

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.
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— TABLE 11 —

The Power of 10—Health Examples

Power of 10 Health Improvement Practice	Examples and Description
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).	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).
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.	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.
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).	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.
Lose 10 pounds in a year by eating 100 calories less per day.	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).
Lose 10 pounds in a year by burning off an additional 100 calories per day.	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.
Visualize what gaining or losing 10 pounds of fat looks like as an incentive to change.	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.

— 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? \$ _____