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 "**F**alse **E**vidences **A**ppearing as **R**eal." 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.