are just three ways to improve energy balance: take in fewer calories, burn off more calories, or a combination of both. According to University of Nebraska nutrition educator, Alice Henneman, adding more activity to your lifestyle is like getting a free “loan” every day. It increases your “calorie salary” because you can eat more if you use your feet more. Many people work in sedentary jobs, however, so it is necessary to schedule daily physical activity to improve your energy balance.

The *2010 Dietary Guidelines for Americans* suggest you follow the *2008 Physical Activity Guidelines for Americans*. They recommend that adults 18-64 years of age avoid inactivity and take small steps to increase activity levels. For substantial health benefits, adults should do 150 minutes (2 hours and 30 minutes) per week of moderate intensity exercise or 75 minutes (1 hour and 15 minutes) a week of vigorous-intensity aerobic physical activity. Examples of moderate intensity exercise include: brisk walking, dancing, swimming or biking on level terrain. Vigorous-intensity activities include: jogging, singles tennis, swimming continuous laps, biking uphill. All aerobic activity should be performed in episodes of 10 minutes or more and spread throughout the week. For more information visit [HTTP://WWW.HEALTH.GOV/PAGUIDELINES/GUIDELINES/DEFAULT.ASPX](http://www.health.gov/paguidelines/guidelines/default.aspx)

Converting consumption into labor is a useful strategy to help improve energy balance. What this means is figuring out how much exercise is required to burn off a certain number of calories. If it takes two hours on the treadmill to work off a slice of apple pie, you might

think twice about having it (i.e., is it worth the calories?), decide to eat a smaller portion, or reduce calories elsewhere. In order to do the required calculation, you need to know the calorie content of foods (from nutrition facts labels or a calorie counter pocket book) and the number of calories expended per hour in common

— TABLE 3 —

Calories Expended in Common Physical Activities

Moderate Physical Activity	Calories Expended per Hour for a 154-lb Person
Hiking	367
Light gardening/yard work	331
Dancing	331
Golf (walking and carrying clubs)	331
Bicycling (<10 mph)	294
Walking (3.5 mph)	279
Weight lifting (general light workout)	220
Stretching	184
Vigorous Physical Activity	
Running/jogging	588
Bicycling (>10 mph)	588
Swimming (slow freestyle laps)	514
Aerobics	478
Walking (4.5 mph)	464
Heavy yard work (e.g., chopping wood)	441
Weight lifting (vigorous effort)	441

Source: The 2005 Dietary Guidelines Advisory Committee Report

physical activities. You can also get a ballpark figure of calorie expenditure from the displays on exercise equipment, such as elliptical trainers and treadmills, especially those that are programmed to include a user's weight.

The *2005 Dietary Guidelines for Americans* report provides calorie expenditure information. Table 3, on the previous page, shows the number of calories burned per hour in various physical activities for a 154-pound individual. Calories burned per hour will be higher for persons who weigh more than 154 pounds and lower for persons who weigh less. This is because the energy expenditure for activities to move your own body weight (e.g., walking, running) is greater for heavier people because they have more weight to move. Thus, a person weighing 160 pounds would burn more calories walking a mile than a person weighing 130 pounds. For an accurate calculation, it is, therefore, very important to check the body weight assumptions used in calorie expenditure charts. In addition, check the intensity of the physical activity. Some activities (e.g., walking, bicycling) can be labeled “moderate” or “vigorous” depending on the rate/speed at which they are performed.

Type “calorie burning” into your favorite Internet search engine and review the resource list in Appendix 2, page 115, to discover more sources of information on calories expended for various activities. Then, fill out Worksheet 18, *Convert Consumption into Labor—Health*, page 56, to better understand the relationship between the calorie content of foods and the calories expended through exercise.

A comparable financial example is “converting spending into labor” by calculating how many hours of work are needed to earn the net (after-tax) income required to buy something. If you know how many hours of work

are needed to buy something, you might think twice about making the purchase or look for a less expensive alternative.

In order to do the calculation, you need to know the cost of an item, your federal marginal tax bracket (see [HTTP://NJAES.RUTGERS.EDU/MONEY/TAXINFO/](http://njaes.rutgers.edu/money/taxinfo/)), and the length of your average work week, including commuting time. Review the example in Worksheet 19, *Convert Consumption into Labor—Wealth*, page 57. Then fill in your information to better understand the work required to pay for a purchase.

— Action Steps —

Health

- Use the *Convert Consumption Into Labor* worksheet to gain a better appreciation of energy balance.
- Make a list of foods that are “worth exercising for” and those that are not.
- Track your weight weekly to measure changes in energy balance over time.

Wealth

- Use the *Convert Consumption Into Labor* worksheet to gain a better appreciation of the cost of purchases compared to the time spent to earn the money to pay for them.
 - Make a list of items that are “worth working long hours for” and those that are not.
 - Track your income and expenses periodically to measure changes in cash flow over time.
-

Worksheet 18

Convert Consumption Into Labor—Health

List ten “temptation” foods, and their serving size and calorie count. Then list the approximate time that it would take to burn off the calories using one of the exercise methods listed previously. A sample calculation is provided.

Food Item	Serving Size	Calorie Count	Approximate Time Required to Burn Off the Calories and Name of Activity
<i>XYZ Brand Premium Ice Cream</i>	<i>1/2 cup</i>	<i>230 calories</i>	<i>1/2 hour of vigorous walking</i>

Worksheet 19

Convert Consumption Into Labor—Wealth

Complete the worksheet to determine the dollar value of an hour worked and the number of work hours needed to pay for items that you wish to purchase.

STEP 1: Calculate the dollar value of an hour worked.

	Example	You
1. Before-tax (gross) weekly income:	\$800	
2. Federal marginal tax rate:	15%*	
3. Federal Income tax (line 1 x line 2)/100	\$120	
4. After-tax weekly income (line 1 – line 3)	\$680	
5. Number of hours worked including commuting time	50	
6. Dollar value of an hour worked (line 4 ÷ line 5)	\$13.60	

* 15% in line 2 is based on \$800 x 52 = \$41,600 annual gross income/married filing jointly tax filing status.

STEP 2: Calculate the number of work hours required to buy an item.

	Example	Item 1	Item 2	Item 3
7. Name of item	coat			
8. Cost of item	\$150			
9. Number of work hours needed to buy the item (line 8 ÷ line 6)	11			

COMPARE YOURSELF WITH RECOMMENDED BENCHMARKS

Do what you can, with what you have, where you are.

—Theodore Roosevelt

Sometimes, when you want to make a health or financial change, it helps to compare yourself with universally accepted progress indicators. These benchmarks, such as body mass index (BMI) for weight and stock market indices for investment performance, help to answer the question “How am I doing?” with respect to other people and/or expert recommendations. If you currently fall short of recommended benchmark figures, this may provide an incentive to make positive changes to improve your health and increase your wealth. For example, studies show that for every one unit increase in HDL (“good”) cholesterol, a person’s risk of heart disease

drops by as much as 3%. Benchmarks also provide an automatic goal-setting mechanism because they indicate target numbers (e.g., BMI under 25) to strive for.

A good idea is to compare your diet to the *2010 Dietary Guidelines for Americans*. Go to www.choosemyplate.gov and review the dietary guidelines. Then, click on Supertracker and assess your food intake. Supertracker includes access to nutritional information for over 8,000 foods. The site will help you develop a personal plan based on your nutritional and physical activity benchmarks. To view an excellent slide show, *Guide to Portion Control for Weight Loss*, go to:

— TABLE 4 —

Health Benchmarks

Blood Pressure	120/80 is considered a normal blood pressure. Hypertension (high blood pressure) is usually defined as consistent readings of 140/90 or higher.
Blood Sugar	A fasting blood sugar test measures the amount of sugar in your blood after fasting for eight hours. Fasting blood sugar is normal if it's 70 mg/dl. If fasting blood sugar is 100 mg/dl to 125 mg/dl, you may have pre-diabetes.
Cholesterol (Total)	Less than 200 mg/dl is desirable. 200–239 mg/dl is borderline high. 240 mg/dl or above is high.
HDL (“Good”) Cholesterol	Less than 40 mg/dl is low. 40 mg/dl or higher is desirable. The higher the HDL number, the better.
LDL (“Bad”) Cholesterol	Less than 130 mg/dl is desirable. 130–159 mg/dl is borderline high. 160 mg/dl is high and 190 or above is very high.
Fruit and Vegetable Consumption	The <i>2010 Dietary Guidelines</i> state that “½ your plate should contain fruits and vegetables.” For a 2,000 calorie per day diet, about 4 ½ cups of fruits and vegetables need to be consumed.
Physical Activity	The <i>2008 Physical Activity Guidelines for Americans</i> suggest taking small steps to increase activity level to 150 minutes per week of moderate-intensity exercise or 75 minutes per week of vigorous-intensity aerobic exercise. For more information, visit HTTP://WWW.HEALTH.GOV/PAGUIDELINES .

— TABLE 5 —

Body Mass Index Table

BMI	Normal					Overweight					Obese					Extremely Obese																				
	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54
	Body Weight (pounds)																																			
58	91	96	100	105	110	115	119	124	129	134	138	143	148	153	158	162	167	172	177	181	186	191	196	201	205	210	215	220	224	229	234	239	244	248	253	258
59	94	99	104	109	114	119	124	128	133	138	143	148	153	158	163	168	173	178	183	188	193	198	203	208	212	217	222	227	232	237	242	247	252	257	262	267
60	97	102	107	112	118	123	128	133	138	143	148	153	158	163	168	174	179	184	189	194	199	204	209	215	220	225	230	235	240	245	250	255	261	266	271	276
61	100	106	111	116	122	127	132	137	143	148	153	158	164	169	174	180	185	190	195	201	206	211	217	222	227	232	238	243	248	254	259	264	269	275	280	285
62	104	109	115	120	126	131	136	142	147	153	158	164	169	175	180	186	191	196	202	207	213	218	224	229	235	240	246	251	256	262	267	273	278	284	289	295
63	107	113	118	124	130	135	141	146	152	158	163	169	175	180	186	191	197	203	208	214	220	225	231	237	242	248	254	259	265	270	278	282	287	293	299	304
64	110	116	122	128	134	140	145	151	157	163	169	174	180	186	192	197	204	209	215	221	227	232	238	244	250	256	262	267	273	279	285	291	296	302	308	314
65	114	120	126	132	138	144	150	156	162	168	174	180	186	192	198	204	210	216	222	228	234	240	246	252	258	264	270	276	282	288	294	300	306	312	318	324
66	118	124	130	136	142	148	155	161	167	173	179	186	192	198	204	210	216	223	229	235	241	247	253	260	266	272	278	284	291	297	303	309	315	322	328	334
67	121	127	134	140	146	153	159	166	172	178	185	191	198	204	211	217	223	230	236	242	249	255	261	268	274	280	287	293	299	306	312	319	325	331	338	344
68	125	131	138	144	151	158	164	171	177	184	190	197	203	210	216	223	230	236	243	249	256	262	269	276	282	289	295	302	308	315	322	328	335	341	348	354
69	128	135	142	149	155	162	169	176	182	189	196	203	209	216	223	230	236	243	250	257	263	270	277	284	291	297	304	311	318	324	331	338	345	351	358	365
70	132	139	146	153	160	167	174	181	188	195	202	209	216	222	229	236	243	250	257	264	271	278	285	292	299	306	313	320	327	334	341	348	355	362	369	376
71	136	143	150	157	165	172	179	186	193	200	208	215	222	229	236	243	250	257	265	272	279	286	293	301	308	315	322	329	338	343	351	358	365	372	379	386
72	140	147	154	162	169	177	184	191	199	206	213	221	228	235	242	250	258	265	272	279	287	294	302	309	316	324	331	338	346	353	361	368	375	383	390	397
73	144	151	159	166	174	182	189	197	204	212	219	227	235	242	250	257	265	272	280	288	295	302	310	318	325	333	340	348	355	363	371	378	386	393	401	408
74	148	155	163	171	179	186	194	202	210	218	225	233	241	249	256	264	272	280	287	295	303	311	319	326	334	342	350	358	365	373	381	389	396	404	412	420
75	152	160	168	176	184	192	200	208	216	224	232	240	248	256	264	272	279	287	295	303	311	319	327	335	343	351	359	367	375	383	391	399	407	415	423	431
76	156	164	172	180	189	197	205	213	221	230	238	246	254	263	271	279	287	295	304	312	320	328	336	344	353	361	369	377	385	394	402	410	418	426	435	443

Source: Adapted from *Clinical Guidelines on the Identification, Evaluation, and Treatment of Overweight and Obesity in Adults: The Evidence Report*.

[HTTP://WWW.MAYOCLINIC.COM/HEALTH/PORZION-CONTROL/NU00267](http://www.mayoclinic.com/health/portion-control/NU00267)

The health benchmarks in Table 4, page 58, are measured in routine physical exams or included in federal government dietary recommendations. Review this and the BMI information that follows. Then fill out Worksheet 20, *Benchmark Comparison—Health*, page 61, to compare your health status with the health benchmarks. List up to three benchmarks to measure your health status against. Then describe your current health status indicator, your desired health status indicator, and the action necessary to bring yourself in line with the recommended benchmark. Two sample entries are provided in the worksheet.

Another frequently cited health benchmark, body mass index (BMI), is an indicator of both underweight and overweight/obesity in adults. It is based on a person's height and weight. The formula to calculate BMI is as follows: multiply your weight in pounds by 700. Divide that number by your height in inches. Divide those results by height in inches again. You can also find online BMI calculators at government agency websites

such as [WWW.CONSUMER.GOV/WEIGHTLOSS/BMI.HTM](http://www.consumer.gov/weightloss/BMI.HTM) and [HTTP://WWW.CDC.GOV/NCCPHP/DNPA/BMI/INDEX.HTM](http://www.cdc.gov/nccphp/dnpa/BMI/INDEX.HTM).

A BMI under 18.5 is considered underweight; from 18.5 to 24.9, normal; from 25 to 29.9, overweight; 30 to 39.9, obese; and 40 or higher, extremely obese. Note that the BMI does not differentiate between fat and muscle, so a person with lots of muscle, such as an athlete, may have a BMI in the unhealthy range but still be healthy. Also, the BMI may not be accurate for people who are less than 5 feet tall. Table 5 indicates BMIs for various height/weight combinations.

Now it is time to compare your wealth status with accepted financial benchmarks. Table 6, page 60, shows wealth-building and personal finance benchmarks. After reviewing the table, compare your status with the benchmarks by completing Worksheet 21, *Benchmark Comparison—Wealth*, page 62. List up to three benchmarks to assess your financial status. Then describe your current financial status indicator, your desired financial status indicator, and the action necessary to bring yourself in line with the recommended benchmark.

— TABLE 6 —

Wealth and Personal Finance Benchmarks

Consumer Debt-To-Income Ratio	Monthly consumer debt expenses (excluding a mortgage) should not exceed 15% of take-home pay. This includes payments for credit cards, car loans, and student loans. A debt-to-income ratio of 20% or more is considered a “danger zone.”
Credit Score	The higher the number, the better. Credit scores range from 300 to 850 with those in the 760+ range considered the best evidence of creditworthiness. People with high credit scores generally pay lower interest rates to borrow money than others.
Emergency Fund (Liquidity)	Financial experts generally recommend having access to enough cash to cover household expenses for three to six months. This money can be a combination of liquid assets (e.g., money market fund) and lines of credit (e.g., home equity line).
Expense Ratios (Mutual Funds)	Expense ratio is the percentage of fund assets deducted for management and operating expenses. The lower the number, the better; for example 0.2% (1/5 of 1%) versus 1.5%. High expense ratios are a drag on investment returns and should generally be avoided.
Inflation Rate	Some people use the annual inflation rate (i.e., Consumer Price Index) as a benchmark and try to have their investments outpace it by a certain percentage.
Investment Returns on Specific Securities	Investment performance is generally tracked against market indices. Indices are portfolios of stocks or bonds that are tracked to monitor investment performance over time. Some common indices that are used to measure personal investment performance against include the Standard and Poor's 500 (U.S. large company stocks), the Russell 2000 (U.S. small company stocks), the Wilshire 5000 (all U.S. company stocks), and the Morgan Stanley Capital International EAFE Index (international company stocks). Many investors buy index funds that hold the stocks or bonds that comprise an index. By doing so, they match the market's performance, minus fund expenses.
Net Worth	Net worth is calculated by subtracting household debts from household assets. A benchmark for net worth, described in the book <i>The Millionaire Next Door</i> , is calculated by multiplying age by pretax (gross) income, excluding inheritances, and dividing by ten. This number, or higher, is what your net worth should be. For example, if you are age 35 with a \$40,000 gross income, $35 \times 40 = \$1.4$ million, divided by 10 = \$140,000. This is your benchmark net worth.
Personalized Benchmarks	Individuals can set benchmarks for their own progress based on their current financial status. Examples include saving 10% of gross annual income or increasing net worth annually by 5% (e.g., from \$50,000 to \$52,500).
Retirement Savings	Save \$300,000 for every \$1,000 of monthly income (to supplement a pension and/or Social Security) needed in retirement. For example, \$3,000 of supplemental monthly living expenses would require a \$900,000 nest egg. This calculation is based upon the maximum 4% inflation-adjusted withdrawal rate recommended by many researchers. Four percent of \$300,000 is \$12,000 per year or \$1,000 per month. Studies have found that a portfolio comprised of 50% stock and 50% fixed-income and cash assets will last 35 to 40 years with a 4% inflation-adjusted withdrawal rate.
U.S. Household Financial Data	Statistics from federal government databases, such as the Survey of Consumer Finances and Bureau of the Census data, provide useful financial benchmarks. Average household asset holdings and net worth can all be used for comparison purposes. The median net worth of all U.S. households in 2010 was \$77,300. Many media sources regularly report household economic data.

— Action Steps —

Health

- Have a comprehensive physical by your doctor and discuss the results of your blood tests.
- Calculate your body mass index (BMI) to see if you are in a healthy or overweight range. If you are considered overweight, change your eating and activity behavior to work toward a healthy BMI.
- Buy a pedometer and work up to walking the recommended 10,000 steps per day.

Wealth

- Take the Rutgers Cooperative Extension Financial Fitness Quiz to assess your overall financial situation at [HTTP://NRAES.RUTGERS.EDU/MONEY/FFQUIZ/](http://nraes.rutgers.edu/money/ffquiz/).
- Request your credit score from lenders if you are applying for a car loan, mortgage, or other credit.
- Calculate your net worth using the form available at [HTTP://NJAES.RUTGERS.EDU/MONEY/DEFAULT.ASP#RESOURCES](http://njaes.rutgers.edu/money/default.asp#resources).

Worksheet 20

Benchmark Comparison—Health

List up to three benchmarks to measure your health status against. Then describe your current health status, your desired health status, and the action necessary to bring yourself in line with the recommended benchmark. Two sample entries are provided.

Benchmark	Current Health Status	Recommended Health Status	Change Required
<i>Body Mass Index (BMI)</i>	<i>5'5", 170 pounds, BMI of 28 (overweight)</i>	<i>5'5", 140 pounds, BMI of 23 (normal weight)</i>	<i>Lose 30 pounds (1–2 pounds/week)</i>
<i>Fruit and vegetable consumption</i>	<i>Eat 1 cup or less per day</i>	<i>Eat 2 cups of fruit and 2½ cups of vegetables per day (2000 calorie diet)</i>	<i>Eat about 3½ cups more of fruits and vegetables per day</i>

Worksheet 21

Benchmark Comparison—Wealth

List up to three benchmarks to measure your financial status against. Then describe your current financial status, your desired financial status, and the action necessary to bring yourself in line with the recommended benchmark. Two sample entries are provided.

Benchmark	Current Financial Status	Recommended Financial Status	Change Required
<i>Emergency Fund</i>	<i>One month's expenses (\$2,500)</i>	<i>Three month's expenses (\$7,500)</i>	<i>Save \$5,000</i>
<i>Debt-to-Income Ratio</i>	<i>Consumer debt equal to 22% of net income</i>	<i>Consumer debt no greater than 15% of net income</i>	<i>Pay off existing debt to lower debt-to-income ratio</i>

USE EASY FRAMES OF REFERENCE

What you think about you bring about.

—Unknown

When making changes to your health and finances, it is best to keep things simple and easy to understand. Studies show that people are more likely to make positive changes in their lives if they have a clear idea of where they want to be in the future and the actions required for getting there. When we have information that is easy to follow and/or apply, action is more likely.

An example of this can be found in the book, *The Tipping Point*, by Malcolm Gladwell. He describes an experiment where adding a map to the Yale University health center dramatically increased the number of students seeking tetanus shots, compared to providing information about tetanus alone. By adding a map, more students acted on the information. Gladwell called this phenomenon “The Stickiness Factor.” He concluded that “the students needed to know how to fit the tetanus stuff into their lives; the addition of the map and the times when shots were available shifted the booklet from an abstract lesson in medical risk...to a practical and personal piece of medical advice. And once the advice became practical and personal, it became memorable.”

The same can be said for health and personal finance recommendations. Many of them are not very “sticky” (i.e., able to be remembered and acted upon) because they are too abstract and busy people don’t have time to make sense of them. Most people can’t “digest” long, complex messages very well. A health and nutrition example is food portion sizes, which many are unable to estimate correctly. A personal finance example is recommendations that are stated as percentages. In order for them to be acted upon, they need to be personalized and “translated” to someone’s income and financial situation.

Research indicates that people understand portion sizes better, and may be motivated to eat less, when food portions are mentally compared to the size and shape of common objects. Although measuring cups and food

scales are the most accurate way to determine food portions, they are impractical to use in many situations. In one study, so-called “portion size measurement aids” (PSMAs), such as golf balls and tennis balls, were found to significantly improve estimations of portion sizes. Table 7, below, shows examples of PSMAs.

— TABLE 7 —

Portion-Size Measurement Aids

Food	Portion Size Measurement Aid
2 oz. bagel	2 decks of cards
3 oz. of meat	1 deck of cards
1 tsp. butter or margarine	1 postage stamp (1/4" thick)
1/2 cup rice	2 golf balls
2 tbsp. of peanut butter	1/2 golf ball
1/4 cup dried fruit	1 golf ball
1 1/2 oz. of cheese	3 dice
1 oz. nuts or candies	1 handful
1 cup rice or pasta	1 baseball
Medium piece of fruit	1 tennis ball
1 tbsp. of salad dressing	1 thumb tip (from thumb joint)
1 cup salad greens	1 baseball

The United States Department of Agriculture (USDA) released the new “MyPlate” icon in June 2011. It was designed to help consumers make healthier food choices using a simple graphic with easy to understand recommendations. The website www.chooseMyPlate.gov reminds the public that their daily food and physical activity choices affect their health and how they feel at any



age. The website includes many easy frames of reference like nutritional information for 8,000 foods that can be used for menu planning, sample menus, and assistance in developing personal nutrition and physical activity plans.

Financial recommendations often fail to be acted upon because they are stated as percentages or require mathematical calculations. Like the tetanus booklet without a map, advice can seem impersonal and incomplete.

Percentages are hard to relate to. Nevertheless, if you take the time to understand these guidelines and convert percentages into dollar figures, they can prove quite helpful. Table 8, on the next page, shows some common financial recommendations, translated into dollars, with examples based on a worker with a \$50,000 gross income. Note that some are broken down even further into smaller increments.

Use Worksheet 22, *Frames of Reference: Health and Wealth*, below, to list personal applications to health and wealth. List up to three easy frames of reference for both health and wealth that you plan to use to make health and financial decisions.

— Action Steps —

Health

- Memorize 2–3 portion size measurement aid examples and use them for food portion decisions. See Table 7, page 63.
- Pay increased attention to portion (serving) size labeling information on nutrition facts labels.
- Create and carry around a “cheat sheet” with the serving size and caloric value of commonly eaten foods that lack nutrition facts labels (e.g., meat, fish, produce, fast foods).

Wealth

- Convert 2–3 of the financial guidelines in Table 8, on the next page, into dollar figures using personal financial data.
- Pay increased attention to information about mutual fund expenses in fund prospectuses.
- Calculate the tax savings available by making a contribution to a tax-deferred employer retirement savings plan.

Worksheet 22

Frames of Reference: Health and Wealth

List up to three easy frames of reference for both health and wealth that you plan to use to make health and wealth decisions.

Health	Wealth
1.	1.
2.	2.
3.	3.

— TABLE 8 —

Financial Frames of Reference—Based on a \$50,000 Annual Income

Financial Guideline	Translation into “User-Friendly” Dollar Terms
Save at least the amount that your employer will match in a tax-deferred 401(k) or 403(b) plan.	Find out the maximum amount of worker contributions that your employer will match. If your employer matches 6% of pay, save \$3,000 and you'll receive \$3,000 in “free money.” \$3,000 of annual savings requires weekly savings of about \$58.
Plan for at least 70% to 80% of pre-retirement income to live comfortably in retirement.	70% to 80% of a \$50,000 income is a \$35,000 to \$40,000 income in retirement. 75% is \$37,500. Personalized savings calculations are best, however, rather than relying on general guidelines.
Save 10% of gross income if you're a young adult and up to 15% to 20% of gross income if you are a “late saver” in your late 30s and 40s with no retirement savings.	A young worker would save \$5,000 annually and an older worker, \$7,500 to \$10,000. If these amounts are difficult to achieve, start by saving less but gradually increase the percentage over time. Personalized savings calculations are best, rather than relying on general guidelines.
Buy a house that costs no more than 2½ times your annual income.	Housing should cost no more than \$125,000 for those with a \$50,000 income. (Note: this may be difficult to do in areas with high-priced homes.)
Purchase disability insurance equal to 60% to 70% of your gross income.	A worker earning \$50,000 should have coverage ranging from \$30,000 (\$2,500 monthly) to \$35,000 (\$2,915 monthly).
When you retire, withdraw 4% of your portfolio annually, increasing the amount with inflation each year, to avoid running out of money.	If, at age 65, you have \$400,000 saved for retirement, you should withdraw \$16,000 ($400,000 \times .04$) in the first year and then increase this amount each year for inflation (e.g., $\$16,000 \times 3\% \text{ inflation} = \480 for a total withdrawal of \$16,480 in year 2).
Rebalance your investment portfolio when asset class weightings drift 5% to 10% from their original percentage.	If 50% (\$10,000) of a \$20,000 portfolio is invested in stock and the other 50% in fixed-income securities, the portfolio should be rebalanced if either asset class increases by \$500 to \$1,000.
Buy mutual funds with low expense ratios (annual fund operation and management expenses as a percentage of portfolio assets). Typically, expense ratios range from .20% (generally for low-cost index funds) to 2.0%.	With a \$10,000 fund balance, a 0.2% expense ratio (1/5 of 1%) costs \$20 ($10,000 \times .0020$) per year, a 1.3% expense ratio costs \$130 ($10,000 \times .013$), and a 2.0% ratio costs \$200 ($10,000 \times .02$). Over time, high expense ratios steadily erode fund returns and should generally be avoided when selecting funds.
Each time you get a pay increase, keep half and use half to increase tax-deferred retirement plan savings.	If you get a 4% raise to a \$50,000 income (\$2,000), keep/spend \$1,000 and contribute an additional \$1,000 to your 401(k) or 403(b) retirement savings plan.
Invest in employer tax-deferred retirement savings plans because contributions are made with “before-tax dollars.” Your contribution is offset by tax savings based on your federal marginal tax bracket.	If you contribute \$3,000 to a 401(k) or 403(b) plan, your taxable income would be \$47,000 instead of \$50,000. If you are in the 25% federal marginal tax bracket, you would save \$750 ($3,000 \times .25$) in taxes that you would otherwise pay. Thanks to this tax savings, the actual (after-tax) cost of a \$3,000 retirement plan deposit is only \$2,250.
Purchase life insurance equal to 6 to 10 times your annual income.	Someone earning \$50,000 with dependents and a need for insurance may need to purchase from \$300,000 to \$500,000 of life insurance. Personalized insurance calculations are best, however, to account for survivor needs (e.g., spousal earnings, college fund, etc.).
Buy bonds to provide diversification and/or periodic income during retirement. Bond interest is generally paid semi-annually and based upon the coupon (interest) rate of a bond at the time that it is issued.	A newly issued \$1,000 bond has a coupon rate of 6%. This means that you will receive a total of \$60 of interest income ($1,000 \times .06$) each year through maturity, payable in two \$30 semi-annual payments.

Note: The above examples are illustrations of frequently-cited financial guidelines but their application will vary from person to person.

AUTOMATE GOOD HABITS AND CREATE TEMPLATES

*We are responsible for our own life—
no other person is or even can be.*

—Oprah Winfrey

The great American poet Carl Sandburg once said, “The time for action is now. It’s never too late to do something.” Have you been procrastinating on taking action to improve your health and increase your wealth? If so, there’s a simple solution to your inertia: automation. Automation is the perfect antidote for procrastination because it reduces the number of decisions you need to make. As David Bach, author of *The Automatic Millionaire*, notes, “Do it once—the rest is automatic!” In other words, you take positive action at the outset (e.g., to choose a weight loss plan or authorize payroll deductions for your 401(k) retirement savings plan) and then the system works for you without the need for continuous thought and discipline. Automated behaviors increase the likelihood of success because many people are simply too busy, too undisciplined, or both to oversee their diet and finances on a daily basis.

Automate good eating habits by trying these USDA tips:

When eating out:

- Choose a “small” or “medium” portion. This includes main dishes, side dishes, and beverages.
- Remember that water is always the best option for quenching your thirst.
- If main dish portions are larger than you want, order an appetizer or side dish instead, or share a main dish with a friend.
- Resign from the “clean your plate club”—when you’ve eaten enough, leave the rest. If you can chill the extra food right away, take it home in a “doggie bag.”
- Ask for salad dressing “on the side” so you add only as much as you want.
- Order from the menu instead of the “all-you-can-eat” buffet.

At home:

- Once or twice, measure your typical food portions you eat often. Use standard measuring cups to estimate the portion size of these foods and similar foods.
- Be especially careful to limit portions of foods high in calories such as cookies, cakes, other sweets, and fats, oils, and spreads.
- Try using a smaller plate for your meals.
- Put sensible portions on your plate at the beginning of the meal and don’t take “seconds.”

There are a variety of ways to automate one’s personal finances and put saving and investing on automatic pilot. Financial planners often use the term “pay yourself first” (PYF) to describe a disciplined savings habit where savings are deposited from a worker’s gross income before the money can be spent. A good analogy for PYF is the withholding that is done automatically for income taxes (unless you are self-employed and must do your own withholding). Just like the government deducts taxes from your gross income, you can choose to have money for saving and investing deposited as an “expense” in your household budget. “Think of it as a bill you owe yourself,” says the National Endowment For Financial Education.

So how do you automate good health and wealth practices? By putting them on a regular schedule or following a predetermined plan. Review the examples of automated health behaviors in Table 9, on the next page, and automated wealth behaviors in Table 10, page 68. Then, fill out Worksheet 23, *Automated Health and Wealth Strategies*, page 69, to identify planned actions. List up to five automated strategies that you plan to use to reach your health and wealth goals.

— TABLE 9 —

Examples of Automated Health Behaviors

Automated Health Improvement Practice	Examples and Description
Personal Exercise Routines	<ul style="list-style-type: none"> • Start a habit of walking 15–30 minutes on your lunch hour. Encourage co-workers to join you to make it more fun. • Block off “dedicated time” for physical activity and consider it a normal part of your daily routine to exercise at this time. • Combine exercise (e.g., treadmill or elliptical trainer) with watching your favorite television shows so you can do both simultaneously.
Weight Loss Programs	<p>An example of diet automation is Weight Watchers POINTS plan where each food has a point value. People following this plan can eat any food they want as long as they stay within their daily point “budget.” Not surprisingly, nutritious foods are low in point values to guide users toward healthy food choices. Plan participants do not have to research and count food calories because the point plan structure effectively does this for them.</p>
Packaged Meal Products (e.g., Shakes)	<p>Products such as Carnation Instant Breakfast provide portion-controlled meals and snacks. Specific products include shakes, meal bars, snack bars, and powders. Advantages of these “meals in a package” include convenience and clearly defined servings. A can of Slim-Fast Rich Chocolate Royale, for example, contains 220 calories and a percentage of the recommended daily allowance for a number of essential nutrients. Disadvantages include lack of variety over time and a relatively high cost compared to a homemade meal. Six cans of Rich Chocolate Royale cost approximately \$9. This is a three-day supply because the Slim-Fast weight control plan recommends eating two Slim-Fast meals a day, along with healthy snacks, exercise, and a sensible third meal. The annual cost of two shakes per day would be about \$1,100 (2 x 365 divided by 6 = 122 packages per year x \$9 a piece, plus sales tax).</p>
Routine Health Screenings	<p>The key to staying on schedule is to mark the dates for key health screening exams (e.g., annual physical) on your calendar so you can keep appointments scheduled at recommended intervals.</p>
Programmed Express Workouts	<p>A number of health clubs, such as Curves For Women, offer 30-minute circuit training workouts using a variety of hydraulic resistance machines. Billed as a way for clients to fit exercise into a busy schedule, these express workouts include stretching and strength training. The exercise routine is programmed in advance and users simply work their way around the circuit. There is no need for users to purchase any equipment or develop their own exercise routines. Like any health club facility, the cost of an express workout facility may be a challenge to some potential users. Those who use the service the most will pay the least on a cost-per-workout basis.</p>
Meal Plan Templates	<p>There are many places (e.g., dietitians, reputable nutrition websites) to get “template” menus based upon recommended dietary guidelines and a user’s daily caloric intake. The basic meal plan is already pre-configured. All someone has to do is choose a specific food (e.g., one medium fruit, or 3 oz. of broiled chicken or fish, or ½ cup cereal) that fits the template menu. Meal plan templates are available from www.choosemyplate.gov.</p>

— TABLE 10 —

Examples of Automated Wealth Behaviors

Automated Wealth Improvement Practice	Examples and Description
Tax-Deferred Retirement Savings Plans	Authorize payroll deductions for a tax-deferred 401(k), 403(b), or 457 plan. If employer matching is available, try to save at least the amount that will earn you the maximum employer match (e.g., 6% of pay). If you can afford it, try to take full advantage of tax-deferred accounts and contribute the maximum amount allowed by federal tax law. If you start a new job and your employer automatically enrolls you in a 401(k), don't opt out. Instead, raise the low initial "default contribution rate" to the highest percentage of pay possible.
Save More Tomorrow Plans (Automatic Contribution Increases)	If available through your employer, take advantage of retirement savings plans which automatically increase your tax-deferred retirement savings plan contributions every time your pay increases.
Employer Credit Union	Authorize payroll deductions for deposits to a credit union. This money can be used to save for short- and intermediate-term goals such as an individual retirement account (IRA) deposit or the down payment for a new car.
Automatic Portfolio Re-balancing	If available through your tax-deferred retirement savings plan or brokerage firm, sign up to have your investment portfolio weightings automatically reviewed and re-balanced to their original percentages (e.g., 60% stock, 20% bonds, 10% real estate, and 10% cash assets) at least once a year.
Automatic Stock and Mutual Fund Deposits	Sign up for automatic investment plans (AIPs) where you pre-authorize periodic debits of a bank account to purchase shares (e.g., \$50 per month). Often, when investors sign up for an AIP, they are allowed to invest smaller dollar amounts than if they hadn't selected this option. AIPs make investing more affordable for investors with small dollar amounts.
Automatic U.S. Savings Bonds Purchases	Authorize payroll deductions for deposits to purchase U.S. savings bonds if your employer sponsors a purchase plan. Another automatic option is the Federal Reserve's Treasury Direct plan. For more information, visit WWW.TREASURYDIRECT.GOV .
Automated Bill-Paying	To save time and money writing and mailing checks, use automatic bill paying for fixed expenses such as a car loan.
Automatic Checking to Savings Account Transfers	Many people find that money slips through their fingers if it is in a checking account that can be accessed with checks or a debit card. Automatic transfers to savings can help avoid this.
Target Retirement Date Mutual Funds	These are mutual funds with a future date in their title, such as the "Retirement 2040 Fund." Target-date retirement funds are generally packaged in five- or ten-year increments. The fund invests in what it considers to be an appropriate asset mix for each target date and automatically adjusts the mix to a more conservative profile as shareholders get closer to retirement. Many major mutual fund companies, such as T. Rowe Price, Fidelity, and Vanguard offer funds of this type. The asset allocation weightings and fees can vary among investment companies, however, so a careful reading of the prospectus for funds you are considering is in order.
Financial Templates	Financial planning maintenance tasks, such as calculating net worth, analyzing investment asset allocation percentages, and preparing a spending plan (budget) are easy to update with computer software programs such as Intuit's Quicken and Microsoft Money. Another option for quick financial calculations is creating a spreadsheet in Microsoft Excel. Several Microsoft Excel spreadsheet templates can be found at HTTP://NJAEES.RUTGERS.EDU/MONEY/DEFAULT.ASP#RESOURCES .

— Action Steps —

Health

- Eat at least one meal per day that follows a healthy meal template based on dietary guidelines.
- Select an automation strategy to incorporate regular physical activity into your daily routine.

Wealth

- Start or increase deposits to an employer retirement savings plan or credit union via payroll deduction.
- Select an automated investment strategy for individual investment accounts (i.e., those that are not available through work).
- Use a spreadsheet template or financial software program to track your financial progress.

Worksheet 23

Automated Health and Wealth Strategies

Write your health and wealth goals in brief phrases. Then, list up to five automated strategies you plan to use to reach your health and wealth goals.

Health	Wealth
Health goals	Wealth goals
1.	1.
2.	2.
3.	3.
4.	4.
5.	5.

LIVE “THE POWER OF 10”

We must not, in trying to think about how we can make a big difference, ignore the small daily differences we can make which, over time, add up to big differences that we often cannot foresee.

—Marian Wright Edelman

The number “10” is powerful and fits a “small-steps approach” to behavior change. It is easy to multiply, divide, and remember; small enough not to discourage people from taking action; and large enough to make an impact over time. “10” also shows up repeatedly in expert recommendations to improve health and increase wealth. Whether it’s shedding 10 pounds, exercising in 10-minute increments, saving 10% of gross income, or reducing debt by \$10 a day, “10” and derivatives of 10 (e.g., 1 and 100) are strong motivators if the magnitude of their impact is fully appreciated. Sondra Anice Barnes once made the following comment about taking action to change: “It’s so hard when I have to, and so easy when I want to.” Use “The Power of 10” to increase your “want to factor” (e.g., desire to make a change). The more you know about weight loss and financial planning, the more motivated you will be to make health and wealth changes because you’ll better appreciate the difference that small steps can make.

Table 11, on the next page, includes examples of the “Power of 10” health practices and Table 12, page 72, includes examples of “Power of 10” wealth practices. Review these examples and consider your circumstances. Then, complete Worksheet 24, *The Power of 10: Healthy*

Practices, page 73, by listing three ways to use the “Power of 10” to improve your health practices. Then complete Worksheet 25, *Grow Me the Money*, page 74, to see how a small regular savings rate can grow into a large sum over time.

— Action Steps —

Health

- Take action to lower your caloric intake, increase your physical activity, or both.
- Buy a pedometer and start tracking your steps. Work up to the recommended 10,000 steps per day.

Wealth

- Take action to lower your household expenses and save the “found” money or use it to repay debt.
 - Learn more about investing by reading personal finance magazines on a regular basis. Save money by reading them at a local library or visiting personal finance magazine websites on the Internet.
-

— TABLE 11 —

The Power of 10—Health Examples

Power of 10 Health Improvement Practice	Examples and Description
<p>Set an initial weight-loss goal of 10% of body weight, achieved over a six-month period (i.e., gradual weight loss of 1 to 2 pounds a week).</p>	<p>As an example, an appropriate initial weight loss goal would be 18 pounds for someone who currently weighs 180 pounds and is overweight or obese. Research has shown that people don't need to lose a large amount of weight to see improvements in their health status. A modest loss of up to 10 % of body weight is an excellent start and, for many people, enough of a weight change to move their body mass index (BMI) back into the normal range (BMI of between 18.5 and 24.9).</p>
<p>Engage in at least 30 minutes of moderate-intensity physical activity, above usual activity, on most days of the week. If you are pressed for time, exercise in three 10-minute sessions spread throughout the day.</p>	<p>Three 10-minute exercise sessions provide almost all the benefits of one 30-minute block of time. For example, get on a stationary bicycle when you first get up, take a 10-minute walk at lunch, and exercise again for 10 minutes while dinner is cooking. Remember that any physical activity is better than none. Take the time to exercise and build it permanently into your daily schedule. There are 144 ten-minute blocks of time every day to choose from. Find the times that are right for you.</p>
<p>Walk 10,000 steps a day, which is roughly the equivalent of five miles a day (2,000 steps = about 1 mile = about 100 calories). Additional steps may be needed for weight loss. Use a pedometer to keep track of your steps. Many pedometers can be purchased for between \$15 and \$35 (see Consumer Research at: HTTP://CONSUMERRESEARCH.COM/PEDOMETERS).</p>	<p>Most people have to work to reach 10,000 steps. The average person takes 5,900 steps per day. The <i>America's Walking</i> program recommends taking an initial baseline measurement (e.g., 5,000 steps) and increasing it weekly by 20% by multiplying by 1.2 (5,000 x 1.2 = 6,000) until you reach the 10,000 step level. Or, pick an increase rate that works for you. Wear a pedometer from the time you awake to the time you go to sleep at night. Recent studies have found pedometers to be a good motivator. In one study, a group of patients was encouraged to exercise but only half were given pedometers. Those who used pedometers increased their exercise by about 2,000 steps per day, a 41% increase.</p>
<p>Lose 10 pounds in a year by eating 100 calories less per day.</p>	<p>It doesn't take much to consume 100 extra calories: 1 tbsp. mayonnaise, 1 tbsp. butter or margarine, 1 to 1½ tbsp. salad dressing, a handful of potato chips, 1 medium chocolate chip cookie, 1 slice of bread, 5 oz. of wine, or an 8-oz. beer or cola beverage, for example. Simple changes involving just one food or beverage can significantly decrease caloric intake. For example, substitute water or a diet soft drink for a regular soft drink (0 calories versus 100–150) or sugar-free pancake syrup for regular syrup (30 calories versus 240 per ¼ cup).</p>
<p>Lose 10 pounds in a year by burning off an additional 100 calories per day.</p>	<p>About 25% of American adults are not physically active at all. A 150-pound person will burn about 100 calories an hour sitting and only 80 lying down or sleeping. Walk 4 mph for just ½ hour and a 150-lb. person will burn about 200 calories.</p>
<p>Visualize what gaining or losing 10 pounds of fat looks like as an incentive to change.</p>	<p>Many people don't notice weight gain right away until their clothes get tighter. What does 10 pounds of fat look like? For a rough estimate, picture ten 1-pound cans of vegetable shortening or 40 sticks of butter.</p>

— TABLE 12 —

The Power of 10—Wealth Examples

Power of 10 Financial Improvement Practice	Examples and Description
<p>Pay yourself first by saving at least 10% of your gross income every week.</p>	<p>If you earn \$50,000, you'd save just under \$100 per week, preferably through payroll deduction. If you start saving \$100 a week in your 20s, with an 8% return, you'll have over \$1.5 million in 40 years to provide financial security in later life.</p>
<p>Pay off an \$8,000 credit card balance at 16% interest in three years by applying an additional \$10 a day (\$300 monthly) toward the outstanding balance.</p>	<p>According to <i>Pay It Down! From Debt to Wealth on \$10 a Day</i> by Jean Chatsky, "finding" \$10 a day by trimming household expenses can dig someone out of a credit card hole in three years instead of decades. Once the debt is repaid, she advises continued \$10/day savings for another two years in a money market account to build an emergency fund of over \$8,000. After that, the \$10/day savings should be used to fund a tax-deferred investment account such as an IRA. If your IRA's performance matches the approximately 10% return of the Standard and Poor's (S&P) 500 index since the 1920s (e.g., in an S&P 500 index fund), you'd have over \$250,000 in 25 years from \$10 in daily savings.</p>
<p>If you don't have \$10 a day to add to debt repayment, try adding just \$1 a day (\$30 monthly) to the minimum monthly payment due on credit cards.</p>	<p>According to <i>Slash Your Debt</i> by Detweiler, Eisenson, & Castleman, paying \$1 a day more than the minimum due on a \$5,000, \$10,000, and \$15,000 balance on a 17% interest credit card will save \$7,624, \$12,615, and \$16,168, respectively, in interest payments.</p>
<p>Save \$10 a month, or multiples thereof, using Worksheet 25, <i>Grow Me the Money</i>, on page 74, as a guide.</p>	<p>To use the table, find the intersection of the average interest rate that you expect to earn and the number of years that you will be saving. Adjust the figures according to your savings plans; e.g., multiply the figures by 5 for \$50 ($\\10×5) of savings. For example, saving \$100 a month at 6% for 10 years would result in \$16,470 of savings ($\\$1,647 \times 10$).</p>
<p>Save \$1 a day, plus pocket change, in a can or a jar by reducing daily expenses by \$1.</p>	<p>You should be able to save about \$50 a month or \$600 in a year. Increase the daily savings amount to \$2, plus loose change, and you'll have over \$1,000 in savings.</p>
<p>Invest a portion of long-term investments in stocks and stock mutual funds to potentially earn returns that have averaged about 10% per year since the mid 1920s.</p>	<p>When you are investing, there is usually a positive relationship between the amount of expected return and the risk of losing your money. Stocks have more risk than bonds and cash investments.</p>

Worksheet 24

The Power of 10: Healthy Practices

List up to three ways to use "The Power of 10" to improve your health practices (two samples are provided).

Healthy Strategy	Description
<i>Burn off an additional 100 calories per day</i>	<i>Burn off 100 calories daily on a treadmill instead of doing no exercise</i>
<i>Eat 100 fewer calories per day</i>	<i>Eat one less slice of bread per day</i>

Worksheet 25

Grow Me the Money

Accumulations Possible by Saving \$10 per Month at Various Interest Rates and Time Periods

Year	2%	3%	4%	5%	6%	7%	8%	9%	10%
1	\$121	\$122	\$122	\$123	\$124	\$125	\$125	\$126	\$127
2	244	247	249	253	256	258	261	264	267
3	370	499	382	389	395	402	408	415	421
4	499	509	520	532	544	555	567	580	592
5	630	646	663	683	701	720	740	760	781
10	1,327	1,397	1,472	1,559	1,647	1,741	1,842	1,950	2,066
15	2,097	2,270	2,461	2,684	2,923	3,188	3,483	3,812	4,179
20	2,948	3,283	3,668	4,128	4,644	5,240	5,929	6,729	7,657
25	3,888	4,460	5,152	5,980	6,965	8,148	9,574	11,295	13,379
30	4,927	5,827	6,940	8,357	10,095	12,271	15,003	18,445	22,793

Source: *How to Save \$1,000 or More a Year*, Rutgers Cooperative Extension Fact Sheet 539.
 Available at [HTTP://NJAES.RUTGERS.EDU/PUBS/](http://njaes.rutgers.edu/pubs/).

Find the intersection of the interest rate you expect to earn and the time frame needed to reach your financial goal. For example, if you save \$10 a month at 5% interest over 10 years, you'll have \$1,559. If you can save \$30 a month, multiply \$1,559 times three and you will have \$4,677 in savings.

How much can you set aside each month? \$ _____

What is your investment time frame? _____ years

What rate of return do you expect to receive? _____%

How much money will you have saved? \$ _____

TAKE CALCULATED RISKS AND CONQUER YOUR FEARS

In the end, the only people who fail are those who do not try.

—David Viscott

The words “risk” and “risk-taking” are frequently seen in personal development and self-improvement materials. According to the Merriam-Webster dictionary, risk is defined as “exposure to possible loss or injury.” Like any life change, making changes to improve health and increase wealth involves taking risks. By changing, you are moving out of your “comfort zone” and implementing new behaviors that are different and/or challenging. David Viscott, author of over a dozen books, including *Risking*, advises the following: “Keep reminding yourself that all successful people have taken a risk at some time and succeeded. Taking a jump into the unknown is the starting point of personal greatness. Go for it!” A frequently cited poem about risk concludes with the words “To try at all...is to risk failure. But to risk, we must, because the greatest hazard in life...is to risk nothing.”

Virtually everything people do in life requires some type of risk. Therefore, we are constantly weighing the pros and cons of various actions. For example, when taking a dog outdoors for a walk to get exercise, we risk falling or getting hit by a car. Yet many people take this risk in order to do something that they enjoy. People often decide that certain activities in life are “worth the risk” and do them anyway. Personal risk assessment may also be influenced by factors such as the weather, recent life events, and the presence of other people (e.g., a single man riding a motorcycle versus a married man with two children riding one).

Not all risks are created equally, however. Some risks, such as extreme sports, smoking, and the use of illegal drugs are clearly dangerous and/or unhealthy. Others, such as taking \$1,000 to a casino and relying on luck or plowing money into a poorly planned business venture, are unwise. Then there are *calculated* risks, such as investing for the long term in a stock index fund or the gradual weight loss of 40 pounds over a year with a

better diet and exercise. With calculated risks, you have a vision about where you want to be and a roadmap to get there. You increase the odds of success by researching a risk-taking behavior (e.g., investing), developing and implementing an action plan, remaining focused on your goals, and anticipating and addressing obstacles along the way (e.g., stock market downturns).

Success comes from taking calculated risks and either achieving your goals or learning from setbacks. Risk-taking indicates that you have confidence in your ability to succeed but also accept the possibility of failure because mistakes are a fact of life. Even if you fail, however, risks can often be considered a “success” if you learn from the experience and resolve to do better the next time.

In *Secrets of Six-Figure Women* by Barbara Stanny, the women profiled attributed their success to “letting go of the ledge” (i.e., risk-taking). Among their individual “ledges” were unfulfilling jobs, irrational beliefs, and unhealthy habits. Stanny concluded, “Every successful woman that I interviewed, when she finally let go (hard as it was), cited that single act as the springboard to higher earnings and happier times.” She also wrote, “The concept of letting go is far easier to talk about than to execute.” and, “Rather than hazard the instability of change, we lean on ledges as if they were crutches, finding all kinds of reasons why we need to stay right where we are.”

A common roadblock to risk-taking is fear, such as fear of failure, fear of rejection, fear of pain, fear of loss, fear of getting started, or fear of reactions by other people. Some fears are real while others are simply **False Evidences Appearing as Real** (i.e. irrational beliefs). Some people use the defense mechanism of fear to protect themselves from harm or loss. It isn’t pleasant to experience difficult or uncertain situations and many people will avoid them if at all possible.

With respect to health behaviors, fears about making changes might include the following:

- Fear of lost friendships by not smoking/drinking around friends who still smoke/drink.
- Fear that a health screening exam might indicate the presence of a disease.
- Fear of having a heart attack while exercising because it happened to a friend.
- Fear of acting, and being seen by others, as a “thin person” if you’ve always been overweight.
- Fear of being successful (e.g., quitting smoking and/or losing weight) and then relapsing.
- Fear of changing dietary patterns and selecting the “wrong” foods.

In the financial realm, behavioral finance studies indicate a common fear of taking risks called “loss aversion.” In research where the same outcome (e.g. receiving \$500) is described two different ways—as a gain (profit) and as a loss—most people are willing to take more risk to avoid a sure loss than to lock in a sure gain. According to behavioral finance researchers, Daniel Kahneman and Amos Tversky, people feel the pain that comes with a financial loss about twice as strongly as they feel the pleasure of gaining an equal amount of money. Not surprisingly, many fears about taking risks to change financial behavior are fears about loss.

Below are some examples of financial risk-taking fears:

- Fear of investing in stocks or stock mutual funds and losing money due to a market crash.
- Fear of choosing the wrong investments for IRAs, 401(k)s, etc. Some people who don’t know what to invest their money in simply do nothing (i.e., deciding not to decide).
- Fear of “not knowing enough” to make wise investing decisions.
- Fear of discussing feelings about money issues and household finances with family members.
- Fear of becoming financially successful (e.g., out-earning spouse, working long hours).
- Fear of acknowledging negative cash flow by preparing a spending plan (budget).

When people better understand a particular risk or have some previous experience dealing with it (e.g., investing), their fear of risk-taking often decreases. For example, if you take an investment class and learn that stock returns have been superior to other asset classes historically, but also very volatile in short time frames, you may be less inclined to panic and sell during a stock market downturn. Generally speaking, there is a positive relationship between investment risk and average rates of return (e.g., stocks earn a higher average return than bonds because stocks have a higher risk).

Many people also find it easier to commit to take risks when they are passionate about something and believe in what they’re doing. Passion provides the energy and courage required to make a change. Worksheet 26, *Health and Wealth Risk-Taking*, on the next page, will help you analyze the risk of pursuing your goals, your fears about taking risks, and ways to overcome those fears.

— Action Steps —

Health

- Visit the *Your Disease Risk* website at [HTTP://WWW.YOURDISEASERISK.WUSTL.EDU/](http://www.yourdiseaserisk.wustl.edu/), and evaluate your risk for various diseases.
- Take a risk to implement at least one behavior change to improve your health.
- Describe role models for successful health behavior changes and what you can do to copy their practices.

Wealth

- Take the *Financial Fitness Quiz* and *Investment Risk Tolerance Quiz* at [HTTP://NJAES.RUTGERS.EDU/MONEY/FFQUIZ](http://njaes.rutgers.edu/money/ffquiz).
 - Take a risk to implement at least one behavior change to improve your personal finances.
 - Describe role models for successful financial behavior changes and what you can do to copy their practices.
-

Worksheet 26

Health and Wealth Risk-Taking

Question	Health	Wealth
What are your goals? Write them in brief phrases.		
What are three calculated risks that could help you achieve your goals?		
What will happen if you take a risk to achieve your goals?		
What will happen if you don't take a risk to achieve your goals?		
What are your fears about taking a risk to achieve your goals?		
How can you overcome your fears?		

APPRECIATE TEACHABLE MOMENTS AND WAKE-UP CALLS

*Not everything that is faced can be changed,
but nothing can be changed until it is faced.*

—James A. Baldwin

Despite expert recommendations by government agencies and splashy media campaigns, many people don't change their health or financial behaviors unless they absolutely have to. It's not that we don't know that future problems can be prevented or postponed by positive action. We do. But many people also live in a state of denial. They think, "Heart attacks...diabetes... obesity... inadequate retirement savings...mortgage foreclosure... etc., that will happen to other people, but not to me." Yet when it comes to health and personal finances, people generally reap what they sow.

You can either "pay now" by investing time and money in prevention (e.g., eating well, exercising, setting aside retirement funds, limiting debt) or "pay later" by suffering the consequences of poor health and financial behaviors (e.g., heart bypass surgery, bills for doctors and prescription drugs, inadequate retirement income, debt). In other words, if you're a sedentary, overweight smoker, your lifestyle could be compared to a train wreck that will happen sometime in the future. When experts use "you're at increased risk for..." warnings, they include *everyone*.

Life-changing events often provide the motivation required for taking positive action to improve health and increase wealth. In the education field, these events are called "teachable moments" because people often seek out information at times when they need to cope with a situation, make a decision, or complete a necessary task. Adult learners, particularly, need to see a reason for learning something in order to invest their time doing so. Teachable moments also exist outside the classroom in daily life and can result from both positive and negative life events. Table 13, right, provides examples of positive and negative teachable moments.

When you experience a "teachable moment," recognize it as such and take positive action. As a positive financial example, consider the receipt of a windfall. This

is "found money" that you hadn't planned on receiving such as an insurance settlement, inheritance, or contest prize. Windfalls have the potential to greatly enhance financial security, but only if they are managed wisely. Windfalls may also provide the motivation required to take an investing course or consult a financial advisor. Conversely, a negative financial example of a teachable moment is hearing retirement planning for baby boomers described as a "perfect storm" of simultaneous problems (e.g., uncertainty of Social Security, eroding employer benefits, low household savings). As a result, you may

— TABLE 13 —

Positive and Negative Teachable Moments

Positive Event Teachable Moments	Negative Event Teachable Moments
Health	
Shopping for exercise equipment	Cancer, heart disease, or other diagnoses
Improved personal health status report	Death of a friend or family member
Media reports about health-care advances	Health risk factor assessments (e.g., diabetes)
	Media reports/studies about health "issues"
Wealth	
Receipt of windfalls such as an inheritance	Financial problems (e.g., calls from creditors)
Marriage or remarriage	Loss or reduction of income (e.g., divorce)
Birth or adoption of a child	Poor financial assessments (e.g., net worth)
	Media reports/studies about financial "issues"

decide to start saving and not rely entirely on the government or your employer for future financial security.

Negative teachable moments in life are often referred to as “wake-up calls.” A wake-up call is a warning to take action on something that was previously denied, overlooked, or neglected. For example, the events of 9-11 were seen as a wake-up call to strengthen U.S. homeland security.

Here is a wake-up call from the *2011 National Diabetes Fact Sheet* (released Jan. 26, 2011) concerning the total prevalence of diabetes. 25.8 million children and adults in the United States—8.3% of the population—have diabetes. 18.8 million of these are diagnosed and 7.0 million are undiagnosed. 79 million people have pre-diabetes. 1.9 million new cases of diabetes were diagnosed in people aged 20 years and older in 2010. For more information: [HTTP://WWW.DIABETES.ORG/DIABETES-BASICS/DIABETES-STATISTICS](http://www.diabetes.org/diabetes-basics/diabetes-statistics)

Here is a wake up call from the American Heart Association. Cigarette smoking is the most important preventable cause of premature death in the United States. It accounts for more than 440,000 of the more than 2.4 million annual deaths. About 25% of men and 21% of women are smokers. Cigarette smokers have a higher risk of developing several chronic disorders. These include fatty buildups in arteries, several types of cancer and chronic obstructive pulmonary disease (lung problems). Atherosclerosis (buildup of fatty substances in the arteries) is a chief contributor to the high number of deaths from smoking. Many studies detail the evidence that cigarette smoking is a major cause of coronary heart disease, which leads to heart attack. See: [HTTP://WWW.HEART.ORG/HEARTORG/GETTINGHEALTHY/QUITSMOKING/QUITTINGRESOURCES/SMOKING-CARDIOVASCULAR-DISEASE_UCM_305187_ARTICLE.JSP](http://www.heart.org/heartorg/gettinghealthy/quit-smoking/quit-resources/smoking-cardiovascular-disease_UCM_305187_Article.jsp)

With respect to health, red-flags for a need to change current behavior include the following:

- Body mass index (BMI) greater than 25 due to gradual weight gain over time.
- Sedentary lifestyle with little or no daily exercise (25% of Americans get no physical activity).
- Poor eating practices (e.g., high fat, low fiber, large portion sizes).
- Highly stressful lifestyle resulting in symptoms such as anxiety, insomnia, and migraines.
- Sustained elevated blood pressure (120/80 is considered normal; 140/90 or higher is a red flag).

- Chronic and/or life-threatening diagnoses such as diabetes, asthma, cancer, and heart disease.
- Family history of a particular disease or condition (e.g., colon cancer).
- Death of a close friend or family member with similar health practices to yours (i.e., smoking).

Unfortunately, many people take their health for granted, figuring they’ll “beat the odds” of risks associated with an unhealthy behavior. It often takes a personal-health crisis to prompt a change.

There are also a variety of financial wake-up calls. For example, after 9-11, some families were motivated to draft wills and purchase life insurance because they heard about the problems experienced by victims’ families that lacked these documents. After the Enron scandal, some workers reviewed their 401(k) plan contributions and reduced their employer stock weighting. Some financial red flags include:

- Low retirement savings and net worth (average baby boomers have only 12% of what they need).
- High household debt (average U.S. households with credit card debt carry a credit card balance of about \$15,000).
- Low (inadequate) or no life, disability, liability, and long-term care insurance to cover large risks.
- Use of high-cost “fringe” financial services such as payday lenders and check cashing stores.
- High percentage (more than 10%) of investment assets invested in a single company or industry.

— Action Steps —

Health

- Identify the most important health wake-up call in your life right now and take action to address it.
- Research the consequences of doing nothing about your health wake-up call (e.g., Internet search).

Wealth

- Identify the most important financial wake-up call in your life right now and take action to address it.
 - Research the consequences of doing nothing about your financial wake-up call (e.g., Internet search).
-

- Consumer debt (excluding mortgage) to net (after-tax) income ratio of 15% or higher.
- Contact from creditors regarding overdue payments, charged-off debts, etc.
- Low credit score (under 720) and negative information (e.g., late payments) in credit report.
- Lack of a will, trust, or other estate planning documents by people with dependents and assets.
- Negative cash flow in daily spending (i.e., expenses greater than income).

- Stress resulting from financial difficulties that starts affecting physical health.
- Deteriorating marriage, spousal abuse, or a spouse who is disabled or in poor health.

Complete Worksheet 27 *Teachable Moments and Wake-Up Calls*, below, to determine whether you ignored or responded to teachable moments and wake-up calls in the past and how you would like to handle them in the future.

Worksheet 27		
Teachable Moments and Wake-Up Calls		
Question	Health	Wealth
What “teachable moment” have you experienced in the past?		
How did you handle the experience and what did you learn?		
What “teachable moments” do you anticipate within the next five years?		
What wake-up calls are you concerned about and why?		
What action can you take to address the wake-up calls in your life?		
What resources do you have to assist you in taking action?		
What obstacles do you expect to face and how will you address them?		
What are the consequences of doing nothing about your wake-up calls?		

WEIGH THE COSTS AND BENEFITS OF CHANGING

*Decide what you want,
decide what you are willing to exchange for it.
Establish your priorities and go to work.*

—H.L. Hunt

In the business world, cost-benefit analysis is a process used to determine the merits of a project or idea by quantifying its costs and benefits. As the name suggests, companies add up the costs (expenses) of taking a particular course of action and weigh them against the expected benefits that will occur. Cost-benefit analysis is a widely used tool for deciding whether or not to make a change. Since businesses exist to make a profit, there must be a clear indication of a “payoff” for taking an action.

Cost-benefit analysis can also be a motivational tool when deciding whether or not to take action to improve your health and increase your wealth. Researchers who study behavior change refer to the process of weighing the pros and cons of changing behavior as “decisional balance.” The decision to take action to change is based upon the relative weight given to pros (advantages of changing behavior) and cons (negative aspects of changing behavior; i.e., obstacles to change). According to a well-tested theory, the Transtheoretical (a.k.a., “Stages of Change”) Model, there are five stages of readiness to change. These stages are: *precontemplation* (no intention to change in the next six months), *contemplation* (intention to change in the next six months), *preparation* (intention to change in the next 30 days), *action* (change made less than six months ago), and *maintenance* (change made more than six months ago).

Decisional balance can be visualized as a scale, with the negative aspects of changing (costs) on one side and the positives of changing (benefits) on the other. If the sides are equally balanced, the scale will not “move” (i.e., make a change). On the other hand, if you add more weight to either side, an imbalance will occur and the side with the most weight will drop down. In the precontemplation stage of change, the cons always far outweigh the pros because people do not even recognize a need to change at this point. As they become more aware

of the advantages of changing in the contemplation and preparation stages, the pros gradually increase in importance until they eventually outweigh the cons prior to taking action. At the maintenance stage, it is important to keep decisional balance weighted toward the pros to prevent a relapse (e.g., a reversion back to smoking or poor spending or eating habits).

Decisions to change behavior affect not only the person making the change, but others with whom they interact (e.g., friends, family). Thus, behavior change experts suggest considering all of the following when listing the pros and cons of making a change (i.e., decisional balance):

- Consequences of making a change to oneself.
- Consequences of making a personal change on other people.
- Reactions of oneself to a change.
- Reactions of others to a change.

Now that you understand the concept of decisional balance, explore the advantages (pros) of making positive changes to your health and finances by reviewing the lists below. Are the costs of making a change worth it? Use Worksheet 28 *Decisional Balance—Health*, page 83, and Worksheet 29, *Decisional Balance—Wealth*, page 83, to weigh the pros and cons of taking action to improve your health and wealth. Complete *each* section of each worksheet to clarify your thoughts and feelings.

Advantages of making behavior changes to improve health include the following:

- Improved health and reduced risk for heart disease, cancer, etc. (e.g., by quitting smoking).
- Saving money that was previously spent on an unhealthy habit (e.g., by quitting smoking).
- Clothing will fit better (e.g., by losing 15 pounds).

- More energy (e.g., with weight loss).
- Vanity...will look better and feel better.
- Increased self esteem.
- Increased sense of control over life (e.g., by succeeding in efforts to change an unhealthy behavior).
- Won't feel like "a statistic" anymore (e.g., one of the 2/3 of Americans who are overweight or obese).
- Spouse/friends/doctor will stop nagging about changing an unhealthy behavior (e.g., quitting smoking).
- Positive role model for children.

Advantages of making behavior changes to improve finances include the following:

- Increased financial security for current financial emergencies (e.g., broken car).
- Increased financial security in later life (e.g., retirement savings).
- End of contact from creditors about unpaid debts.
- Improvements in health status due to improvements in finances (e.g., reduced stress).
- Ability to achieve financial goals such as a family vacation or college and retirement savings.
- Increased self esteem.

— Action Steps —

Health

- Research recommended health behaviors to learn about the positive aspects (pros) of changing.
- Talk to someone who has made the same health change that you are considering to learn more about it.

Wealth

- Research recommended financial behaviors to learn about the positive aspects (pros) of changing.
 - Talk to someone who has made the same financial change that you are considering to learn more about it.
-

- Increased sense of control over life (e.g., by succeeding in efforts to change a negative behavior).
- Won't feel like "a statistic" anymore (e.g., saving less than 6% of income like average U.S. families).
- Spouse/friends/others will stop nagging about changing a negative money habit (e.g., overspending).
- Positive role model for children.

Worksheet 28

Decisional Balance—Health

Proposed Behavior Change: _____

	Changing Behavior	Not Changing Behavior
Benefits		
Costs		

Worksheet 29

Decisional Balance—Wealth

Proposed Behavior Change: _____

	Changing Behavior	Not Changing Behavior
Benefits		
Costs		

STEP DOWN TO CHANGE

*The greatest thing in this world is not so much where we are,
but in which direction we are moving.*

—Oliver Wendell Holmes, Jr.

The *Meet Yourself Halfway* strategy, page 47, teaches readers to improve their health and increase their wealth by reducing portion sizes and discretionary expenses by half. This way you don't feel deprived of your favorite foods and activities that you enjoy. Another way to reduce consumption is to follow the "step-down principle." Instead of eliminating a food or discretionary expense entirely, you choose a lower calorie (eating) or less expensive (spending) alternative.

You've probably seen television advertisements for a product that helps people gradually quit smoking. It uses the words "step down" to indicate that a person's exposure to nicotine is reduced, in pre-determined stages, while using this product. According to the manufacturer, "stepping down," by gradually reducing the amount of nicotine consumed, makes it easier to quit smoking than going "cold turkey." In other words, the odds of successful behavioral change are greater when a person makes small, gradual changes than by making one large change all at once.

Professor Alena Johnson at Utah State University has written about "stepping down" as a method to reduce household spending. Just like the smoking cessation product described above, the principle is that people will be more successful, and feel less deprived, if their spending is reduced in gradual stages as opposed to eliminating spending on an item completely. To visualize the "step-down principle," imagine a staircase with four steps. On the top is the most expensive way to purchase an item and on the floor below the bottom step is the least expensive purchasing method.

To illustrate the "step-down principle," Johnson provides an example of purchasing pancakes for breakfast. The most expensive method (top of the staircase) would be going to a "sit-down" restaurant like an IHOP, Denny's, or Friendly's and paying about \$4 to \$5, excluding a tip. The first step down would be to buy the pancakes

at a fast food outlet for around \$2 to \$3, the next step down would be purchasing frozen pancakes at the supermarket for about \$1 per serving, and the next step might be 25 cents for pancakes made from dry mix. At the "floor" of the staircase would be the cheapest method still: about 16 cents for a serving of pancakes prepared "from scratch" (i.e., dry ingredients).

The "step-down principle" provides a variety of options to make a purchase. One person might decide to prepare "from scratch" pancakes on weekends when they have more time. Another might decide to buy frozen pancakes, a "step down" of two steps from a restaurant meal. They'd still pocket considerable savings (\$3 to \$4 in the above example), although it won't save them the most money.

The "step-down principle" also works well with other "discretionary" household expenses. For example, clothing, as shown below. Steps of spending, from top to bottom, might include expensive department stores, mid-price department stores, discount stores, a consignment store, and thrift shops/flea markets/garage sales. Again, the more "steps down," the greater the savings. You don't cut out buying clothing completely, but you explore alternative ways to get more for the reduced amount of money you plan to spend.

"Stepping down" can also refer to the frequency or amount of a purchase as well as where it is made. For example, you may decide to eat out six times a month instead of twelve. You're not completely eliminating what is obviously a pleasurable activity. You're simply taking steps to reduce the cost. Or you might "step down" by eliminating an appetizer, drink, and/or dessert when you eat out. Again, you're still enjoying an activity (e.g., restaurant meal), but doing so for less money (and calories!).

Just like spending, you can use the step-down principle to reduce caloric intake. For example, you might gradually step-down from 1 cup of whole milk (149

— TABLE 14 —

Food Substitutions to Step Down Calorie Intake

Food/Beverage	Good Substitute	Better Substitute	Best Substitute
Sour cream	Light sour cream	Lowfat plain yogurt	Nonfat plain yogurt
Mayonnaise	Light mayonnaise	Miracle Whip Light	1/2 nonfat yogurt and 1/2 Miracle Whip Light
Fatty meats	Lean cuts of meat	Chicken and turkey breast	Fish (particularly finfish)
Fried foods	Using a cooking spray (e.g., PAM)	Foods baked without additional fat	Broiled/steamed foods
Ice cream	Ice milk	Sherbert	Lowfat Yogurt
Donuts, pastry, cake, pie, cookies	Pudding made with 1% or 2% milk	Fig Newton and Ginger Snap cookies	Angel food cake with fruit
Regular potato chips or fried snack foods	Lightly buttered popcorn	Pretzels, unbuttered popcorn	Fruit, raw vegetables
“Supersized” cola or other soft drink	Medium-sized cola or other soft drink	Diet soda or other diet drink	Water

calories) to 2% milk (122 calories) to 1% milk (102 calories) to skim milk (86 calories). Table 14, above, lists some healthy substitutions to higher calorie foods.

Another way to “step-down” is to modify recipes when cooking, with ideas such as the following:

- If a recipe like quick breads, muffins, or cookies calls for 1 cup of oil, use 2/3 cup instead.
- Use two egg whites or an egg substitute product instead of one whole egg to reduce fat and cholesterol.
- Reduce sugar by 1/4 to 1/3 in baked goods and desserts to reduce calorie content.
- Stop browning meat in fat because fat will drain from the meat as it cooks. Drain fat from meat before adding it to other ingredients.
- Substitute lower fat dairy products (e.g., lowfat cottage cheese) for those that are higher in fat.
- Use equal amounts of fruit purees or applesauce for all or part of the fat (e.g., oil) in recipes such as quick breads and cookies.

Now it’s time to apply the “step-down principle” to one or more actions that are required to reach your

health and wealth goals. Complete Worksheet 31, *Step-Down: Health Practices*, page 86, and Worksheet 32, *Step-Down: Financial Practices*, page 87. Define your current behaviors and four levels you can step down to for improved health and wealth.

— Action Steps —

Health

- Visit the website [HTTP://HOMECOOKING.ABOUT.COM](http://homecooking.about.com) for ideas about healthy food recipe substitutions.
- Perform a step-down analysis on at least one current health behavior that you want to change.

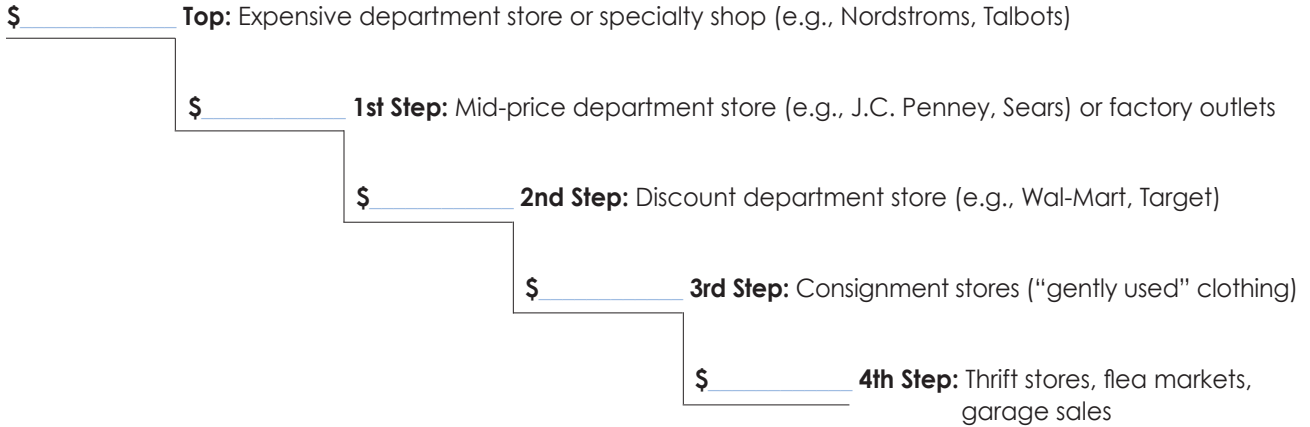
Wealth

- Visit the websites www.66ways.org, www.stretcher.com, and www.goodadvicepress.com for ideas about ways to reduce household expenses.
- Perform a step-down analysis on at least one current financial behavior that you want to change.

Worksheet 30

Step-Down Principle and Buying Clothes

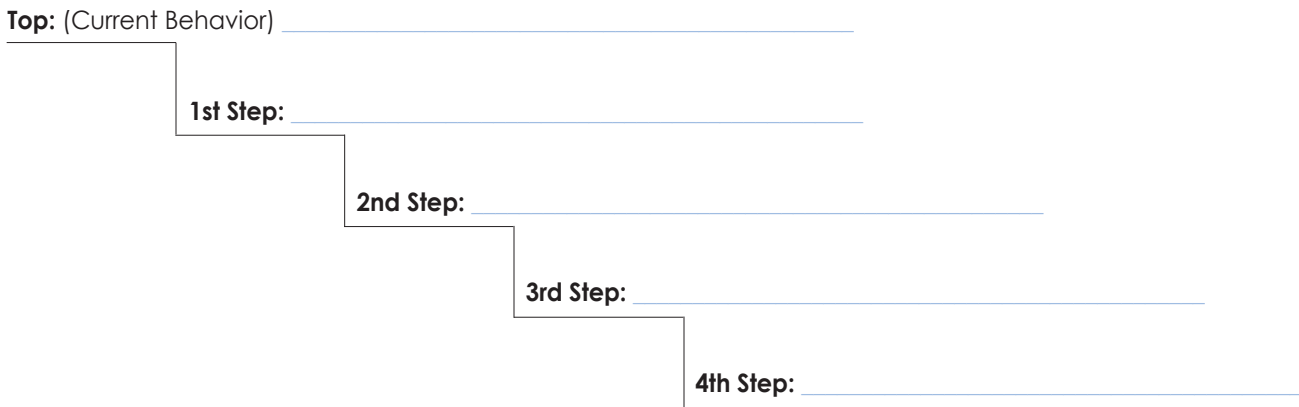
Select an article of clothing and check the price at various kinds of stores.



Worksheet 31

Step Down: Health Practices

Fill in the blanks with better alternatives to a current health practice.



Step Down: Wealth Practices

Fill in the blanks with better alternatives to a current financial practice.

Top: (Current Behavior) _____

1st Step: _____

2nd Step: _____

3rd Step: _____

4th Step: _____

KICK IT UP A NOTCH

If you have a great ambition, take as big a step as possible in the direction of fulfilling it. The step may only be a tiny one, but trust that it might be the largest one possible for now.

—Mildred McAfee

If you've ever watched the Food Network on cable television, you've probably seen celebrity chef Emeril Lagasse and heard his famous saying "kick it up a notch!" Emeril has developed a blend of spices called "Essence" to add additional flavor to foods that he prepares. When he tells an audience he's going to "kick it up a notch," he puts a pinch or two of Essence on a dish and everyone, in unison, says, "BAM."

"Kick It Up a Notch" is also a strategy to improve your health and increase your wealth. In this case, it doesn't mean adding more spice to a recipe but, rather, ratcheting up healthy behaviors that you are currently performing (or maybe not performing) in order to make them better. For example, if you currently get 20 minutes of physical activity daily, start exercising for 30 or 40 minutes. If you are saving 3% of your pay in a 401(k) plan, increase your contribution to 4% or 5%. In the *Step Down To Change* strategy, page 84, you learned ways to gradually reduce unhealthy behaviors such as smoking, high calorie diets, and overspending. With the "Kick It Up a Notch" strategy, you do the exact opposite: take action to gradually increase healthy behaviors such as exercise, saving/investing, and debt reduction. Whether we're talking about cooking or life, extra "spice" makes a big difference in the results that are achieved.

An excellent example of the "kick it up a notch" behavior-change strategy can be found on the America's Walking website at www.pbs.org/americaswalking/health/health2opercentboost.html. Billed as "the realistic way to build up to 10,000 steps a day," the program suggests a gradual approach called "the 20% Boost Program." Using a pedometer to track your steps, during the first week you don't change your normal routine at all in order to calculate your baseline average. Be sure to record all steps taken, including both formal (e.g., using a treadmill) and informal (e.g., walking to/from a parking lot) exercise.

The *America's Walking* website provides a form to record the number of steps taken on Monday through Sunday of each week. The next step is to add the total number of steps for all seven days and divide this number by 7 to get your daily step average. Then, multiply the average number of steps taken by 1.2 (20% increase) as a goal for the following week. Continue doing this over the next two or more weeks, until you reach 10,000 steps (about five miles). A study done in Colorado, a state with a relatively low obesity rate, found that the average person takes about 5,900 steps a day (about three miles). To reach 10,000 steps would require a 20% increase from 5,900 (week 1) to 7,080 (week 2) to 8,495 (week 3) to 10,000 + (week 4). These extra steps can be achieved by planned physical activity. Examples include walking during lunch hour, parking farther away from one's place of work, taking stairs instead of an elevator, pacing back and forth while talking on the phone, and/or extra time spent on exercise equipment such as a treadmill.

Good financial practices can also be kicked up a notch. A recent study by the Employee Benefit Research Institute found that Americans contributed an average of 6.8% of pay to 401(k) retirement plans, far less than the maximum annual limit for many people. Only about 10% of plan participants contribute the maximum amount allowed. Thus, a clear catch-up strategy for many people is to "kick savings up a notch" by contributing more to tax-deferred 401(k), 403(b), and Section 457 plans. The best times to do this are when you receive a raise, or other increase in income, or when household expenses, such as a car loan or childcare, end.

Some tax-deferred plans also include matching employer contributions. For every dollar that you save, your employer might kick in another 25 cents, 50 cents, or even a dollar, up to a certain percentage (e.g., 6%) of pay. The average company match in a 401(k) plan

is about 3% of workers' pay. If you are not saving the amount required to earn the maximum match from your employer, you are essentially throwing away "free money." Other advantages of these savings plans, in addition to matching, are a federal tax write-off for the amount contributed and tax-deferred earnings.

Table 15, below, shows the amount that can be accumulated by age 65 by saving an additional 2% of earnings annually or by a 1% contribution by you and a 1% match from your employer. The analysis assumes that savings earn a 7% average annual return and that a worker's contribution is based on their current salary (e.g., 2% of \$30,000 is \$600) and remains constant over time. If earnings, and hence retirement plan contributions, increase, the amount that can be accumulated will be even higher.

The Employee Benefit Research Institute's annual Retirement Confidence Survey consistently indicates that about half of American workers, both current savers and non-savers alike, feel that it is possible to save \$20 (or \$20 more) weekly for retirement. While saving \$20 per week does not seem like much, it will result in more than \$1,000 per year, plus earnings provided by compound interest. Can you "find" \$20 a week to save by trimming one or more household expenses?

Table 16, above right, shows the impact of saving an additional \$20 per week and that seemingly small amounts can grow into substantial sums over time. The longer the investment period (e.g., 30 years versus 10 years) and the higher the average annual rate of return (e.g., 10% versus 5%), the greater the sum of money that will accumulate.

— TABLE 15 —

Savings at Age 65 from an Additional 2% Contribution to Tax-Deferred Savings

Worker's Annual Salary	Age That Worker Begins Saving Additional 2% of Pay			
	40	45	50	55
\$ 20,000	\$ 25,300	\$ 16,398	\$ 10,052	\$ 5,527
\$ 30,000	\$ 37,949	\$ 24,597	\$ 15,077	\$ 8,290
\$ 40,000	\$ 50,599	\$ 32,796	\$ 20,103	\$11,053
\$ 50,000	\$ 63,249	\$ 40,996	\$ 25,129	\$13,816

Source: Future value of annuity table factors multiplied by 2% of four different salary levels with savings-plan deposits held constant through age 65.

— TABLE 16 —

Impact of Saving an Additional \$20 per Week

Number of Years of Savings	5% Average Return	10% Average Return
10 years	\$ 13,700	\$ 18,200
20 years	\$ 36,100	\$ 65,500
30 years	\$ 72,600	\$ 188,200
40 years	\$ 131,900	\$ 506,300

Source: Retirement Confidence Survey, Employee Benefit Research Institute, Washington, DC

Another way to kick things up a notch financially is to use a fold-down plan (a.k.a., power payments) to speed up the repayment of outstanding debt so that monthly payments can, instead, be invested. The principle behind this strategy is that, as one debt is repaid, the monthly payment from that previous debt (e.g., \$30 paid to Sears) is applied to remaining creditors (i.e., kicking them up a notch), until all remaining debts are repaid. Depending on the number of creditors owed and the outstanding balances, the amount of money saved can range from several hundred dollars to well over \$10,000.

Consider the following example, prepared by Barbara Bristow, formerly of Cornell University, which illustrates the awesome impact of accelerating debt repayment. The example shows differences in debt reduction time and the amount of interest paid by three fictional families, each with a different repayment schedule. It assumes that each family has a credit card balance of \$4,800 with a 17% annual percentage rate (APR) and that they do not add to this existing debt or miss any payments.

- The *Minimum* family pays just the required monthly payment due each month (some creditors charge 2% of the outstanding balance with a minimum payment of \$10; others charge 3% or more). They will make 405 monthly payments (33.75 years!) and pay a total of \$10,399.78 in interest charges, in addition to the \$4,800 they borrowed, for a grand total of \$15,199.78.
- The *Medium* family decides to repay \$120 a month. At this rate of repayment, their debt will be repaid in exactly five years (60 payments) and they will pay a total of \$2,333.83 in interest charges for a grand total of \$7,133.83.

- The *Maximum* family decides to repay \$240 a month. They will finish paying off the principal in two years (24 payments) with a total interest cost of \$884.11 for a grand total of \$5,684.11. The Maximums then decide to “pay themselves first” by continuing to make a \$240 “payment” to themselves and investing it. They find a quality stock mutual fund and invest \$240 a month for 381 months. This length of time coincides with the date that the Minimums finish repaying their \$4,800 balance. If the Maximum’s mutual fund earns an 8% average return over the 31.75 years that they invest, they will accumulate \$390,362 toward a secure retirement.

The Utah State University Cooperative Extension website, www.POWERPAY.ORG, provides a PowerPay debt reduction calculator for individual consumers to calculate the potential time and interest savings possible by applying the monthly payment from a repaid debt to other outstanding obligations.

Below are some additional ways to kick your current financial practices up a notch:

- If you’re saving in a 401(k) or other tax-deferred plan but never really calculated your actual retirement savings need, download a copy of the *Ballpark Estimate* worksheet at www.ASEC.ORG or do a *Ballpark Estimate* calculation online.
- If you revolve a credit card balance, transfer it to a low-rate card or request an interest rate reduction.
- Increase your emergency savings to the equivalent of three-to-six month’s expenses.
- If you rarely or never check your credit report, do so annually. Every American can request a report *free of charge* once a year from either of the three major credit bureaus: Experian, Equifax, and Trans Union at www.ANNUALCREDITREPORT.COM.
- If you invest in stocks or mutual funds haphazardly, sign up for an automatic investment plan and invest a regular amount at a regular time interval (e.g. \$50 per month) by authorizing a debit of your bank checking account for the deposit.
- Make the equivalent of 13 monthly mortgage payments a year by adding $\frac{1}{12}$ of a monthly payment

(principal and interest portion) each month (e.g., $\frac{1}{12}$ of a \$1,200 payment = \$100 + \$1,200 = \$1,300).

- Whatever you are currently saving/investing, do more of it (e.g., invest \$100/month instead of \$50).

You can probably think of many other ways to “kick it up a notch” to improve your health and personal finances. Get started by doing what experts recommend or doing more of the positive behaviors (e.g., physical activity, saving money) that you are *already* doing. Use Worksheet 33, *Kick It Up a Notch—Health*, and Worksheet 34, *Kick It Up a Notch—Wealth*, both on the next page, to make plans to change. Describe the behavior you desire to change, each “notch” of behavior change (e.g., saving 2%, 3%, 4%, 5%, and 6% of pay), and your expected date to “kick it up” to a higher level. Try, also, to enjoy what you do. Just like Chef Emeril enjoys cooking with a band playing and people around him, choose behavior-change strategies that are fun or relatively painless.

— Action Steps —

Health

- Use a pedometer to track your baseline number of steps and increase them gradually to 10,000 daily.
- Identify one or more current health behaviors and make them better (e.g., eating 5 fruit and vegetable servings per day instead of 3).
- Visit [HTTP://WWW.NJHCQI.ORG/HOWSYOURHEALTH.PHP](http://www.njhqcqi.org/howyourhealth.php) and [WWW.EVERYDAYCHOICES.ORG](http://www.everydaychoices.org) for ideas about things that you can do to improve your health.

Wealth

- Calculate your net worth (assets minus debts) and aim to increase it by 5% to 10% annually.
 - Identify one or more current financial behaviors and make them better (e.g., saving 10% of gross annual income instead of 5%).
 - Visit [HTTP://NJAES.RUTGERS.EDU/MONEY/FFQUIZ/](http://njaes.rutgers.edu/money/ffquiz/) for ideas about ways to improve your finances.
-

Worksheet 33

Kick It Up a Notch—Health

Current Behavior _____

Behavior-Change Level	Description of Behavior Change	Target Date to Change
One Notch Higher		
Two Notches Higher		
Three Notches Higher		
Four Notches Higher		

Worksheet 34

Kick It Up a Notch—Wealth

Current Behavior _____

Behavior-Change Level	Description of Behavior Change	Target Date to Change
One Notch Higher		
Two Notches Higher		
Three Notches Higher		
Four Notches Higher		

CONTROL YOUR ENVIRONMENT

The environment that people live in is the environment that they learn to live in, respond to, and perpetuate. If the environment is good, so be it. But, if it is poor, so is the quality of life within it.

—Ellen Swallow Richards

A person's environment can have a powerful influence on his or her behavior. Therefore, if you want to improve your health and increase your wealth, remove cues to engage in unhealthy practices and add prompts to perform recommended ones. In other words, avoid or change situations that lead to unwanted actions (e.g., overeating and overspending), and instead, set yourself up to succeed. Researchers who study the process of behavior change call healthy environmental changes “stimulus control.” A health example is keeping a pair of sneakers at work for taking a walk during lunch and a financial example is to, literally, put your credit cards “on ice” (freeze them in a cup of water). In the time that it takes to thaw out a credit card, you have time to fully evaluate a purchase.

Experts in the process of behavior change say that there are several ways to adjust your environment to a more positive atmosphere for change. One way is *avoidance*, i.e., simply staying away from people or things to avoid temptation (e.g., keeping high calorie snacks out of the house and limiting trips to shopping malls). According to the book *Changing For Good* by Prochaska et al, “avoidance is not a sign of weakness or poor self-control; in fact, effective self-control includes the ability to prevent a problem from starting.” Limit or get rid of whatever it is that is causing an unhealthy behavior and don't use other people as an excuse not to change (e.g., buying junk food for “company” and contributing to daily lottery pools).

A second type of stimulus control is *reminders and warning signs*. According to *Changing For Good*, “these reminders may seem artificial and unnatural, but they are like stop signs at busy intersections, useful for controlling behavior.” Health examples of warning signs are a timer set to ring after one hour of television viewing (as a reminder to get up and exercise) and a STOP sign (or picture of how you looked 20 pounds lighter) on the refrigerator door. Financial examples include a *Cred-*

it Card Sleeve, available from the Institute of Consumer Financial Education at WWW.FINANCIAL-EDUCATION-ICFE.ORG, with cautions such as “overuse can be dangerous to your wealth.” Also, an ATM/Credit Card/Cash Tracker, available from Rutgers Cooperative Extension, to keep a running tally of purchases (see [HTTP://NJAES.RUTGERS.EDU/MONEY/DEFAULT.ASP#RESOURCES](http://NJAES.RUTGERS.EDU/MONEY/DEFAULT.ASP#RESOURCES)). A common reminder tool that many people already use is a “to do list.” Change experts recommend adding action steps related to your health or wealth goal to the list. For example, if you are trying to lose weight, you might write down “exercise 45 minutes.” If you are trying to save money, your to do list might include “put \$3 into savings jar.”

Many people today lead extremely busy lives. After subtracting time spent on work, commuting, sleep, and personal care, they may have less than five hours of “discretionary” time a day. With this in mind, a third type of environmental change is to simply *rearrange things*. For example, instead of having a television upstairs and a treadmill downstairs in your house, put both of them in the same room so that you can exercise and watch television together and make more effective use of your limited time. If you're finding it difficult to make regular investment deposits, arrange to have them made automatically by debiting your paycheck or checking account. Also consider having regular bills paid automatically to save time and avoid late charges. For additional ideas on ways to automate health and financial practices, see Strategy 15, *Automate Good Habits and Create Templates*, on page 66.

Many poor health and financial behaviors are the outcome of a series, or chain, of behaviors. Thus, another environmental-control strategy, according to behavior-change experts, is to break the chain early before things get out of hand. For example, eating a bag of chips in front of the TV would require buying chips, bringing them home, getting the chips out, and eating them. That's a lot of steps. Ways to break the chain of events might be not

buying chips or putting just a small amount of chips in a bowl before sitting in front of the TV. Similarly, reaching a dangerous 20% debt-to-income ratio might involve a series of purchases while, at the same time, making only minimum payments on credit cards.

How do you break the chain early? Consider this analogy from the world of NASCAR Motor Sports. Ever since a car wreck nearly killed hundreds of spectators in the grandstands at Talladega in 1987, when a speeding car went airborne, races at Daytona International Speedway in Florida and Talladega Superspeedway in Alabama have required drivers to use “restrictor plates.” According to the official definition on www.NASCAR.COM, a restrictor plate is “a flat device with holes drilled into it designed to limit the amount of air that enters the engine. This effectively limits the horsepower of the engine and slows the cars down.”

To avoid overindulging in poor health and financial practices, people also need “restrictors” to slow them down. In other words, cues that they’ve “had enough.” Not everyone will have the same restrictors, however. The amount of calories that people can burn off, or purchases that they can charge relative to their income will vary. Individuals, therefore, need to develop, and enforce, their own restrictors. If someone tries to restrict another person, they will usually resent it and rebel. Looking for some specific ideas? Consider the following examples of health and financial restrictions:

- Eating no more than 2,000 calories per day.
- Watching no more than two hours of television per day.
- Eating no more than one sweet dessert per day.
- Having wine or dessert at a restaurant, but not both.
- Avoiding restaurants with all-you-can-eat buffets.
- Selecting “light” menu options at restaurants, on cruises, etc.
- Spending no more than \$800 on holiday gifts and parties.
- Carrying a revolving credit card balance of no more than \$1,000 at any time.

- Charging no more than \$300 per month in new purchases.
- Buying a “new used” car, instead of a new car, to reduce the cost.
- Depositing 5% of gross income in a 401(k) or 403(b) plan via payroll deduction.

Another method of stimulus control is to anticipate difficult situations in advance and formulate healthy responses. For example, if business travel or eating “on the run” is a frequent problem, you might buy some meal replacements for busy days to avoid high calorie fast foods. If you are trying to quit smoking, develop a tactful way to say, “No, thanks,” when offered a cigarette by friends who smoke. Similarly, develop polite responses when others urge you to spend money.

Are you willing to make changes in your environment to improve your health and increase your wealth? Use Worksheet 35, *Stimulus Control: Health and Wealth*, page 94, to map out a strategy to change your environment for the better by identifying resources, challenges, and personal “restrictors.”

— Action Steps —

Health

- Identify the three biggest negative health influences in your life. Develop and implement a plan of action to avoid or reduce them.
- Develop 3–5 realistic internal “restrictors” to improve your health practices.

Wealth

- Identify the three biggest negative financial influences in your life. Develop and implement a plan of action to avoid or reduce them.
 - Develop 3–5 realistic internal “restrictors” to improve your financial practices.
-

Worksheet 35

Stimulus Control: Health and Wealth

Question	Health	Wealth
<p>What are some <i>healthy</i> aspects of your current environment?</p>		
<p>What are some <i>unhealthy</i> aspects of your current environment?</p>		
<p>What unhealthy environments can you simply <i>avoid</i>? How?</p>		
<p>What are some reminders or cues that you can use to control your behavior?</p>		
<p>How can you rearrange things in your life to enhance healthy behaviors?</p>		
<p>What are your "restrictors" on poor health and personal finance behaviors?</p>		

MONITOR YOUR PROGRESS AND REWARD SUCCESS

*Celebrate your success and stand strong when adversity hits,
For when the storm clouds come in,
the eagles soar while the small birds take cover.*

—Anonymous

According to the book *Changing For Good*, “Environmental controls modify the cues that precede and trigger problem behavior; rewards modify the consequences that follow and reinforce it.” Environmental controls and rewards are both very important processes in the action and maintenance stages of change that are described in the *Weigh the Costs and Benefits of Changing* strategy, page 81. The authors of *Changing For Good* recommend rewarding progress at each successive step forward (e.g., saving \$25) rather than waiting for more visible progress later (e.g., saving \$250), noting, “The more difficult steps of the action stage [of change] must be built on a solid, well-reinforced foundation.”

In order to know when it is appropriate to provide rewards and celebrate success, it is necessary to track the journey from where you are now to where you want to be. Some people do this by keeping a journal and describing their feelings about making progress and/or relapsing over time (i.e., self-reflection). Others use computer spreadsheets or graph paper to monitor their behavior and/or plot progress made toward their target goal (e.g., 170 pounds to 140 pounds or \$50 in savings to \$1,000). As noted in the *Track Your Current Behavior* strategy, page 17, raising self-awareness of current practices is an essential component of successful health- and financial-behavior change. To change dietary and health practices or physical activity or spending habits, it is critical to know how much we eat, smoke, exercise, spend, and save. Written records increase self-awareness. It is estimated that people underestimate their energy intake by an average of one-third and overestimate their physical activity by about one-half.

Research indicates that you increase the odds of successful behavior change by keeping written records. This is true for both health behaviors (e.g., recording food intake) and personal finances (e.g., recording expenses). In one study, tracking current behaviors, along with a

strong initial commitment to change and strategies to deal with problems that arise, were the factors found to best predict success in keeping New Year’s resolutions. The authors concluded, “The more reviewing and monitoring you do, the better you will do.” In another study of dieters, those who recorded what they ate lost more weight and kept it off better than those who didn’t keep food records. The more days that were tracked, the greater the weight loss. A third study looked at eating habits over the holidays and found that subjects gained 500% more during holiday weeks than at other times, with the exception of those who consistently kept food records, who actually lost weight.

How often should you monitor progress toward a health or wealth goal? “Frequently,” say many behavior-change experts. Regular progress checks provide an opportunity to either celebrate small successes as they occur or rein in a relapse before too much damage is done. A study of Weight Watchers participants, for example, found that regular weigh-ins helped dieters react quickly to their weight gain. Those who weighed themselves frequently and used a three-pound gain as a “cue” to restart their diet were more likely than others to have long-term success. Similarly, keeping a running total of purchases on a credit card provides a visible cue that you are about to exceed an amount that you can comfortably repay.

According to behavior-change experts, you can gradually shape your behavior in a new direction with periodic rewards and reinforcement. Nothing succeeds like success. Begin your path to health and wealth with a single small step and proceed from there. A journal for financial counselors and educators advises the following: “Start small. You will see the results of change, which will inspire you to take another step, then another.” In a study of Cooperative Extension MONEY 2000 [a savings and debt-reduction program] participants “seeing results/progress/success” was identified as a frequent

factor related to goal attainment (increasing savings and/or reducing debt).

“Shaping up” is a behavioral change technique in which you determine a series of short-term goals (e.g., 5-pound weight loss) that get you closer to an ultimate goal (e.g., 50-pound weight loss). At each “milestone,” there is a well-deserved reinforcement of positive behavior. Many small rewards, received for meeting small goals, have been shown to be more effective than large rewards for one long and difficult goal. The rewards that you receive can be external or internal or both. External rewards are provided by others. A health example of an external reward is getting paid by your employer to lose weight. Some companies pay their workers to get fit because it saves them money in the long run by reducing health-care costs associated with diabetes and obesity. A financial example of an external reward is receiving \$1,000 in “free money” from an employer as a 50% match for a \$2,000 401(k) plan deposit. In some cases, friends or family members might even provide external rewards for health- and financial-behavior changes, sometimes by making a friendly bet.

People provide their own internal rewards. Internal rewards can be tangible or intangible. Tangible rewards include inexpensive items like a movie rental or music CD. Rewards might even be purchased with some of the savings achieved by eliminating an unhealthy behavior, such as saving \$35 a week after quitting smoking. Intangible rewards might include activities like a long, relaxing bubble bath, a walk in the park, meditation, or a

— Action Steps —

Health

- ❑ Complete Worksheet 36, page 97, to identify meaningful progress points toward your health goal.
- ❑ List at least one external reward and one internal reward for positive health behaviors.

Wealth

- ❑ Complete the Worksheet 36, page 97, to identify meaningful progress points toward your wealth goal.
 - ❑ List at least one external reward and one internal reward for positive financial behaviors.
-

“personal day” off from work. Another type of intangible reward is “positive self-talk.” In other words, a private “pat on the back” with positive words like “nice job,” “way to go,” “awesome!,” or “you go girl.”

How are your health and wealth goals shaping up? In Worksheet 36, *Progress Indicators—Health and Wealth* identify your start (current status) and your finish (goal) and four steps (progress indicators) in between. Then, in Worksheet 37, *Chart Your Progress—Health Goal*, page 98, you can monitor progress toward a health goal. Using Worksheet 38, *Chart Your Progress—Wealth Goal*, page 100, you can chart your progress toward a wealth goal.

Progress Indicators—Health and Wealth

Example

My health goal is: Lose 25 pounds

Health goal progress indicators

Start 200 195 190 185 180 175 Finish

My wealth goal is: Save \$1000

Wealth goal progress indicators

Start 0 \$200 \$400 \$600 \$800 \$1000 Finish

Fill in your goal and progress indicators.

My health goal is: _____

Health goal progress indicators

Start _____ _____ _____ _____ _____ _____ Finish

My wealth goal is: _____

Wealth goal progress indicators

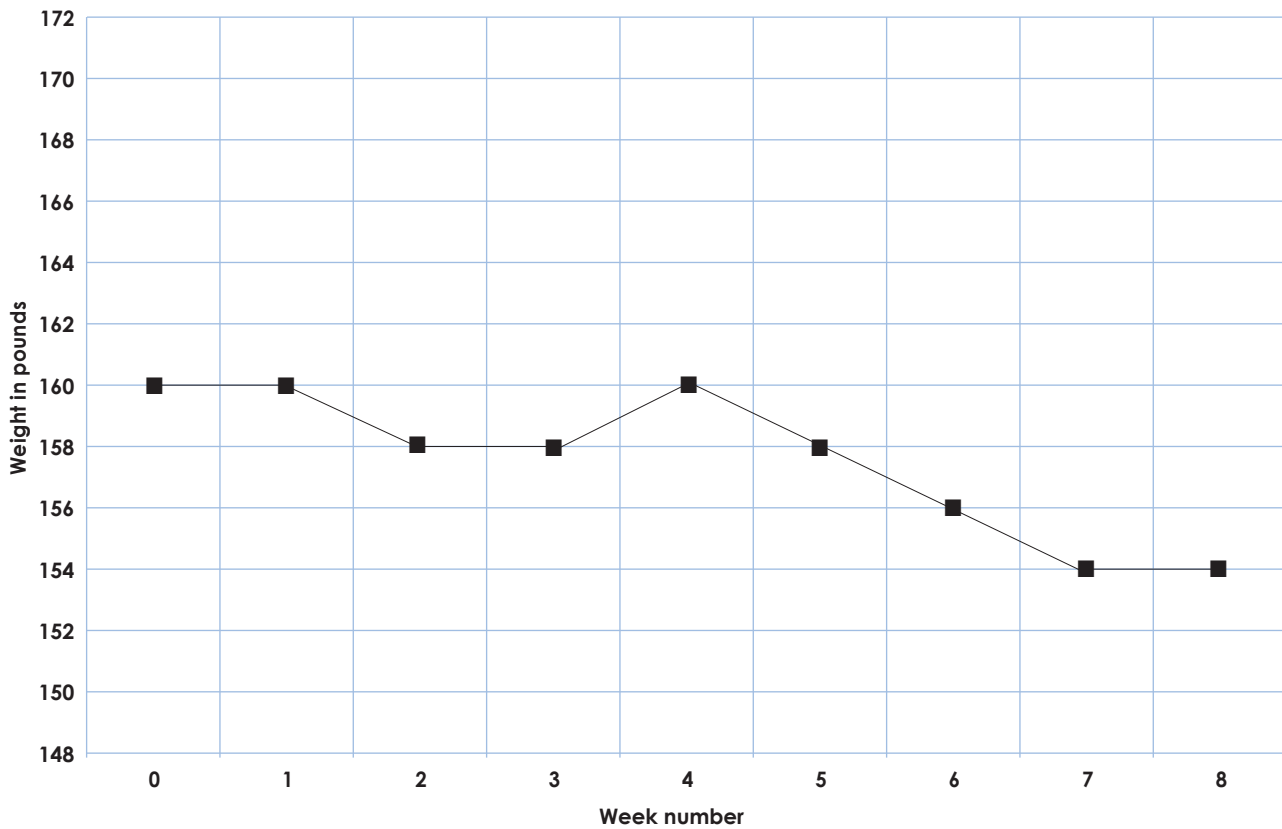
Start _____ _____ _____ _____ _____ _____ Finish

Chart Your Progress—Health Goal

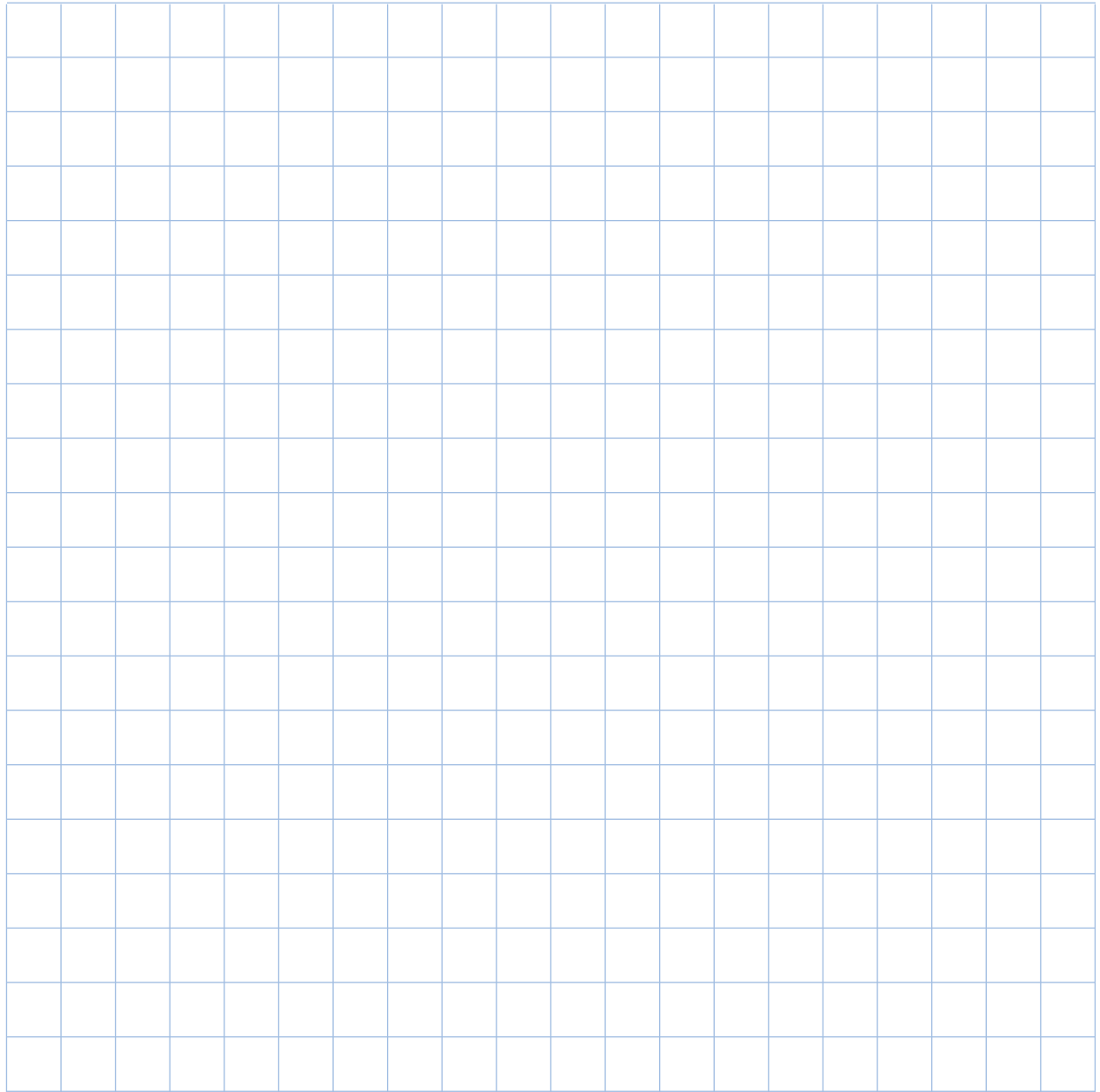
Description of Goal: _____

Description of Reward(s): _____

Review the format in the example chart below. Using the blank chart on the following page, fill in the appropriate range of numbers on the left-hand side for the behavior you want to monitor (e.g., weight in pounds, exercise in minutes, number of cigarettes smoked, etc.). Plot your weekly progress and connect the dots.



Worksheet 37
(continued)



Start
Here
➡

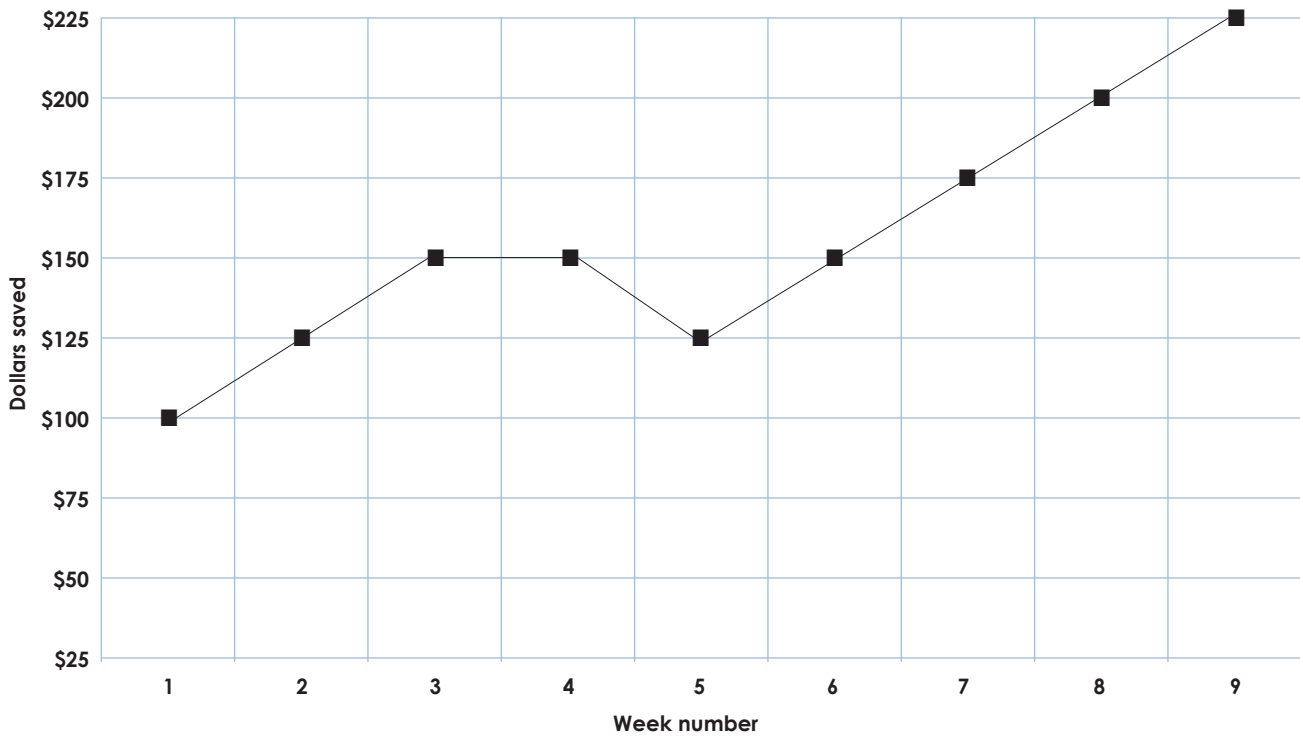
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20
Start Number of Weeks Working Toward Health Goal Finish

Chart Your Progress—Wealth Goal

Description of Goal: _____

Description of Reward(s): _____

Review the format in the example chart below. Using the blank chart on the following page, fill in the appropriate range of numbers on the left-hand side for the behavior you want to monitor (e.g., dollars saved, debt reduced, spending habits, savings account balance, etc.). Plot your weekly progress and connect the dots.



EXPECT OBSTACLES AND PREPARE FOR RELAPSES

*Every adversity, every failure, every heartache carries
with it the seed of an equal or greater benefit.*

—Napolean Hill

“**F**all seven times, stand up eight,” says an old Japanese proverb. In other words, obstacles and relapses are perfectly normal and should be expected during the process of making behavior changes. According to the book *Changing For Good*, the typical path of changing includes several slips backward (i.e., reverting to an earlier stage of change). For this reason, the process of making positive change has been described as a “spiral pathway” rather than a straight-line path from the precontemplation stage to the maintenance stage. (See the *Weigh the Costs and Benefits of Changing* strategy, page 81.) Clinical research indicates that only one in five self-changers overcome a long-standing problem on the first try. Therefore, the vast majority of self-changers experience relapses. The most common cause of relapses is some type of distress (e.g., depression, loneliness, anxiety), especially if an unhealthy behavior (e.g., smoking, eating, or shopping) makes you feel better. The second major cause is social pressure (e.g., people in your social network who smoke, overeat, or overspend).

Obstacles are things that block positive actions related to health and wealth goals or cause people to relapse (i.e. go back to unhealthy behavior patterns). Experts advise self-changers to develop “relapse prevention skills,” to clearly identify their obstacles, and to develop specific plans to overcome those obstacles. For example, if you are feeling stressed out, rather than smoking or shopping, develop a “Plan B.” You need to do something else right away that makes you feel as good as smoking, eating, or shopping, such as talking with a friend, walking the dog or some other type of exercise, gardening, a bubble bath, positive self-talk, or listening to music.

People often feel stress when they are pressed for time. Another good strategy related to health and wealth is to facilitate healthy choices, such as keeping pre-cut fruits and vegetables in the refrigerator to nibble on, not stocking empty-calorie “junk foods,” and buying convenience

food entrees and meal replacement drinks and snacks for busy days. This way, when you’re tempted to overeat, you’ll at least have something on hand that is nutritious and low in calories. One study found that hunger, as well as planned and unplanned meal events, were frequent obstacles that interfered with maintaining a diet plan. Similarly, when people are stressed, their finances often suffer. Freezing credit cards, if overspending is an issue, and automated investing strategies (e.g., mutual fund deposits) can keep financial plans on track.

Often, social pressures to repeat old habits are obstacles. Relapse prevention may, therefore, require assertiveness in dealing with others, so that they can support, instead of sabotage, your efforts to change. Sometimes, when this is not possible, you may have to give up a relationship in order to eliminate an unhealthy habit. Plan in advance what you’ll say and do in order to “avoid temptation.”

Control everything that you can. For example, if you’re going out to dinner, select a restaurant with light menu options, drink a non-alcoholic beverage, ask for baked or broiled entrees, ask for dressings and sauces on the side, and/or order junior-size portions. If you’re trying to get out of an office gambling pool to free up money to invest, think up a reason that nobody could object to (e.g., saving for a child’s wedding or college fund). Avoid family loans (as a borrower or lender) because they often leave people feeling indebted to others for years. Every time there is a crisis, family loans become an “emergency fund.”

What happens if you stray from your health and wealth goals (e.g. “blow” your diet, overspend, or stop saving)? You regroup and move on. The following quote by Ralph Blum describes a benefit of obstacles: “Nothing is predestined. The obstacles of your past can become the gateways that lead to new beginnings.”

Experts in behavior change recommend the following strategies to deal with a relapse. Review these strate-

gies and consider your own obstacles and factors that have caused a relapse in the past. Then, fill in Worksheet 39, *Obstacle Identification and Relapse Prevention*, on page 104.

- **Balance and Compensate**—As an example, let's say you are trying to eat about 1,600 calories per day and one day you eat 400 calories more than your daily allowance (2,000 calories total). To balance and compensate, consider those 400 extra calories part of your calorie intake "budget." Over the next two days, continue by eating 1,400 calories of the 1,600 calories that you normally consume. The total amount of calories for the three-day period is still 4,800 calories (2,000 + 1,400 + 1,400), the same as originally planned, so you really haven't slipped backwards at all. The same is true of financial actions, such as saving money. When you fall short of your target behavior one day, make it up later.
- **Learn a Lesson**—Relapses should be viewed as learning opportunities—not failure or evidence of a personal weakness. When a relapse occurs, ask yourself what you learned about the process of changing your behavior and what you would do differently the next time. Research indicates that relapses often occur because the pros and cons of changing weren't thought through clearly enough, a self-changer had a poor plan (e.g., unrealistic goals), or there were simply not enough resources (e.g., helping relationships, changes in environment) to support the person making a change. People also relapse frequently when there is a disruption to their routine schedule (e.g., unforeseen events, illness, changes in schedules, vacations, weddings and other social events, and holidays) or due to over-confidence (e.g., thinking that a problem behavior is "licked" and that no further effort is needed).
- **Get Back on Track**—University of Washington professor G. Alan Marlatt, who has studied long-term behavior change for decades, used the following analogy to describe a relapse: "If you have a flat tire, it doesn't mean you're not going to finish a trip. It just means you've got to fix it up before you continue." Similarly, relapses should be viewed as temporary stops along the path to your health and wealth goals. Often, it is less difficult to make positive changes after a relapse because you've already "been there and done that." Your next change experience will benefit from the insights and experiences gained from prior attempts so you don't need to go back to

"square one." Relapsing has been compared to falling off a horse. If you are firmly committed to riding again, the best thing that you can do is to get right back into the saddle and ride. Develop better coping strategies to deal with stress and temptation and better environmental controls and support systems.

- **Reframe the Relapse**—In a perfect world, everyone would do what health and financial experts advise and invest for the long term while living a healthy lifestyle. In the real world, positive behavior changes are rarely "all (i.e., healthy behavior) or nothing (i.e., poor behavior)." There are many shades of gray in between. If you're not doing as well as you planned to do or once did, but are still better off than before you attempted to make a change, you have not relapsed entirely and should not view yourself as a failure. Any small step toward health and wealth (e.g., eating 100 fewer daily calories or saving \$2 a day plus pocket change) is better than doing nothing.

— Action Steps —

Health

- Try to find a successful role model for your health-behavior change (e.g., weight control) and learn about his or her obstacles, relapses, and challenges.

Wealth

- Try to find a successful role model for your financial-behavior change (e.g., investing for retirement) and learn about his or her obstacles, relapses, and challenges.

Health and Wealth

- Make a list of "high-risk" people or situations that can sabotage your plans to change, and try to limit or avoid them any way that you can.
- Make a New Year's resolution (or a resolution to change at any time) to improve your health and wealth and keep trying to achieve it, even if you relapse. According to research by psychologist Dr. John Norcross, while nearly 60% of people drop their resolutions within six months, those who make resolutions are 10 times more likely to successfully change than those who do not.

Worksheet 39

Obstacle Identification and Relapse Prevention

Question	Health	Wealth
What are your goals? Write them in brief phrases.		
What are three obstacles that keep you from achieving your goals?		
What are two strategies to overcome each obstacle?		
What factors have caused you to relapse (go back to poor health or financial practices) in the past?		
What can you do to address these factors in the future?		

SET A DATE AND GET STARTED...JUST DO IT!

*The real contest is always between what you
have done and what you're capable of doing.
You measure yourself against yourself and nobody else.*

—Geoffrey Gaberino

Tomorrow always seems like a good day to make health- and wealth-behavior changes. Many people want to eat better, save for emergencies, invest for retirement, exercise, and pay off debt. Instead, they procrastinate with excuses like “I’ll wait until the car is paid off” (for saving money) or “it’s too cold out” (for exercising) or “my employer doesn’t have a 401(k) plan” (for tax-deferred investing). Months (even years) go by without taking action. Before they know it, they’ve gained 20 pounds or lost 10 years of compound interest on money that could have been saved but wasn’t.

There is a better way to change...take the time to prepare properly. Lay all your obstacles out on the table and plan how you will overcome them. Then, set a realistic start date (e.g., automatic investing) or quit date (e.g., smoking), write up a witnessed or co-signed “commitment contract” with yourself and *then* “just do it” (take action). Notice that the “just do it” part is listed last. That is because, Nike marketing slogan aside, these words alone are usually not enough to motivate people to change, unless they are already in the action stage and just need a little pep talk (see the *Weigh the Costs and Benefits of Changing* strategy, page 81). Change never begins with action. Rather, it requires a firm commitment to change and a plan of action.

So what’s stopping you from making positive changes? List your obstacles. For example, if you’ve had difficulty starting an exercise program, what is holding you back? Is it long work hours, difficulty finding 30 minutes of free time, weather, lack of social support, or uncertainty about what exercises are best? Part of the process of preparing to change is to reappraise the situation. Try to find at least one realistic solution for each obstacle. According to a *Consumer Reports* survey, the most frequently reported methods people use to encourage themselves to exercise are: “pick the same time of day (56%),” “exercise

near home or work (48%),” “exercise outdoors (42%),” “join a health club (32%),” “exercise with friends or family (24%),” “weigh yourself (20%),” and “watch TV during a workout (15%).”

Don’t set yourself up for failure. Start dates and quit dates to take action should be realistic. For example, early December is not a good time to start a 1,200-calorie diet or to quit smoking if you plan to attend social events with others who smoke. Wait a few weeks so you can begin to change with fewer distractions. Be sure to include your start date or quit date in your health and wealth goal. Start date examples are: “Starting with the first paycheck in February, I will save 5% of my pay in a 401(k)” or “I want to lose two pounds a month for eight months starting on March 1” or “I’m buying an exercise bike today and, starting tomorrow, I will pedal for ___ hour(s) five or more nights a week while watching television.” A quit date example is “I will stop smoking on (date).”

According to the book *Changing for Good* by Prochaska et al, “Setting a time frame is critical for behavior change. Choosing a date to begin can help prevent both premature action and prolonged procrastination.” The authors advise “If you are truly ready for action, choose a date within the next month to capitalize on your decision-making momentum.” If you continue to delay a change, it is a sign that you are in the contemplation stage (i.e., thinking about taking action) rather than the preparation stage (i.e., developing a firm, detailed plan of action) of change.

As noted above, the timing of a start date or quit date is important. Avoid the holidays and summer vacation when normal routines are disrupted and the temptation to self-indulge is high. The authors of *Changing for Good* recommend New Year’s Day or right after a birthday because “the external environment is most support-

ive.” Both of these are times when it is quite normal to reassess your life and to want to make desired improvements.

Changing for Good also advises self-changers to go public with their commitment to change. This increases accountability because others are “looking over your shoulder.” Fear of the embarrassment of failing can be a powerful motivator to stay on track. In addition, by sharing their plans to change, self-changers may be able to enlist the support of family and friends who might otherwise undermine their efforts.

One way that some people prepare to change is by writing a simple one-page behavior-change contract such as the one in Worksheet 40, *Behavior-Change Contract*, on the next page. The contract includes their health and wealth goals, the specific actions they plan to complete, and the rewards they intend to achieve. Like any other legal contract, a behavior-change contract should be dated, signed, and witnessed. The witness(es) can help hold the self-changer accountable and serve as a source of encouragement and support. Behavior-change experts advise posting the contract in a place where it is easily seen.

In addition to a behavior-change contract, you might also want to develop a related “tracking form” to note your daily performance of each planned action. Both Worksheet 41, *Behavior Change Progress Tracking Form: Health Goal*, page 108, and Worksheet 42, *Behavior Change Progress Tracking Form: Wealth Goal*, page 109, have example tracking forms and blank ones for you to use.

— Action Steps —

Health

- List the obstacles for each health-behavior change you intend to make and a way to address them.
- Identify up to five actions that can be taken most days of each week to reach your health goal.

Wealth

- List the obstacles for each financial-behavior change you intend to make and a way to address them.
- Identify up to five actions that can be taken most days of each week to reach your wealth goal.

Health and Wealth

- Complete the *Behavior-Change Contract*, on the next page, and post it in a visible place where you will see it every day.
- Use the behavior-change tracking forms in *Monitor Your Progress and Reward Success* strategy, page 95, to check your progress toward your goals.

Write your actions in the space provided. Each day of the week, you will mark the box if the action was accomplished. Use a tracking form for each week to indicate progress toward meeting your goal.

Behavior-Change Contract

Name: _____

Health Goals: _____

I commit to take the following actions to reach my *health* goals:

1. _____

2. _____

3. _____

4. _____

Wealth Goals: _____

I commit to take the following actions to reach my *wealth* goals:

1. _____

2. _____

3. _____

4. _____

Self-Changer's Signature _____ Date _____

Witness Signature _____ Date _____

Worksheet 41

Behavior-Change Progress Tracking Form: Health Goal

Example: Week of: June 2

Planned Action	Sun.	Mon.	Tue.	Wed.	Thurs.	Fri.	Sat.
<i>Walking 20 minutes at lunch time with co-workers.</i>	X		X	X	X		
<i>Eating fruit for lunch.</i>		X	X	X	X	X	X
<i>Walking dog after dinner.</i>	X		X	X	X	X	X
<i>Eating 5 or more servings of fruits and vegetables.</i>	X	X		X	X	X	X

Week of: _____

Planned Action	Sun.	Mon.	Tue.	Wed.	Thurs.	Fri.	Sat.

Worksheet 42

Behavior-Change Progress Tracking Form: Wealth Goal

Example: Week of: June 2

Planned Action	Sun.	Mon.	Tue.	Wed.	Thurs.	Fri.	Sat.
<i>Put \$3 a day, plus loose change, into a can.</i>	X	X		X		X	X
<i>Say the daily affirmation: "I am a millionaire in the making."</i>		X	X	X	X	X	X
<i>Bring lunch and a drink from home instead of buying them from a vending machine.</i>			X	X	X	X	
<i>Buy only one lottery ticket per day instead of five.</i>	X	X		X	X	X	X

Week of: _____

Planned Action	Sun.	Mon.	Tue.	Wed.	Thurs.	Fri.	Sat.

5

TAKING ACTION AND STAYING MOTIVATED

If it is to be, It is up to me.

—Unknown

The above quote says it all about changing personal behavior to improve health and wealth. If you want to make a change to improve your life, you must take the first small step to get started and follow up with the additional steps necessary to achieve your goals. Nobody else can do this for you...not your spouse, friends, family, or employer and certainly not the federal government. Changing behavior to improve your health and wealth requires taking *personal* responsibility for your actions. Many successful behavior changers describe their success as stemming from a deep desire to accomplish something and taking the necessary action to reach their goal(s). Others mention the positive influences of other people or the effects of visualizing their future success.

Small Steps to Health and Wealth is a valuable resource to start you on the path to improved health and financial security. Each of its 25 behavior-change strategies has been well tested by behavior-change researchers or recommended repeatedly by health and financial educators. In addition, many of the online resources listed in Appendix 2, page 115, contain personalized assessment tools to monitor both your current health and financial status and your progress along the way. You won't achieve overnight success but you will start to see positive results.

Now, let's recap the 25 behavior-change strategies discussed earlier. Place a check by the three or four strat-

egies that you are planning to adopt. For example, if you decide to *Meet Yourself Halfway*, you'll need to think about ways to reduce certain actions (e.g., eating and spending) by half. If you decide to *Live "The Power of 10"*, you'll be setting benchmarks that include the number 10 or multiples of 10. Are you planning to *Defy Someone or Defy the Odds*? If so, you'll need to decide what type of defiance can help you meet your health and wealth goals. If you decide to *Kick It Up a Notch*, identify current positive behaviors that can be improved upon.

Use Worksheet 43, *Behavior-Change Strategies I Will Use*, page 111, to identify the strategies that will work best for you. Then, use Worksheet 44, *My Behavior-Change Strategies*, page 112, to document how you intend to apply the strategies. Finally, complete the *Small Steps to Health and Wealth Planning Worksheet*, page 113, to firm up your plans. This worksheet will guide you in setting health goals and wealth goals, identifying and overcoming potential obstacles, identifying small steps toward your goals, and listing future progress check-up dates.

Henry Ford once said, "Think you can, think you can't. Either way you will be right." He clearly recognized the importance of a positive mental attitude in achieving success. You, alone, have the ability to improve your health and finances. What you think about, you bring about!

Best wishes for future success. Be healthy, wealthy, and happy!

Worksheet 43

Behavior-Change Strategies I Will Use

Behavior-Change Strategy	Page Number	Plan to Do ✓
1. Track Your Current Behavior	17	
2. Unload Your Childhood Baggage	20	
3. Put Your Mind To It	23	
4. Commit to Making a Change	27	
5. Defy Someone or Defy the Odds	30	
6. Think Balance-Not Sacrifice	33	
7. Control Your Destiny	38	
8. Make Progress Every Day	41	
9. Get Help and Be Accountable	44	
10. Meet Yourself Halfway	47	
11. Say "No" to Super-sizing	51	
12. Convert Consumption Into Labor	54	
13. Compare Yourself With Recommended Benchmarks	58	
14. Use Easy Frames of Reference	63	
15. Automate Good Habits and Create Templates	66	
16. Live "The Power of 10"	70	
17. Take Calculated Risks and Conquer Your Fears	75	
18. Appreciate Teachable Moments and Wake-Up Calls	78	
19. Weight the Costs and Benefits of Changing	81	
20. Step Down to Change	84	
21. Kick It Up a Notch	88	
22. Control Your Environment	92	
23. Monitor Your Progress and Reward Success	95	
24. Expect Obstacles and Prepare for Relapses	102	
25. Set a Date and Get Started....Just Do It!	105	

My Behavior-Change Strategies

Behavior-Change Strategy	Way(s) to Apply this Change Strategy
<hr/> <hr/>	<hr/> <hr/> <hr/> <hr/>
<hr/> <hr/>	<hr/> <hr/> <hr/> <hr/>
<hr/> <hr/>	<hr/> <hr/> <hr/> <hr/>
<hr/> <hr/>	<hr/> <hr/> <hr/> <hr/>

Appendix 1

SMALL STEPS TO HEALTH AND WEALTH PLANNING WORKSHEET

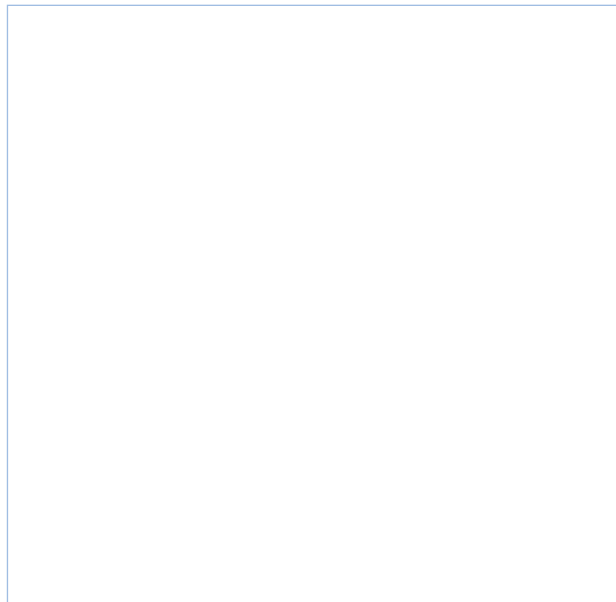
*Nobody can do everything,
but everyone can do something.*

—Unknown

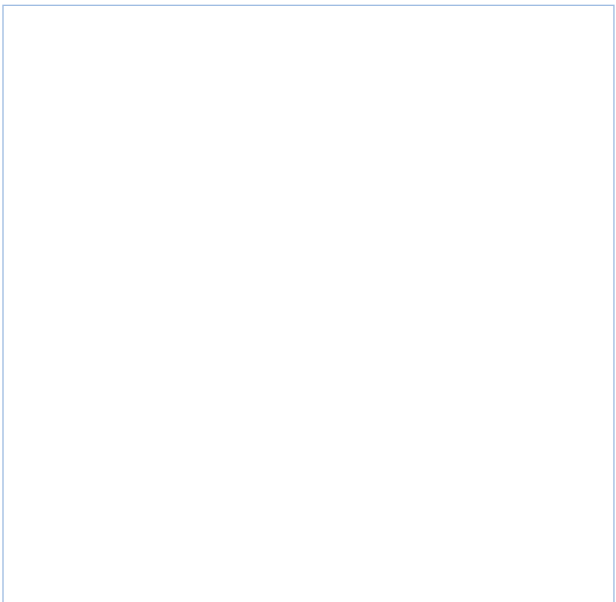
My health goals are (be specific)

My wealths goals are (be specific)

Below is a picture of my health goals



Below is a picture of my wealth goals



My health goal *obstacle* is (be specific)
(see Chapter 3, page 13)

My wealth goal *obstacle* is (be specific)
(see Chapter 3, page 13)

My obstacle avoidance strategy is
(see Strategy 24, page 102)

My obstacle avoidance strategy is
(see Strategy 24, page 102)

Five small steps toward my health goals

1. _____
2. _____
3. _____
4. _____
5. _____

Five small steps toward my wealth goals

1. _____
2. _____
3. _____
4. _____
5. _____

Progress check-up dates for *health* goals
(see Strategy 25, page 105)

Progress check-up dates for *wealth* goals
(see Strategy 25, page 105)

Appendix 2

SMALL STEPS TO HEALTH AND WEALTH RESOURCES

Knowing is not enough, we must apply.

Willing is not enough, we must do.

—J.W. Goethe

Below is a list of helpful federal government, non-profit organization, and well-vetted commercial online resources that can help users improve their health and build wealth:

Health Resources

AARP Health Guide

WWW.AARP.ORG/HEALTHGUIDE

Includes information on a variety of health topics including Medicare, fitness, healthy eating, healthy weight, diseases such as cancer and diabetes, depression, high cholesterol, making the most of doctor visits, preventing medical errors, etc.

Academy of Nutrition and Dietetics

WWW.EATRIGHT.ORG

(Click on “Food and Nutrition Information”)

Provides information about recommended dietary guidelines, nutrient values of food, and related topics.

America On the Move

WWW.AMERICAOONTHEMOVE.ORG

Challenges users to make small changes to achieve a healthier way of life.

Body Mass Index Calculator website

WWW.CONSUMER.GOV/WEIGHTLOSS/BMI.HTM

Calculates and interprets a user’s body mass index (BMI) using information about height and weight.

Body Mass Index Calculator #2

WWW.CDC.GOV/NCCDPHP/DNPA/BMI/INDEX.HTM

Includes a calculator to allow a person to figure out his/her own BMI. BMI is a tool for indicating weight status in adults. It is a measure of weight for height.

Center for Nutrition Policy and Promotion, U.S. Department of Agriculture

Get Moving...For the Health and Fun of it! Fact Sheet

WWW.CNPP.USDA.GOV/DGASPREVIOUSGUIDELINES2000GUIDELINES.HTM

Describes the benefits of physical activity and how to integrate physical activity into daily activities.

Choose My Plate

WWW.CHOOSEMYPLATE.GOV

Recommendations for the American diet to keep dietary intake “balanced” with suggestions for breakfast, lunch, and dinner. The site includes nutritional information for over 8000 foods that provides a quick reference for weekly menu planning. Sample menus based on a 2,000 calorie per day food pattern over seven days provide suggestions for balanced meals with all the MyPlate food groups. Tips are included for healthy eating when away from home.

Coronary Heart Disease/Cardio-Vascular Disease website

WWW.NHLBI.NIH.GOV/HEALTH/PUBLIC/HEART/INDEX.HTM#CHOL

Contains information about the causes of heart disease and recommended heart-healthy behaviors.

Diabetes websites

WWW.FDA.GOV/DIABETES/

WWW.DIABETES.ORG

Provides information about the difference between juvenile and adult diabetes, the warning signs of diabetes, and the important role diet and exercise play in avoiding and improving a diabetes diagnosis.

Dietary Guidelines for Americans 2010

WWW.DIETARYGUIDELINES.GOV

Provides authoritative advice about how good dietary habits can promote health and reduce risk for major chronic diseases. The U.S. Departments of Health and Human Services (HHS) and Agriculture (USDA) publish dietary Guidelines for Americans jointly every five years.

Everyday Choices for a Healthier Life

WWW.EVERYDAYCHOICES.ORG

Provides a number of publications and interactive assessment tools for consumers and a “ClubPed” feature to promote walking for daily exercise. This website is co-sponsored by the American Cancer Society, American Diabetes Association, and American Heart Association.

eXtension

eXtension provides research-based and credible information you can use every day to improve your life. It is brought to you by experts from the nation’s largest and oldest network of universities.

For more information on health go to the Community of Practice (COP) “Families, Food & Fitness”:

HTTP://WWW.EXTENSION.ORG/FAMILIES_FOOD_FITNESS.

For more information on “Small Steps to Health and Wealth” go to:

HTTP://WWW.EXTENSION.ORG/PAGES/10695/SMALL-STEPS-TO-HEALTH-AND-WEALTH

Finding Your Way to a Healthier You website

WWW.HEALTH.GOV/DIETARYGUIDELINES/DGA2005/DOCUMENT/HTML/BROCHURE.HTM

Provides a link for the consumer brochure *Finding Your Way to a Healthier You*.

First Gov website

(The U.S. government’s official Web portal)

WWW.FIRSTGOV.GOV

Provides information by topics and subtopics including “health and nutrition” and “money and taxes.”

Fitness.Gov website

(Exercise and Weight Control Fact Sheet)

WWW.FITNESS.GOV/EXERCISEWEIGHT.HTML

Discusses the importance of fitness, energy balance, and watching calories and weight. It also includes a list of activities and the number of calories they burn and tips to become physically active.

Fruit and Veggies More Matters

(Produce For Better Health Foundation)

WWW.FRUITANDVEGGIESMOREMATTERS.ORG

Provides information about the importance of eating a least five servings of fruits and vegetables daily.

Health Finder website

WWW.HEALTHFINDER.GOV

Provides health information from the National Health Information Center, U.S. Department of Health & Human Services, including prevention and wellness, diseases and conditions, and medical terms.

Get Moving – Get Healthy New Jersey

HTTP://GETMOVINGGETHEALTHY.NJ.RUTGERS.EDU/

Provides information on physical activity and healthy eating.

Healthy People website

(U.S. Department of Health and Human Services)

WWW.HEALTHYPEOPLE.GOV

Includes information about national health goals and steps that can be taken to reach them. A 2020 vision for healthy people.

How’s Your Health, NJ? website

HTTP://WWW.NJHCQI.ORG/HOWSYOURHEALTH.PHP

Includes a survey that provides personal advice on preventative care and chronic illness management. Users receive immediate feedback on their health and tips to improve it. The website is sponsored by the New Jersey Health Care Quality Institute.

Kids Health

(The Nemours Foundation Center for Children’s Health Media)

HTTP://KIDSHEALTH.ORG/INDEX.HTML

Provides doctor-approved health information about children from birth through adolescence.

Medline Plus website

(National Institutes of Health)

WWW.MEDLINEPLUS.GOV

Contains tutorials on a variety of health-related topics and links to reputable information sources.

National Heart, Lung, and Blood Institute

(Guide to Behavior-Change Fact Sheet)

WWW.NHLBI.NIH.GOV/HEALTH/PUBLIC/HEART/OBESITY/LOSE_WT/BEHAVIOR.HTM

Provides insights into factors related to successful behavior change and interactive online features such as a body mass index (BMI) calculator and a menu planner.

Nutrition Facts Label website

WWW.CFSAN.FDA.GOV/~DMS/FOODLAB.HTML

Includes information about understanding and using the Nutrition Facts label on food products.

Nutrition.Gov website

WWW.NUTRITION.GOV

Contains a database of foods that people can use to locate their nutrient values. Also includes federal government food and nutrition information on food safety, weight management, shopping, cooking, and meal planning. Serves as a gateway to reliable information on nutrition and healthy eating.

Obesity websites

[HTTP://WWW.NHLBI.NIH.GOV/HEALTH/PUBLIC/HEART/INDEX.HTM#OBESITY](http://WWW.NHLBI.NIH.GOV/HEALTH/PUBLIC/HEART/INDEX.HTM#OBESITY)

[HTTP://WWW.NHLBI.NIH.GOV/HEALTH/PUBLIC/HEART/OBESITY/LOSE_WT/INDEX.HTM](http://WWW.NHLBI.NIH.GOV/HEALTH/PUBLIC/HEART/OBESITY/LOSE_WT/INDEX.HTM)

[HTTP://WWW.WIN.NIDDK.NIH.GOV](http://WWW.WIN.NIDDK.NIH.GOV)

Contain information about the causes of obesity, associated health risks, and recommended weight loss strategies.

Physical Activity websites

[HTTP://WWW.HEALTH.GOV/PAGUIDELINES](http://WWW.HEALTH.GOV/PAGUIDELINES)

2008 Physical Activity Guidelines for Americans.

[HTTP://WWW.CDC.GOV/PHYSICALACTIVITY](http://WWW.CDC.GOV/PHYSICALACTIVITY)

Contain information about recommended physical activity and its association with improved health.

Portion Distortion website

[HTTP://HIN.NHLBI.NIH.GOV/PORZION](http://HIN.NHLBI.NIH.GOV/PORZION)

Includes an interactive quiz to test users' knowledge of the calorie content of common food portions and the exercise required to burn it off and serving size cards that compare food portions to common objects.

Shape Up America website

WWW.SHAPEUP.ORG

Contains information about a variety of health and nutrition topics, as well as interactive quizzes.

Small Step website

(U.S. Department of Health and Human Services)

WWW.SMALLSTEP.GOV

Encourages Americans to make small behavior changes to prevent obesity and associated diseases.

Your Disease Risk

(Harvard University Medical School and School of Public Health)

WWW.YOURDISEASERISK.WUSTL.EDU

Uses personal data to assess user's risk for disease and provides recommended lifestyle changes.

Wealth Resources

America Saves

WWW.AMERICASAVES.ORG

Provides information about savings topics such as finding money to save, building wealth through homeownership, and compound interest. Information is also provided about U.S. savings campaigns.

American Savings Education Council/ Choose to Save Partnership

WWW.CHOOSETOSAVE.ORG/ASEC

Includes downloadable publications and interactive online tools such as the Ballpark Estimate retirement savings calculation worksheet, the Retirement Personality Profiler, and financial planning calculators.

Annual Credit Report website

WWW.ANNUALCREDITREPORT.COM

Provides a free credit report from the three major credit bureaus—Equifax, Experian, and TransUnion—according to federal law. This centralized website allows consumers to request a free report once a year. There is also information available to request a free annual credit report by telephone or mail.

Certified Financial Planner Board of Standards, Inc. (CFP Board)

WWW.CFP-BOARD.ORG

Provides consumer information about financial planning topics and information about how to find a certified financial planner in a particular geographic region.

College Savings Plan websites

WWW.SAVINGFORCOLLEGE.COM

WWW.COLLEGESAVINGS.ORG

Provides information about state-run 529 college savings plans.

eXtension

eXtension provides research-based and credible information you can use every day to improve your life. It is brought to you by experts from the nation's largest and oldest network of universities.

For more information on wealth go to the Community of Practice (COP) on “Personal Finance” [HTTP://WWW.EXTENSION.ORG/PERSONAL_FINANCE](http://www.extension.org/personal_finance)

For more information on “Small Steps to Health and Wealth” go to [HTTP://WWW.EXTENSION.ORG/PAGES/10695/SMALL-STEPS-TO-HEALTH-AND-WEALTH](http://www.extension.org/pages/10695/small-steps-to-health-and-wealth)

Federal Citizen Information Center

[WWW.PUEBLO.GSA.GOV](http://www.pueblo.gsa.gov)

Provides an online source of federal government publications, including both health and personal finance topics.

Financial Security in Later Life website (Cooperative Extension System)

[HTTP://WWW.EXTENSION.ORG/PERSONAL_FINANCE](http://www.extension.org/personal_finance)

Includes links to a variety of online financial education resources with a focus on planning for retirement and long-term care.

Guidebook to Help Late Savers Prepare for Retirement

[WWW.SMARTABOUTMONEY.ORG](http://www.smartaboutmoney.org) (Search using book title)

Provides a downloadable 51-page booklet that describes over a dozen catch-up strategies for middle-aged late savers who are trying to make up for lost time.

Institute of Consumer Financial Education website

[WWW.FINANCIAL-EDUCATION-ICFE.ORG](http://www.financial-education-icfe.org)

Includes information on credit, debt, and other financial topics, as well as an online bookstore.

Internal Revenue Service website

[WWW.IRS.GOV](http://www.irs.gov)

Provides information on federal income tax topics and downloadable forms and publications.

Investing For Your Future

(Cooperative Extension System basic investing home study course)

[WWW.INVESTING.RUTGERS.EDU](http://www.investing.rutgers.edu)

Includes 11 units on investment topics, a study guide, monthly investment messages, and links.

Investment Company Institute

[WWW.ICI.ORG](http://www.ici.org)

Provides information about mutual fund investing from the industry's trade association.

Money 101 (Money Magazine)

[HTTP://MONEY.CNN.COM/PF/101](http://money.cnn.com/pf/101)

Includes a 23-lesson personal finance course from the writers at Money magazine. Users can read the entire course or choose lessons of interest. Topics include: making a budget, basics of banking and saving, basics of investing, investing in stocks, investing in mutual funds, investing in bonds, buying a home, controlling debt, saving for college, kids and money, asset allocation, and taxes.

MSN.Money

[WWW.MONEYCENTRAL.MSN.COM](http://www.moneycentral.msn.com)

Includes daily financial updates and stock quotes and feature articles on financial topics such as insurance, credit, income taxes, and college and retirement planning.

My Money.Gov website

(Financial Literacy and Education Commission)

[WWW.MYMONEY.GOV](http://www.mymoney.gov)

Contains financial information in English and Spanish from a variety of federal government agencies on the following personal finance topics: budgeting and taxes, credit, financial planning, home ownership, home equity, mortgages, paying for education, privacy and fraud, responding to life events, retirement planning, saving and investing, and starting a small business. Users can download these publications from the links provided and can also order a free My Money Toolkit, sent via U.S. mail.

National Association of Investors Corporation (NAIC)

[WWW.BETTER-INVESTING.ORG](http://www.better-investing.org)

Provides information about investing in stock and resource materials for investment clubs.

National Endowment For Financial Education (NEFE) website

[WWW.NEFE.ORG](http://www.nefe.org)

Contains information about NEFE financial education programs and publications for youth and adults.

National Foundation for Consumer Credit

[WWW.NFCC.ORG](http://www.nfcc.org)

Includes information about credit-related topics and information about how to find a non-profit credit-counseling agency in a particular geographic region.

Planning For a Secure Retirement

(Purdue University Cooperative Extension)

WWW.CES.PURDUE.EDU/RETIREMENT

Contains a distance learning course on wealth accumulation and retirement planning that consists of ten lessons and dozens of interactive links to calculators (e.g., for life expectancy) and other resources.

PowerPay© (Debt Reduction Analysis) website (Utah State University Cooperative Extension)

HTTP://POWERPAY.ORG

Provides a debt reduction calendar and estimated time and cost savings for users who continue to pay the same amount to creditors monthly. When a creditor is repaid, the monthly payment that was previously paid is added to the monthly payment due to remaining creditors. Users input their personal data (e.g., name of creditors, outstanding balance, monthly payment, and interest rate) for a personalized analysis and debt repayment schedule. In some situations, tens of thousands of dollars and years of debt repayments can be saved by following the PowerPay© program.

Retirement Personality Profiler

HTTP://WWW.EBRI.ORG/SURVEYS/RCS/2000/PROFILER.HTM

Contains an interactive self-assessment quiz that classifies users into one of five distinct retirement planning personalities (e.g., savers, and deniers). Based on this information, users can better understand their financial decision-making style and identify workable strategies to improve their future financial security.

Rutgers Cooperative Extension Money and Investing website

HTTP://NJAES.RUTGERS.EDU/MONEY2000/

Includes dozens of downloadable personal finance publications, online presentations, self-assessment quizzes, conference summaries, federal marginal tax rate tables, and other financial education resources for consumers. The interactive Rutgers Cooperative Extension Financial Fitness Quiz can be found at HTTP://NJAES.RUTGERS.EDU/MONEY/FFQUIZ/.

Save For Your Future website

WWW.SAVEFORYOURFUTURE.ORG

Includes publications, posters, and online calculators from a 2003 national campaign to promote retirement savings.

Smart About Money

(National Endowment for Financial Education)

WWW.SMARTABOUTMONEY.ORG

Contains financial information organized around major life events, interactive self-assessment quizzes, and links to a comprehensive resource center of financial education materials.

Social Security Administration website

WWW.SOCIALSECURITY.GOV

Includes online calculators, contact information, and publications about Social Security.

The Wall Street Journal

WWW.WSJ.COM

Includes personal finance feature articles and daily financial updates. Companion website to The Wall Street Journal, a daily personal finance newspaper.

USA Today Money

WWW.USATODAY.COM/MONEY/

Provides current financial news, feature articles, financial calculators, and current CD and loan rates.

U.S. Savings Bonds website

WWW.SAVINGSBONDS.GOV OR WWW.EASYSAYER.GOV

Provides information about how to purchase U.S. savings bonds and current rates of return.

U.S. Securities and Exchange Commission

WWW.SEC.GOV

Includes links to investment publications and online assistance with investing and investment fraud questions.

Wi\$e Up A Financial Planning Handbook for Generation X Women

(U.S. Department of Labor)

HTTP://WISEUPWOMEN.TAMU.EDU

Provides a 9-unit financial course targeted toward young women in their 20s through early 40s. Each chapter contains worksheets for readers to apply information to their lives.

Women's Institute for a Secure Retirement (Wiser Women)

WWW.WISERWOMEN.ORG

Provides information to improve the long-term financial security of women.

Women's Institute for Financial Education (WIFE)

WWW.WIFE.ORG

Includes reviews of personal finance books, feature articles on personal finance topics, online video clips, and archived WIFE e-newsletters, all designed to improve the financial expertise of women.

Appendix 3

REFERENCES

*In a time of turbulence and change...
knowledge is power.*
—John F. Kennedy

Chapter 1: Small Steps to Health and Wealth Overview

- Andrews, M. (2004, Dec.). Get healthy, get wealthy. *Money*, 33(12), 57.
- Bach, D. (2004). *The Automatic Millionaire*. New York: Broadway Publishing.
- Block, S. (2002, May 10). Don't fall into credit card hole. *USA Today*, 3B.
- Chatsky, J. (2004, March). Let's pay it down today. *Money*, 33(3), 156.
- Citing dangerous increase in deaths, HHS launches new strategies against overweight epidemic.* (2004, March 9). Washington, DC: U.S. Department of Health and Human Services press release.
- Detweiler, G., Eisenson, M., and Castleman, N. (1999). *Slash Your Debt: Save Money and Secure Your Future*. Kalamazoo, MI: Financial Literacy Center.
- Diabetes Statistics (2011). American Diabetes Association. Retrieved from [HTTP://WWW.DIABETES.ORG/DIABETES-BASICS/DIABETES-STATISTICS/](http://www.diabetes.org/diabetes-basics/diabetes-statistics/).
- Duka, W. (2004, April). Facing a savings crisis. *AARP Bulletin*, 45(4), 3–6.
- Feinberg, A. (1993). *Downsize Your Debt: How to Take Control of Your Personal Finances*. New York: Penguin Books.
- Healthy People 2010. 2nd ed.* (2000). U.S. Department of Health and Human Services. Washington, DC: U.S. Government Printing Office.
- Hollerich, A. (2004). *The Health and Wealth Factors*. Gahanna, OH: Brass Ring Productions, Ltd.
- Lee, D.R. and McKenzie, R.B. (1999). *Getting Rich in America: 8 Simple Rules for Building a Fortune and a Satisfying Life*. New York: HarperBusiness.
- Levi, J, Vinks, S., St Laurent, R. and Segal, L.M. (2010) *F as in Fat: How Obesity is Threatening America's Future 2010*. Washington, D.C.: Trust for America's Health with funding from the Robert Wood Johnson Foundation. Retrieved from: [HTTP://WWW.RWJF.ORG/CHILDHOODOBESITY/PRODUCT](http://www.rwjf.org/childhoodobesity/product)
- National Diabetes Fact Sheet, 2011* (released Jan. 26, 2011), Centers for Disease Control and Prevention. [HTTP://WWW.CDC.GOV/DIABETES/PUBS/FACTSHEET11.HTM](http://www.cdc.gov/diabetes/pubs/factsheet11.htm)
- Obesity: Halting the Epidemic by Making Health Easier, At a Glance 2011*, National Center for Chronic Disease Prevention and Health Promotion, Centers for Disease Control and Prevention, 2011.
- O'Neill, B. (2004, Dec.). Small steps to health and wealth. *The Forum for Family and Consumer Sciences*. Retrieved from [WWW.CES.NCSU.EDU/DEPTS/FCS/PUB/9_3/SMALLSTEPS.HTML](http://www.ces.ncsu.edu/depts/fcs/pub/9_3/smallsteps.html)
- Prochaska, J.O., Norcross, J.C., and DiClemente, C.C. (1994). *Changing for Good: A Revolutionary Six-Stage Program for Overcoming Bad Habits and Moving Your Life Positively Forward*. New York: Avon Books.
- Statistics related to overweight and obesity* (2010). National Institutes of Health, U.S. Department of Health and Human Services. Retrieved from [HTTP://WWW.WIN.NIDDK.NIH.GOV/STATISTICS/INDEX.HTM](http://www.win.niddk.nih.gov/statistics/index.htm).

Chapter 2: Health and Wealth Connections

- Americans have low 'health literacy.' (2004, April 11). *The New Jersey Herald*, p. B-5.
- Andrews, M. (2004, Dec.). Get healthy, get wealthy. *Money*, 33(12), 57.
- Aschkenasy, J. (2004, Dec.). The automatic 401(k). *Financial Planning*, 34(12), 104–105, 125.
- Citing dangerous increase in deaths, HHS launches new strategies against overweight epidemic.* (2004, March 9). Washington, DC: U.S. Department of Health and Human Services press release.
- Commuting and obesity* (2004, May 31). Retrieved from <[HTTP://WNDU.COM/NEWS/MOMMO/052004/MOMMO_35503.PHP](http://wndu.com/news/mommo/052004/mommo_35503.php)>
- Credit Card Smarts* (2004). Boston, MA: Advantage Publications.
- Dietary Guidelines for Americans, 2010*, Center for Nutrition Policy and Promotion, United States Department of Agriculture [HTTP://WWW.HEALTH.GOV/DIETARYGUIDELINES/2010.ASP](http://www.health.gov/dietaryguidelines/2010.asp)
- Ensle, K. (2004). *Super-size America: The obesity epidemic*. Rutgers Cooperative Research and Extension PowerPoint presentation.
- Estimate of Americans with pre-diabetes doubles (2004, April 29). *The Wall Street Journal*, D2.
- Garman, E.T., Leech, I.E., and Grable, J.E. (1966). The negative impact of employee poor personal financial behaviors on employers. *Financial Counseling and Planning*, 7, 157–168.
- Gladwell, M. (2002). *The Tipping Point: How Little Things Can Make a Big Difference*. New York: Little, Brown, and Company.
- Health Literacy: A Prescription to End Confusion* (2004, April), National Academic Press.
- Hellmich, N. (2004, Nov. 16). Study: The bigger the platter, the bigger the appetite. *USA Today*, 10D.
- Helman, R., Copeland, C. and VanDerhi J. (2006, April) Will More of Us Be Working Forever? The 2006 Retirement Confidence Survey (2006, April 5). *Issue Brief No. 292*. Washington, DC: Employee Benefit Research Institute. Retrieved from [HTTP://WWW.EBRI.ORG/PUBLICATIONS/IB/](http://www.ebri.org/publications/ib/)
- Helman, R. et al. *The 2010 Retirement Confidence Survey: Confidence Stabilizing, But Preparations Continue to Erode*. Issue Brief No. 340, Employee Benefit Research Institute.
- Himmelstein, D.U., Warren, E., Thorne, D., and Woolhandler, S. (2005, February). Illness and injury as contributors to bankruptcy. *Health Affairs*. Retrieved from <[HTTP://CONTENT.HEALTHAFFAIRS.ORG/CGI/REPRINT/HLTHAFF.W5.63V1?](http://content.healthaffairs.org/cgi/reprint/hlthaff.w5.63v1?)>
- Lee, D.R., and McKenzie, R.B. (1999). *Getting Rich in America: 8 Simple Rules for Building a Fortune and a Satisfying Life*. New York: HarperBusiness.
- Leonard, R. (1993). *Money Troubles: Legal Strategies to Cope with Your Debts*. Berkeley, CA: Nolo Press.
- Lester, W. (2004, May 29). Americans are wrestling with a weighty issue. *The Star-Ledger*, 3.
- Lieber, R. (2004, June 23). New way to curb medical costs: Make employees feel the sting. *The Wall Street Journal*, p. A1, A6.
- Lueck, S. (2003, Oct. 21). Winning by losing. *The Wall Street Journal*, R6.
- Nestle, M. (2003, Jan.). Increasing portion sizes in American diets: More calories, more obesity. *Journal of the American Dietetic Association*, 103(1), 39–40.
- O'Neill, B. (2004, Dec.). Small steps to health and wealth. *The Forum for Family and Consumer Sciences*. Retrieved from <[WWW.CES.NCSU.EDU/DEPTS/FCS/PUB/0_3/SMALLSTEPS.HTML](http://www.ces.ncsu.edu/depts/fcs/pub/0_3/smallsteps.html)>
- O'Neill, B., and Ensle, K. (2004). *Small steps to health and wealth*. Rutgers Cooperative Research and Extension PowerPoint presentation.
- Picker, L. (2005). Why obesity lowers wages. *The NBER Digest*. National Bureau of Economic Research.
- Pierceall, K. (2004, April 1). Diet panel moves to educate consumer. *The Wall Street Journal*, D3.
- Regnier, P. (2003, Fall). Health and money. *Money*, 32 (11), 14–19.
- Spille, S. (2001). *The health-wealth connection*. Retrieved from The Dollar Stretcher website: <[WWW.STRETCHER.COM/STORIES/01/010326D.CFM](http://www.stretcher.com/stories/01/010326d.cfm)>
- Should you put your obese clients on a diet? (2004, June). *Journal of Financial Planning*, 17(6), 24.
- Sullivan, T.A., Warren, E., and Westbrook, J.L. (2000). *The Fragile Middle Class: Americans in Debt*. New Haven, CT: Yale University Press.

Taylor, C. (2003, Oct.). Trend watch: Healthy and wealthy. *Smart Money*, 118.

U.S. Department of Health and Human Services (2003). Preventing obesity and chronic diseases through good nutrition and physical activity. *Preventing chronic diseases: Investing wisely in health*. Retrieved from <WWW.HEALTHIERUS.GOV/STEPS/SUMMIT/PREVPORFOLIO/PA-HHS.PDF>

Warner, R. (1996). *Get a Life: You Don't Need a Million to Retire Well*. Berkeley, CA: Nolo Press.

Wysocki, B. (2004, Oct. 12). Companies get tough with smokers, obese to trim costs. *The Wall Street Journal*, p. B1.

Zagorsky, J.L. (2004). Does smoking harm wealth as much as health? *Consumer Interests Annual*, 50. Retrieved from <HTTP://WWW.CONSUMERINTERESTS.ORG/14A/PAGES/INDEX.CFM?PAGEID=3904>

Chapter 3: Overcoming Obstacles and Taking Action

Bernstein, E. (2004, June 25). Keeping in step. *The Wall Street Journal*, W9C.

Body mass index (2000, May). Retrieved from <WWW.CONSUMER.GOV/WEIGHTLOSS/BMI.HTM>

Build Wealth, not Debt (no date). Washington, DC: Consumer Federation of America.

Dietary Guidelines for Americans, 2010, Center for Nutrition Policy and Promotion, United States Department of Agriculture HTTP://WWW.HEALTH.GOV/DIETARYGUIDELINES/2010.ASP

Helman, R. (2011, March) *2011 Retirement Confidence Survey: Confidence Drops to Record Lows, Reflecting "the New Normal"* Issue Brief No. 355, Employee Benefit Research Institute.

Helman, R. and Paladino, V. (2004, April). Will Americans ever become savers? The 14th retirement confidence survey, 2004. *Issue Brief Number 268*. Washington, DC: Employee Benefit Research Institute. Retrieved from <WWW.EBRI.ORG/PUBLICATIONS/IB/INDEX.CFM?FA=IBDISP&CONTENT_ID=496>

Henneman, A. (2004, April). *Increase your calorie salary*. Retrieved from <HTTP://LANCASTER.UNL.EDU/FOOD/FTAPRO4.HTM>

Hollerich, A. (2004). *The Health and Wealth Factors*. Gahanna, OH: Brass Ring Productions, Ltd.

I Messages (2001). Retrieved from <HTTP://WWW.BEHAVIORADVISOR.COM/IMESSAGES.HTML>

I-Messages and You-Messages (2003). Retrieved from <HTTP://WWW.BEYONDINTRACTABILITY.ORG/ESSAY/I-MESSAGES/?NID=1216>

Lester, W. (2004, May 29). Americans are wrestling with a weighty issue. *The Star-Ledger*, 3.

Munoz, S.S. (2005, Jan. 13). New U.S. diet guide focuses on calories, exercise. *The Wall Street Journal*, D4.

O'Neill, B. and Xiao, J. J. Financial fitness quiz: A tool for analyzing financial behavior. *Consumer Interests Annual*, (American Council on Consumer Interests), (2003), 49, 3 pages. Retrieved from <HTTP://WWW.CONSUMERINTERESTS.ORG/14A/PAGES/INDEX.CFM?PAGEID=3782>

Pedometers: Walking by the numbers (2004, Oct.). *Consumer Reports*, 69(10), 30–31.

Prochaska, J.O., Norcross, J.C., and DiClemente, C.C. (1994). *Changing for Good*. New York: Avon Books.

Seligman, M.E. (1990). *Learned Optimism*. New York: Pocket Books.

Chapter 4: 25 Behavior-Change Strategies for Health and Wealth

Strategy 1: Track Your Current Behavior

Behavior Change—A Summary of four Major Theories, Family Health International, 1996 WWW.FHI360.ORG/NR/RDON-LYRES/.../BCCSUMMARYFOURMAJORTHEORIES.PDF

Food and Activity Journal (no date). Lynnwood, WA: Washington State Dairy Council.

Garland, E. (2004, May). Tarnished outlook for the golden years. *Financial Planning*, 34(5), 23.

Getlen, L. (no date). *Why we lie about money and debt*. Retrieved from <HTTP://MONEYCENTRAL.MSN.COM/CONTENT/SAVINGANDDEBT/MANAGEDDEBT/P86529.ASP>

Health: Department of denial (2002, Nov. 25). *U.S. News and World Report*, 18.

Lawrence, J. (2004). *The Budget Kit* (3rd Edition). Chicago: Dearborn Financial Publishing Inc.

Poll: 60 percent of hefty Americans say they're just right. (2004, May 29). *The St. Petersburg (FL) Times*, 10A.

What, me worry? (2004, June). *Journal of Financial Planning*, 17(6), 24.

Strategy 2: Unload Your Childhood Baggage

- Caring for your soul in matters of money* (no date). Retrieved from <WWW.CARINGFORYOURSOU LINMATTERSOFMONEY.COM/ABOUT.ASP>
- How to control your child's weight* (2004, July 16). Retrieved from <WWW.CBSNEWS.COM/STORIES/2004/07/16/EARLYSHOW/SATURDAY/MAIN630307.SHTML>
- Natenshon, A. (2001). *Childhood fears take new form: Body image concerns in young children*. Retrieved from <WWW.EMPOWEREDPARENTS.COM/1CHILDHOODONSET/CHILDHOOD_01.HTM>
- O'Neill, B. (2000, Spring). Money "baggage" and personalities affect spending and saving decisions. *Money 2000 News*, 5(2), 2. Retrieved from <WWW.RCE.RUTGERS.EDU/PUBS/MONEY2000/M2K-V5N2.PDF>
- Ramsey, K. (1999). *Everything You Know about Money Is Wrong*. New York: ReganBooks.
- Stanny, B. (2004). *Secrets of Six-Figure Women*. New York: HarperBusiness.

Strategy 3: Put Your Mind to It

- Chatzky, J. (2003). *You Don't Have to Be Rich: Comfort, Happiness, and Financial Security on Your Terms*. New York: Portfolio Books.
- Cruise, J. (2005, Jan.28–30). Visualize yourself fit. *USA Weekend*, 4.
- Hales, D. (2005, Jan. 2). You can think yourself thin. *Parade*, 12–13.
- Johnson, S.J. (2002). *Who Moved My Cheese?* New York: G.P. Putnam's Sons.
- Kinder, G. (1999). *Seven Stages of Money Maturity*. New York: Dell Publishing.
- Maddux, E. (2004). *Human Factors in Financial Planning*. Manhattan, KS: Kansas State University.
- Milos, R. (1996). *Tools for Transformation*. Toledo, OH: Tools for Transformation Press.
- Sasson, R. (2005). Visualization and imagination. Retrieved from <WWW.SUCCESSCONSCIOUSNESS.COM>
- Visualization (no date). Retrieved from <WWW.ANGELFIRE.COM/HI/THESEER/VISUALIZATION.HTML>

Strategy 4: Commit to Making a Change

- Processes of change* (no date). Retrieved from <WWW.URI.EDU/RESEARCH/CPRC/TTM/PROCESSESOFCCHANGE.HTM>
- Prochaska, J.O., Norcross, J.C., and DiClemente, C.C. (1994). *Changing for Good*. New York: Avon Books.
- Select self-improvement projects* (no date). Retrieved from <HTTP://MENTALHELP.NET/PSYHELP/CHAP2/CHAP2C.HTM>
- Stages of change model* (no date). Retrieved from <WWW.ADDITIONALTERNATIVES.COM/PHILOSOPHY/STAGEMODEL.HTM>
- Stenavich, C. (2004, Dec. 27). Dietitian helps you make and keep New Year's diet resolutions. *Health News Digest*. Retrieved from <HTTP://HEALTHNEWSDIGEST.COM/CGI-BIN/ARTMAN/EXEC/VIEW.CGI?ARCHIVE+13&NUM=900>
- Velicer, W.F., Prochaska, J.O., Fava, J.L., Norman, G.J., and Redding, C.A. (1998). *Detailed overview of the transtheoretical model*. Retrieved from <WWW.URI.EDU/RESEARCH/CPRC/TTM/DETAILEDOVERVIEW.HTM>
- Wakefield, J.G. (2004). Commitment to change: Exploring its role in changing physician behavior through continuing education. *The Journal of Continuing Education in the Health Professions*, 24(4), 197–204. Retrieved from <WWW.JCEHP.COM/VOL24/2404_WAKEFIELD.ASP>

Strategy 5: Defy Someone or Defy the Odds

- Active living* (2005). Retrieved from <WWW.AMERICAONTHEMOVE.ORG/WACTIVELIVING.ASP?PAGEID=8>
- Aizcorbe, A., Kennickell, A.B., and Moore, K.B. (2003, Jan.). Recent changes in U.S. family finances: Evidence from the 1998 and 2001 Survey of Consumer Finances. *Federal Reserve Bulletin*, 89, 1–32.
- Andrews, M. (2004, Dec.). Get healthy, get wealthy. *Money*, 33(12), 57.
- Bi, L. and Montalto, C.P. (2003). Emergency funds and the alternatives. *Consumer Interests Annual*, American Council on Consumer Interests, 49. Retrieved from <HTTP://WWW.CONSUMERINTERESTS.ORG/14A/PAGES/INDEX.CFM?PAGEID=3782>
- Bucks, B.K., Kenickell, A.B., and Moore, K.B. (2006). Recent Changes in U.S. Family Finances: Evidence from the 2001 and 2004 Survey of Consumer Finances. *Federal Reserve Bulletin*, pages A1 through A38.
- Chatzky, J. (2004, Oct.). From debt to wealth on \$10 a day. *Money*, 33(10), 93–100.

- Citing dangerous increase in deaths, HHS launches new strategies against overweight epidemic. (2004, March 9). Washington, DC: U.S. Department of Health and Human Services press release.
- Commuting and obesity (2004, May 31). Retrieved from <WWW.WNDU.COM/NEWS/MOMMO/052004/MOMMO_35503.PHP>
- Credit cards: They really are out to get you (2005, Nov.). *Consumer Reports*, 170(11), 12–15.
- Delegate Resources: The 2002 National Summit on Retirement Savings (2002). Washington, DC: U.S. Department of Labor and International Foundation of Employee Benefit Plans.
- Enslé, K. (2004). Value marketing: As portions grow, so do American waistlines. *VISIONS*, Rutgers Cooperative Research and Extension, 16(3), 1, 7.
- Estimate of Americans with pre-diabetes doubles (2004, April 29). *The Wall Street Journal*, D2.
- 50-Plus and Going Broke (2005, Jan). *AARP Bulletin*, 46(1), 16–17.
- Gutierrez, N. *Defying diabetes*. Retrieved from <WWW.UTHSCSA.EDU/MISSION/ARTICLE.ASP?ID=254>
- Henneman, A. (2004, April). *Increase your calorie salary*. Retrieved from <HTTP://LANCASTER.UNL.EDU/FOOD/FTAPRO4.HTM>
- HHS launches diabetes prevention campaign to reach high risk groups (2004, April 28). Washington, DC: U.S. Department of Health and Human Services press release.
- Is your commute making you fat? (2004, July 23–25). *USA Weekend*, 4.
- Levy, R. (2002). *Reinforcing small changes in behavior*. Retrieved from <WWW.SCHWABLEARNING.ORG/ARTICLES.ASP?R=631>
- Manning, R.D. (2000). *Credit Card Nation*. New York: Basic Books.
- Marketwatch: Illness and injury as contributors to bankruptcy (2005, Feb. 2). *Health Affairs*. Retrieved from <HTTP://CONTENT.HEALTHAFFAIRS.ORG/CGI/REPRINT/HLTHAFF.W5.63V1?>
- Miles, K. (no date). *Defiance: Why it happens and what to do about it*. Retrieved from <HTTP://PARENTCENTER.BABYCENTER.COM/REFCAP/PRESCHOOLER/PBEHAVIOR/65487.HTML>
- New report finds one-quarter of U.S. households are wealth poor (2002, May 13). Washington, DC: Consumer Federation of America. Retrieved from <HTTP://WWW.CONSUMERFED.ORG/PDFS/WEALTH_POOR_AMERICANS_PR.PDF>
- Obesity in Young Children: Impact and Intervention* (2004, August). National Institute for Health Care Management Foundation.
- Prediabetes is warning to make lifestyle changes* (2004, Dec. 8). Retrieved from <WWW.MARSHFIELDCLINIC.ORG/MC/RELEASES/PRE_DIABETES.ASP>
- Schlosser, E. (2002). *Fast Food Nation*. New York: Perennial Books.
- Sheets, T. (1997). *Dealing with oppositional behavior*. Retrieved from <WWW.YOURFAMILYCLINIC.COM/ODD/ODD.HTML>
- Stat bank (2005, Oct.). *Journal of Financial Planning*, 18(10), 24.
- Stat bank (1999, June). *Journal of Financial Planning*, 12(6), 20.

Strategy 6: Think Balance—Not Sacrifice

- America on the move website*. Retrieved from <HTTP://AOM.AMERICAONTHEMOVE.ORG/SITE/C.HIJKOPFJPH/B.1310797/K.BF62/HOME.HTM>
- Americans putting on pounds (2004, Oct. 28). *The New Jersey Herald*, B4.
- Build Wealth, Not Debt*. (no date). Washington, DC: Consumer Federation of America.
- Exercise...A Little Is All It Takes* (1992). Seattle, WA: Hope Heart Institute.
- Exercise and weight control* (no date). Retrieved from <WWW.FITNESS.GOV/EXERCISEWEIGHT.HTML>
- Henneman, A. (2004, April). *Increase your calorie salary*. Retrieved from <HTTP://LANCASTER.UNL.EDU/FOOD/FTAPRO4.HTM>
- Henneman, A. (2003, Nov.). *The Power of One Dietary Change in Losing Weight*. University of Nebraska.
- 66 ways to save money* (2005). Consumer Literacy Consortium. Retrieved from <WWW.66WAYS.ORG>
- Stenavich, C. (2004, Dec. 27). Dietitian helps you make and keep New Year's diet resolutions. *Health News Digest*. Retrieved from <HTTP://HEALTHNEWSDIGEST.COM/CGI-BIN/ARTMAN/EXEC/VIEW.CGI?ARCHIVE+13&NUM=900>
- The "secrets" of weight loss* (2005). Retrieved from <WWW.NUTRITIONDATA.COM/DIETING-WEIGHT-LOSS.HTML>

Strategy 7: Control Your Destiny

- Becoming an internalizer* (no date). Retrieved from <HTTP://MENTALHELP.NET/PSYHELP/CHAP8/CHAP8H.HTM>
- Health locus of control (1999). Retrieved from <HTTP://WWW.HSC.USF.EDU/~KMBROWN/LOCUS_OF_CONTROL_OVERVIEW.HTM>
- Locus of control* (no date). Retrieved from <WWW.USD.EDU/~SSANTO/LOCUS.HTML>
- Locus of control: A class tutorial* (no date). Retrieved from <HTTP://WWW.WILDERDOM.COM/GAMES/DESCRIPTIONS/LOCUSOFCONTROLEXERCISE.HTML>
- Mackey, A. (no date). *Power, pessimism & prevention: The impact of locus of control on physical health*. Retrieved from <WWW.UNITS.MUOHIO.EDU/PSYBERSITE/CONTROL/HEALTH.SHTML>
- Marsh, H.W. and Richards, G.E. (1986). The Rotter locus of control scale: The comparison of alternative response formats and implications for reliability, validity, and dimensionality. *Journal of Research in Personality*, 20, 509–558.
- Miller, John G. (2001) *QBQ! The Question Behind the Question*. Denver, CO: Denver Press.
- Rotter, J. (1966). Generalized expectancies for internal versus external control of reinforcements. *Psychological Monographs*, 80, Whole No. 609.
- The locus of control* (no date). Retrieved from <WWW.PSYCH.UNCC.EDU/PAGOOLKA/LOCUSOFCONTROL-INTRO.HTML>
- Wallston, B.S. and Wallston, B.S. (1978, Spring). Locus of control and health: A review of literature. *Health Education Monographs*, 107–117.

Strategy 8: Make Progress Every Day

- Bloechle, M.K. (2002, Sept.). Make progress every day. *Lone Star Librarian*, 55(1), 1.
- Build wealth, not debt: Become an American saver* (no date). Retrieved from <WWW.AMERICASAVES.ORG>
- Creating your own power affirmations*. Retrieved from <WWW.POWERAFFIRMATIONS.COM/CREATING_AFFIRMATIONS.HTM>
- Hales, D. (2005, Jan. 2). You can think yourself thin. *Parade*, 12.
- Halvorson, B. (2000, May 22). *Path to a healthy lifestyle is step-by-step process*. Retrieved from <WWW.UMICH.EDU/~URECORD/9900/MAY22_00/13.HTM>
- Myers, D.G. (1993). *The Pursuit of Happiness*. New York: Avon Books.

- Panella, V. (2002, Feb). Finding extra time. *Canadian Wellness*. Retrieved from <WWW.CANADIANWELLNESS.COM/NEWSLETTER/NEWSLETTERFEBRUARY02.HTM>

- Progress archives*. Retrieved from <WWW.LEGENDINC.COM/PAGES/ARCHIVESCENTRAL/QUOTEARCHIVES/PROGRESS.HTML>

- Staniforth, J. (no date). *Why do some affirmations work—and others don't?* Retrieved from <HTTP://WWW.SUCCESSFULOFFICE.COM/WHY-DO-SOME-AFFIRMATIONS-WORK.HTM>

- 66 ways to save money* (3rd edition) (2005). Retrieved from <WWW.66WAYS.ORG>

Strategy 9: Get Help and Be Accountable

- Accountability* (no date). Retrieved from <HTTP://WWW.1-55.COM/DRDIET.COM/ARTICLES/2111.HTM>
- Dial Q for quitting. (2005, March and April). *AARP Magazine*, 48(2A), 22.
- Flandez, R. (2005, Jan. 26). Fitness hurdle: Getting workers to use facilities. *The Wall Street Journal*, D5.
- Healthy—and wealthy. (2003, Oct.). *Smart Money*, 12(10), 118.
- Kim, J. L. (2005, Feb. 2). Automatic 401(k) enrollments may lasso lackadaisical savers. *The Wall Street Journal*, D3.
- Lueck, S. (2003, Oct. 21). Winning by losing. *The Wall Street Journal*, R6.
- Processes of change* (no date). Retrieved from <WWW.URI.EDU/RESEARCH/CPRC/TTM/PROCESSESOFCHANGE.HTM>
- Prochaska, J.O., Norcross, J.C., and DiClemente, C.C. (1994). *Changing for Good*. New York: Avon Books.
- Simon, R. (2004, July 19). No more hard choices. *The Wall Street Journal*, R6.
- Teddy trims to fightin' weight (2005, Feb. 7). *U.S. News & World Report*, 138(4), 3.

Strategy 10: Meet Yourself Halfway

- Bach, D. (2004) *The Automatic Millionaire*. New York: Broadway Publishing.
- Build Wealth, Not Debt*. (no date). Washington, DC: Consumer Federation of America.
- Henneman, A. (2002, Oct.) Sizing up food portion sizes. *Food Reflections*. Retrieved from <HTTP://LANCASTER.UNL.EDU/FOOD/FTOCTO2.HTM>

How portion sizes have changed (2005). Table E-4, 2005 *Dietary Guidelines Advisory Committee Report*, adapted from the *Portion Distortion Quiz*, National Heart, Lung, and Blood Institute.

LaDuca, D. (2004). *Restaurant portions—Is bigger really better?* Colorado State University Cooperative Extension. Retrieved from <WWW.EXT.COLOSTATE.EDU/PUBS/COLUMNCC/CCO11009.HTML>

Milner, M. (2003). *Playing defense*. Retrieved from <WWW.STRETCHER.COM/STORIES/03/03FEB17G.CFM>

O'Neill, B. Small Steps to Health and Wealth (2004, December). *The Forum for Family and Consumer Issues* 9(3), 8 pages. Retrieved from <WWW.CES.NCSU.EDU/DEPTS/FCS/PUB/9_3/SMALLSTEPS.HTML>

Rolls, B.J. (2003, March/April). The supersizing of America: Portion size and the obesity epidemic. *Nutrition Today*, 38 (2), 42–53.

Rolls, B. and Barnett, R.A. (2000). *Volumetrics: Feel Full on Fewer Calories*. New York: Harper Collins.

Schwartz, J. (2004). Portion distortion: Why waistlines are expanding and what to do about it. *Visions*, 17(2), 7. Retrieved from <HTTP://WWW.RCRE.RUTGERS.EDU/PUBS/VISIONS/VIS-17-2.PDF>

66 ways to save money (2005). Consumer Literacy Consortium. Retrieved from <WWW.66WAYS.ORG>

Yip, P. (2005, Jan. 23). *Crafting a spending plan to downsize*. Retrieved from <HTTP://WWW.GUARANTEE-FINANCE.COM/CRAFTING-A-SPENDING-PLAN-TO-DOWNSIZE,25542.HTML>

Strategy 11: Say “No” to Super-Sizing

Chatzky, J. (2004, Oct.). From debt to wealth on \$10 a day. *Money*, 33(10), 93–100.

Credit Card Smarts. Boston, MA: Advantage Publications.

From Wallet to Waistline: The Hidden Costs of Super Sizing (2002, June). Washington, DC: The National Alliance for Nutrition and Activity.

Garman, E.T. and Fogue, R.E. (2006). *Personal Finance* (8th Edition). Boston: Houghton Mifflin Company.

Henneman, A. (2002, Oct.) Sizing up food portion sizes. *Food Reflections*. Retrieved from <HTTP://LANCASTER.UNL.EDU/FOOD/FTOCTO2.HTM>

LaDuca, D. (2004). *Restaurant portions—Is bigger really better?* Colorado State University Cooperative Extension.

Retrieved from <WWW.EXT.COLOSTATE.EDU/PUBS/COLUMNCC/CCO11009.HTML>

Lytton, R., Garman, E.T., and Porter, N. (1991). How to use financial ratios when advising clients. *Financial Counseling and Planning*, 2, 3–23.

O'Neill, B. (2004, December). Small Steps to Health and Wealth. *The Forum for Family and Consumer Issues* 9(3), 8 pages. Retrieved from <WWW.CES.NCSU.EDU/DEPTS/FCS/PUB/9_3/SMALLSTEPS.HTML>

O'Neill, B., Sorhaindo, B., Xiao, J.J., and Garman, E.T. Negative Health Effects of Financial Stress. *Consumer Interests Annual* (American Council on Consumer Interests), (2005), 51, 3 pages. Retrieved from <WWW.CONSUMERINTERESTS.ORG/14A/PAGES/INDEX.CFM?PAGEID=4077>

Schlosser, E. (2002). *Fast Food Nation: The Dark Side of the All-American Meal*. New York: Perennial.

Schwartz, J. (2004). Portion distortion: Why waistlines are expanding and what to do about it. *Visions*, 17(2), 7. Retrieved from <HTTP://WWW.RCRE.RUTGERS.EDU/PUBS/VISIONS/VIS-17-2.PDF>

Strategy 12: Convert Consumption into Labor

Dietary Guidelines for Americans, 2005 (2005). Washington, DC: Department of Health and Human Services. Retrieved from <WWW.HEALTHIERUS.GOV/DIETARYGUIDELINES>

Dietary Guidelines for Americans, 2010, Center for Nutrition Policy and Promotion, United States Department of Agriculture HTTP://WWW.HEALTH.GOV/DIETARYGUIDELINES/2010.ASP

Enslie, K. 2004. *Super-size America: The obesity epidemic*. Rutgers Cooperative Extension PowerPoint presentation

Exercise...A Little Is All It Takes (1992). Seattle, WA: Hope Heart Institute.

Exercise and weight control (no date). Washington, DC: Department of Health and Human Services. Retrieved from <WWW.FITNESS.GOV/EXERCISEWEIGHT.HTML>

Henneman, A. (2004, April). Increase your calorie salary. *Food Reflections*. University of Nebraska Cooperative Extension.

Making workouts work (2005, Jan.). *Consumer Reports*, 70(1), 12–16.

Muñoz, S.S. (2005, Jan. 13). New U.S. diet guide focuses on calories, exercise. *The Wall Street Journal*, p. D4.

O'Neill, B. (2004, December). Small Steps to Health and Wealth. *The Forum for Family and Consumer Issues* 9(3), 8 pages. Retrieved from <WWW.CES.NCSU.EDU/DEPTS/FCS/PUB/9_3/SMALLSTEPS.HTML>

Physical Activity Guidelines for Americans, 2008, U.S. Department of Health and Human Services, Office of Disease Prevention and Health Promotion, Publication No. U0036. HTTP://WWW.HEALTH.GOV/PAGUIDELINES.

Tax information (2005). Retrieved from <WWW.RCE.RUTGERS.EDU/MONEY/TAXINFO>

Weight management—Chapter 3 (2005). *Dietary Guidelines for Americans, 2005*. Washington, DC: Department of Health and Human Services. Retrieved from <WWW.HEALTHIERUS.GOV/DIETARYGUIDELINES>

Strategy 13:

Compare Yourself with Recommended Benchmarks

Blood sugar tests: What's normal? (2004). Retrieved from <WWW.MAYOCLINIC.COM/INVOKE.CFM?ID=SA00102&S1=2279>

Body mass index (2000). Retrieved from <WWW.CONSUMER.GOV/WEIGHTLOSS/BMI.HTM>

Johnson, A. (2000). *The Financial Checkup*. Providence, UT: Watkins Printing.

Milligan, E. (2003). *Tips from the Top: Targeted Advice from America's Top Money Minds*. Indianapolis, IN: Alpha Books.

Motivating Americans to develop constructive financial behaviors: A think tank sponsored by the National Endowment for Financial Education (2004). *Financial Counseling and Planning*, 15(2), 39–49.

O'Neill, B. (2002). Twelve components of financial wellness. *Journal of Family and Consumer Sciences*, 94(4), 53–58.

Stanley, T.J. and Danko, W.D. (1996). *The Millionaire Next Door*. New York: Pocket Books.

The Carewise Guide: Self-Care from Head to Toe (1996). Seattle, WA: Acamedica Press.

2005 Dietary Guidelines for Americans, 2005. Washington, DC: Department of Health and Human Services. Retrieved from <WWW.HEALTHIERUS.GOV/DIETARYGUIDELINES>

Strategy 14: Use Easy Frames of Reference

Brennan, P.Q. and O'Neill, B.M. (2004). *Money Talk: A Financial Guide for Women*. Ithaca, NY: Natural Resource, Agriculture, and Engineering Service (NRAES).

Building Wealth: A Beginner's Guide to Securing Your Financial Future (2002). Dallas, TX: Federal Reserve Bank of Dallas.

Byrd-Bredbenner, C. and Schwartz, J. (2004). The effect of practical portion size measurement aids (PSMAs) on the accuracy of portion size estimates made by young adults. *Journal of Human Nutrition and Dietetics*, 17:351–357.

Clements, J. (1995, Dec. 5). Some rules of thumb should be ruled out. *The Wall Street Journal*, C1.

Determining the 'all-in' costs of your IRA. (2004, Spring). In *the Vanguard*, The Vanguard Group, 3.

Garman, E.T. and Forgue, R.E. (2006). *Personal Finance* (8th Edition). Boston: Houghton Mifflin Company.

Gladwell, M. (2002). *The Tipping Point: How Little Things Can Make a Big Difference*. New York: Little, Brown, and Company.

Investing For Your Future: A Cooperative Extension System Basic Investing Home Study Course (2002). Ithaca, NY: Natural Resource, Agriculture, and Engineering Service (NRAES) and <WWW.INVESTING.RUTGERS.EDU>.

Kreitler, R.P. (2004, July). Establishing retirement savings standards for Americans. *Journal of Financial Planning*, 17(7), 16–17.

Milligan, E. (2003). *Tips from the Top: Targeted Advice from America's Top Money Minds*. Indianapolis, IN: Alpha Books.

Motivating Americans to develop constructive financial behaviors: A think tank sponsored by the National Endowment for Financial Education (2004). *Financial Counseling & Planning*, 15(2), 39–49.

O'Neill, B. (2004, December). Small Steps to Health and Wealth *The Forum for Family and Consumer Issues* 9(3), 8 pages. Retrieved from <WWW.CES.NCSU.EDU/DEPTS/FCS/PUB/9_3/SMALLSTEPS.HTML>

O'Neill, B. (2002). Twelve components of financial wellness. *Journal of Family and Consumer Sciences*, 94(4), 53–58.

O'Neill, B. (1999). *Investing on a Shoestring*. Chicago: Dearborn Financial Publishing.

Savings Fitness: A Guide to Your Money and Your Financial Future (no date). Washington, DC: U.S. Department of Labor, Employee Benefits Security Administration.

Schwartz, J. (2004). Portion distortion: Why waistlines are expanding and what to do about it. *Visions*, 17(2), 7. Retrieved from <WWW.RCRE.RUTGERS.EDU/PUBS/VISIONS/VIS-17-2.PDF>

Schwartz, J. and Byrd-Bredbenner, C. (2003). A comparison of two practical portion size measurement aids (PSMAs) for Fruits, Vegetables & Grains. *Journal of the American Dietetic Association*, 103:A-19.

Strategy 15:

Automate Good Habits and Create Templates

Aschkenasy, J. (2004, Dec.). The automatic 401(k). *Financial Planning*, 34(12), 104–105, 125.

Bach, D. (2004). *The Automatic Millionaire*. New York: Broadway Books.

Davis, R.J. (2004, Dec. 14). Express workouts: Gyms offer quicker routines. *The Wall Street Journal*, D5.

Enslie, K., Lytle, J.G., and Collins, C. (2002). *Getting to Know Portion Sizes*. Rutgers Cooperative Extension Fact Sheet FS993.

Franklin, M.B. (2005, March). Retire in Style. *Kiplinger's Personal Finance*, 59(3), 72–76.

Investing For Your Future: A Cooperative Extension System Basic Investing Home Study Course (2002). Ithaca, NY: Natural Resource, Agriculture, and Engineering Service (NRAES) and <WWW.INVESTING.RUTGERS.EDU>.

Kim, J.J. (2005, Feb. 2). Automatic 401(k) enrollments may lasso lackadaisical savers. *The Wall Street Journal*, D3.

NEFE High School Financial Planning Program (2001). Greenwood Village, CO: National Endowment for Financial Education.

Simon, R. (2004, July 19). No more hard choices. *The Wall Street Journal*, R6.

Slim-Fast Products (no date). Retrieved from <WWW.SLIM-FAST.COM>

Two ways to take control (2005). Retrieved from <WWW.WEIGHTWATCHERS.COM>

Strategy 16: Live “The Power of 10”

Chatzky, J. (2004, Oct.). From Debt to Wealth on \$10 a Day. *Money*, 33(10), 93–100.

Chatzky, J. (2006) *Pay It Down! From Debt to Wealth on \$10 a Day*, Portfolio Trade

Detweiler, G. Eisenson, M. and Castleman, N. (1999). *Slash Your Debt*. Financial Literacy Center.

Detweiler, G. Eisenson, M. and Castleman, N. (1998). *Invest in Yourself*. NY: John Wiley & Sons, Inc.

Getting Active, Staying Active (1999). Washington, DC: American Institute for Cancer Research.

Henneman, A. (2003, Jan.). *The power of one dietary change in losing weight*. University of Nebraska. Retrieved from <HTTP://LANCASTER.UNL.EDU/FOOD/FTJANO3.HTM >

Matejic, D. (1995). *How to Save \$1,000 or More a Year*. Rutgers Cooperative Extension Fact Sheet 539.

Parker-Pope, T. (2004, Oct. 19). Warning to walkers: Many pedometers are inaccurate, particularly at slow paces. *The Wall Street Journal*, D1.

Parker-Pope, T. (2003, April 22). The diet that works. *The Wall Street Journal*, R1, R5.

Pedometers: walking by the numbers (2004, Oct.). *Consumer Reports*, 69 (10), 30–31.

smallstep.gov website (2004). Washington, DC: U.S. Department of Health and Human Services.

Spors, K.K. (2003, Oct. 21). Don't just sit there. *The Wall Street Journal*, R8.

The Practical Guide: Identification, Evaluation, and Treatment of Overweight and Obesity in Adults (2000, Oct.). NIH Publication 00-4084. Washington, DC: National Institutes of Health.

The 20% boost program: Fit walking into your life (2002). Connecticut Public Broadcasting, Inc. Retrieved from <WWW.PBS.ORG/AMERICASWALKING/HEALTH/HEALTH20PERCENTBOOST.HTML>

Strategy 17:

Take Calculated Risks and Conquer Your Fears

Belsky, G. and Gilovich, T. (1999). *Why Smart People Make Big Money Mistakes and How to Correct Them*. New York: Simon & Schuster.

Canfield, J. (no date). *The benefits of taking risks*. Retrieved from <WWW.BESTSTEPS.COM/BESTSTEP.CFM?BS=846>

Dunmire, C. (2004). *Taking risks*. Retrieved from <WWW.CREATIVITY-PORTAL.COM/BC/TAKING.RISKS.HTML>

Johnson, S. (2002). *Who Moved My Cheese?* New York: G.P. Putnam's Sons.

Kahneman, D., and Tversky, A. (1979). Prospect theory: An analysis of decisions under risk. *Econometrica*, 47, 313–327

O'Neill, B. (1999). *Investing on a Shoestring*. Chicago: Dearborn Financial Publishing.

Stanny, B. (2004). *Secrets of Six-Figure Women*. New York: HarperBusiness.

Taking risks (2004). Retrieved from <[HTTP://JOURNALS.AOL.COM/RRENEBBEAN/GROWINGOLDYOUNGER/ENTRIES/1064](http://journals.aol.com/rrenebbean/growingoldyounger/entries/1064)>

Tools for personal growth: On becoming a risk taker (no date). Retrieved from <[WWW.COPING.ORG/GROWTH/RISK.HTM](http://www.coping.org/growth/risk.htm)>

Thaler, R., Tversky, A., Kahneman, D., and Schwartz, A. (1997, May). The effect of myopia and loss aversion on risk taking: An experimental test. *Quarterly Journal of Economics*, 112, 647–661.

Tversky, A. and Kahneman, D. (1981). The framing of decisions and psychology of choice. *Science*, 453–58.

Viscott, D. (1982). *Risking*. New York: Pocket Books.

Strategy 18:

Appreciate Teachable Moments and Wake-Up Calls

Blood pressure—A wake up call (no date). Retrieved from <[WWW.MACROHEALTHMEDICINE.COM/BP.HTML](http://www.macrohealthmedicine.com/bp.html)>

Cigarette smoking statistics (2004, Dec. 10). American Heart Association. Retrieved from <[WWW.AMERICANHEART.ORG/PRESENTER.JHTML?IDENTIFIER=4559](http://www.americanheart.org/presenter.jhtml?identifier=4559)>

Cordell, D.M. (2002, Jan.), A 9-11 wake-up call. *Journal of Financial Planning*, 15(1), 32–33.

Fazzi, R. (2005, Feb). The mistakes investors make. *Financial Advisor*, 6(2), 83–84.

How adults experience learning (2000). Retrieved from <[HTTP://OLD.MBCONF.CA/OLD/IDEABANK/9603/ADULT-2.HTML](http://old.mbcconf.ca/old/ideabank/9603/adult-2.html)>

How to juice your credit score (2003, May). *Smart Money*, 12(5), 107.

Johnson, A. (2000). *The Financial Checkup*. Providence, UT: Watkins Printing.

Moses, S.A.(2001). *The LTC wake-up call*. Retrieved from <[HTTP://WWW.ADVISORTODAY.COM/ARCHIVES/2002_MAY_MOSES.HTML](http://www.advisortoday.com/archives/2002_may_moses.html)>

O'Neill, B., Sorhaindo, B., Xiao, J.J., and Garman, E.T. (2005). Negative health effects of financial stress. *Consumer Interests Annual* (American Council on Consumer Interests), 51, 3 pages. Retrieved from <[WWW.CONSUMERINTERESTS.ORG/14A/PAGES/INDEX.CFM?PAGEID=4077](http://www.consumerinterests.org/14a/pages/index.cfm?pageid=4077)>

Processes of change (no date). Retrieved from <[WWW.URI.EDU/RESEARCH/CPRC/TTM/PROCESSESOFCHANGE.HTM](http://www.uri.edu/research/cprc/ttm/processesofchange.htm)>

Prochaska, J.O., Norcross, J.C., and DiClemente, C.C. (1994). *Changing for Good*. New York: Avon Books.

Shirley, K. (1999). *The Baby Boomer Financial Wake-Up Call*. Chicago: Dearborn Financial Publishing.

2011 National Diabetes Fact Sheet, U.S. Department of Health and Human Services, Centers for Disease Control and Prevention.

Wake-up call. (no date). Retrieved from <[HTTP://ONLINEDICTIONARY.DATASEGMENT.COM/WORD/WAKE-UP+CALL](http://onlinedictionary.datasegment.com/word/wake-up+call)>

Wi\$eUp: A Financial Planning Handbook for Generation X Women (2003). U.S. Department of Labor.

Strategy 19:

Weigh the Costs and Benefits of Changing

Cost/benefit analysis (no date). Retrieved from <[WWW.INVESTORWORDS.COM/1151/COST_BENEFIT_ANALYSIS.HTML](http://www.investorwords.com/1151/cost_benefit_analysis.html)>

Decisional balance scale (no date). Health Promotion Board, Singapore Government. Retrieved from <[WWW.HPB.GOV.SG/WEB/QUIT4LIFE/DOC/HEL/DECISIONAL_BALANCE_SCALE.DOC](http://www.hpb.gov.sg/web/quit4life/doc/hel/decisional_balance_scale.doc)>

Decisional balance worksheet (no date). *Motivational Groups for Community Substance Abuse Programs*. Retrieved from <[HTTP://MOTIVATIONALINTERVIEW.ORG/CLINICAL/DECISIONAL-BALANCE.PDF](http://motivationalinterview.org/clinical/decisional-balance.pdf)>

Detailed overview of the transtheoretical model (1998). Cancer Prevention Research Center. Retrieved from <[WWW.URI.EDU/RESEARCH/CPRC/TTM/DETAILEDOVERVIEW.HTM](http://www.uri.edu/research/cprc/ttm/detailedoverview.htm)>

Health promotion: Tool box (2004). Retrieved from <[WWW.MCG.EDU/SOM/FMFACDEV/HP_TOOLBOX.HTM](http://www.mcg.edu/som/fmfacdev/hp_toolbox.htm)>

Janis, I.L. and Mann, L. (1977). *Decision Making: A Psychological Analysis of Conflict, Choice, and Commitment*. New York: Free Press.

Prochaska, J.O., Norcross, J.C., and DiClemente, C.C. (1994). *Changing for Good*. New York: Avon Books.

Prochaska, J.O., DiClemente, C.C., and Norcross, J.C. (1992). In search of how people change: Applications to addictive behavior. *American Psychologist*, 47, 1102–1114.

Prochaska, J.O., Velicer, W.F., Rossi, J.S., Goldstein, M.G., Marcus, B.H., Rakowski, W., Fiore, C., Harlow, L.L., Redding, C.A., Rosenbloom, D., and Rossi, S.R. (1994, Jan.). Stages of change and decisional balance for 12 problem behaviors. *Health Psychology*, 13(1), 39–46.

The transtheoretical model (no date). Retrieved from <[WWW.UMBC.EDU/PSYC/HABITS/TTMODEL.HTML](http://www.umbc.edu/psyc/habits/ttmodel.html)>

Thinking about changing (no date). Retrieved from <[HTTP://CPS.NOVA.EDU/~GSC/ONLINE/DECISIONALBALANCEGENERAL.PDF](http://cps.nova.edu/~gsc/online/decisionalbalancegeneral.pdf)>

Strategy 20: Step Down to Change

- Branch, S. (1997). *Dollar Pinching: A Consumer's Guide to Smart Spending*. New York: Warner Books.
- Food recipe substitutions (1998). Retrieved from <HTTP://HOMECOOKING.ABOUT.COM/LIBRARY/WEEKLY/AAO72798.HTM>
- Harriet Roth's Fat Counter*. (1992). New York: Signet Books.
- How NicoDermCQ can help (2004). GalaxoSmithKline, Inc. Retrieved from <HTTP://NICODERM.CQ.QUIT.COM>
- Johnson, A. (1999). Changing financial behavior: The step-down principle. In C.R. Hayhoe and J.E. Morris (Editors). *Proceedings of the Association for Financial Counseling and Planning*, 157.
- Johnson, A. (2002). Financial remedies: A companion booklet to the financial checkup. In J. Lown (Editor), *Proceedings of the Association for Financial Counseling and Planning*, 24.
- Johnson, A. (2002). *Financial Remedies: Cures for Common Financial Ailments*. Providence, UT: Watkins Printing.
- O'Neill, B. (2000). Step down to improved finances in 2000 and beyond. *Money 2000 News*, 5(2). Retrieved from <WWW.RCE.RUTGERS.EDU/PUBS/MONEY2000/M2K-V5N2.PDF>
- 66 Ways to Save Money, 3rd Edition* (2005). Washington, DC: Consumer Literacy Consortium.
- Revitalize Your Recipes for Better Health* (1988). Division of Nutritional Sciences, Cornell University.
- Scott, D.L. (1996). *The Guide to Saving Money: 325 Valuable Tips That Will Help You Stretch Your Dollars*. Old Saybrook, CT: The Globe Pequot Press.

Strategy 21: Kick It Up a Notch

- Bristow, B. (1997) *MONEY 2000 News*, Cornell Cooperative Extension.
- Chu, R. (2004, Oct. 6). Employee 401(k) participation slips. *The Wall Street Journal*, C15.
- Earthy delights: Where great chefs buy* (2005). Retrieved from <HTTP://EARTHY.COM/A_EMERIL.HTM>
- Guidebook to Help Late Savers Prepare for Retirement* (2003). Greenwood Village, CO: National Endowment for Financial Education. Retrieved from <WWW.NEFE.ORG/LATESAVERS/INDEX.HTML>
- O'Neill, B. (1999). *Investing on a Shoestring*. Chicago: Dearborn Financial Publishing.
- Savings Fitness: A Guide to Your Money and Your Financial Future*. (no date). Washington, DC: U.S. Department of Labor.

Spors, K.K. (2003, Oct. 21). Don't just sit there. *The Wall Street Journal*, R8.

Stat bank. (2003, Dec.) *Journal of Financial Planning*, 16(12), 21.

The Kiplinger monitor: 401(k) assets: A mixed bag. *Kiplinger's Personal Finance*, 58(9), 24.

The 20% boost program: Fit walking into your life (2002). Connecticut Public Broadcasting, Inc. Retrieved from <WWW.PBS.ORG/AMERICASWALKING/HEALTH/HEALTH2OPERCENTBOOST.HTML>

Wide disparity in 401(k) participation (2002, Jan.). *Journal of Financial Planning*, 15(1), 20.

Yakoboski, P., Ostuw, P. and Hicks, J. (1998, Aug.). What is your savings personality? The 1998 retirement confidence survey. *EBRI Issue Brief Number 200*. Washington, DC: Employee Benefit Research Institute.

Strategy 22: Control Your Environment

Changing the environment (no date). *Methods for changing behavior—Psychological self-help*. Retrieved from <HTTP://MENTALHELP.NET/PSYHELP/CHAP11/CHAP11B.HTM>

Detailed overview of the transtheoretical model (1998). Cancer Prevention Research Center. Retrieved from <WWW.URI.EDU/RESEARCH/CPRC/TTM/DETAILEDOVERVIEW.HTM>

Health promotion: Tool box (2004). Retrieved from <WWW.MCG.EDU/SOM/FMFACDEV/HP_TOOLBOX.HTM>

Kim, S. and Douthitt, R. A. (2003). Away-from-home food consumption: Implications for consumer education. *Journal of Consumer Education*, 21, 30–37.

Prochaska, J.O., Norcross, J.C., and DiClemente, C.C. (1994). *Changing for Good*. New York: Avon Books.

Prochaska, J.O., DiClemente, C.C., and Norcross, J.C. (1992). In search of how people change: Applications to addictive behavior. *American Psychologist*, 47, 1102–1114.

Promoting health behavior change (1999). *ERIC Digest*. Retrieved from <WWW.ERICDIGESTS.ORG/1999-4/HEALTH.HTM>

Restrictor plate debate: Plate racing is just another form of NASCAR racing (2005). Retrieved from <HTTP://WWW.NASCAR.COM/2005/NEWS/FEATURES/LAST_LAP/05/03/LL_PLATE_RACING/INDEX.HTML>

The transtheoretical model (no date). Retrieved from <WWW.UMBC.EDU/PSYC/HABITS/TTMODEL.HTML>

Strategy 23:

Monitor Your Progress and Reward Success

Andrews, A. (2004, Dec.). Get healthy, get wealthy. *Money*, 33(12), 57.

Detailed overview of the transtheoretical model (1998). Cancer Prevention Research Center. Retrieved from <WWW.URI.EDU/RESEARCH/CPRC/TTM/DETAILEDOVERVIEW.HTM>

Guide to behavior change (no date). National Heart, Lung, and Blood Institute. Retrieved from <WWW.NHLBI.NIH.GOV/HEALTH/PUBLIC/HEART/OBESITY/LOSE_WT/BEHAVIOR.HTM>

Leboeuf, K. (2003). *Resolutions for change: Not just a New Year's thing*. Cigna Behavioral Health, Inc. Retrieved from <HTTP://APPS.CIGNABEHAVIORAL.COM/WEB/BASICSITE/BULLETINBOARD/RESOLUTIONSFORCHANGE.JSP>

Maher, K. (2005, Jan. 24.) Popular...but cheap. *The Wall Street Journal*, R4.

Parker-Pope, T. (2003, April 22). The diet that works. *The Wall Street Journal*, R1, R5.

Prochaska, J.O., Norcross, J.C., and DiClemente, C.C. (1994). *Changing for Good*. New York: Avon Books.

Prochaska, J.O., DiClemente, C.C., and Norcross, J.C. (1992). In search of how people change: Applications to addictive behavior. *American Psychologist*, 47, 1102–1114.

Promoting health behavior change (1999). *ERIC Digest*. Retrieved from <WWW.ERICDIGESTS.ORG/1999-4/HEALTH.HTM>

Taylor, C. (2003, Oct.). Healthy—and wealthy. *Smart Money*, 12(10), 118.

The Practical Guide: Identification, Evaluation, and Treatment of Overweight and Obesity in Adults (2000, Oct.). NIH Publication 00-4084. Washington, DC: National Institutes of Health.

The transtheoretical model (no date). Retrieved from <WWW.UMBC.EDU/PSYC/HABITS/TTMODEL.HTML>

Strategy 24:

Expect Obstacles and Prepare for Relapses

Detailed overview of the transtheoretical model (1998). Cancer Prevention Research Center. Retrieved from <WWW.URI.EDU/RESEARCH/CPRC/TTM/DETAILEDOVERVIEW.HTM>

Dingfelder, S.F. (2004). *Solutions to resolution dilution*. Retrieved from <WWW.APA.ORG/MONITOR/JANO4/SOLUTIONS.HTML>

Hall, R.F., Joseph, D.H., and Schwartz-Barcott, D. (2003). Overcoming obstacles to behavior change in diabetes self-management. *Diabetes Education*, 29(2), 303–311.

Managing difficult behavior (no date). Retrieved from <HTTP://MENTALHELP.NET/PSYHELP/CHAP4/CHAP4O.HTM>

Prochaska, J.O., Norcross, J.C., and DiClemente, C.C. (1994). *Changing for Good*. New York: Avon Books.

Promoting health behavior change (1999). *ERIC Digest*. Retrieved from <WWW.ERICDIGESTS.ORG/1999-4/HEALTH.HTM>

Stages of change model (2003). *Addiction Alternatives*. Retrieved from <HTTP://WWW.AA2.ORG/PHILOSOPHY/STAGE-MODEL.HTM>

The six stages of change (1996, Sept.). *Tufts University Diet & Nutrition Letter*, 14(7), 5.

Westermeyer, R. (no date). *A user-friendly model of change*. Retrieved from <WWW.HABITSMART.COM/MOTIVATE.HTM>

Zerance, L. (2000). *For once and for all: How to break a bad habit*. Retrieved from <HTTP://WWW.SCHALER.NET/INTHE-NEWS/INTHENEWS-DRKOOP.HTML>

Strategy 25:

Set a Date and Get Started...Just Do It!

Detailed overview of the transtheoretical model (1998). Cancer Prevention Research Center. Retrieved from <WWW.URI.EDU/RESEARCH/CPRC/TTM/DETAILEDOVERVIEW.HTM>

Making workouts work (2005, Jan.). *Consumer Reports*, 70(1), 12–16.

Mullen, D. (2003). *The myth of “just do it.”* Retrieved from <WWW.HEALTHDISCOVERY.NET/ARTICLES/JUST_DO_IT.HTM>

Prochaska, J.O., Norcross, J.C., and DiClemente, C.C. (1994). *Changing for Good*. New York: Avon Books.

Prochaska, J.O., DiClemente, C.C., and Norcross, J.C. (1992). In search of how people change: Applications to addictive behavior. *American Psychologist*, 47, 1102–1114.

Promoting health behavior change (1999). *ERIC Digest*. Retrieved from <WWW.ERICDIGESTS.ORG/1999-4/HEALTH.HTM>

Select self-improvement projects (no date). Retrieved from <HTTP://MENTALHELP.NET/PSYHELP/CHAP2/CHAP2C.HTM>

The transtheoretical model (no date). Retrieved from <WWW.UMBC.EDU/PSYC/HABITS/TTMODEL.HTML>

Wadman, M. (2004). Breaking free: Dropping bad habits after 50. *AARP: The Magazine*. Retrieved from <HTTP://WWW.AARP.ORG/BULLETIN/YOURHEALTH/>

About PALS

PALS, Plant and Life Sciences Publishing (formerly NRAES), is a not-for-profit program dedicated to increasing public availability of science- and experience-based knowledge. The program is sponsored by four land-grant universities in the eastern United States. It is part of the Department of Horticulture, in the College of Agriculture and Life Sciences, at Cornell University.

PALS publishes practical books of interest to fruit and vegetable growers, landscapers, dairy and livestock producers, natural resource managers, SWCD (soil and water conservation district) staff, consumers, landowners, and professionals interested in agricultural waste management and composting. PALS books are used in cooperative extension programs, in college courses, as management guides, and for self-directed learning.

Contact PALS for more information.

Plant and Life Sciences Publishing (PALS)
Cooperative Extension, PO Box 4557
Ithaca, New York 14852-4557

phone: (607) 255-7654 • fax: (607) 254-8770
e-mail: PALSPUBLISHING@CORNELL.EDU • website: PALSPUBLISHING.COM

Marty Sailus, PALS Director

PALS is sponsored by these Land Grant Universities:

University of Connecticut
University of Maine
Cornell University
West Virginia University