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A Family Problem-Solving Approach to Savings

OBJECTIVE: Give families a problem-solving tool to help them work towards their savings goals.

TIME: 30 minutes

MATERIALS:

Large study notebook

NOTE TO TRAINER:

This activity is a multi-step process that puts goal-setting and creating a family budget into a larger action plan. The activity probably fits best after you have already done these two first steps. This is also a great activity for a family workshop. You will need to supplement this activity with your favorite goal-setting and budgeting handouts, examples of which are provided in earlier sections of this resource book.

ACTIVITY:

An Eight Step Process to Successful Family Budgeting (and Problem Solving)

Step 1: Agree on the Savings Goals

Ask families to talk about their savings goal, giving all family members an opportunity to express their fears and concerns. Practicing agreement is the first step in problem-solving.

Step 2: Document the current family budget

Using one of a variety of formats, ask the family to list all of their income. Then list their expenses. Is the family currently saving on a monthly basis? Is the family adding to their debt each month by spending on credit?

Step 3: Laying out the Choices

Together, family members can help create options and alternatives for increasing family savings. What are some of the things the family or family members can do to earn more money and spend less money? Try to brainstorm without evaluating the ideas. Just put each idea down. Write each idea on a separate piece of paper, and stick it to a wall so that everyone can see the ideas being generated. Encourage creativity: It often leads to effective solutions.

Step 4: Assess the Alternatives

Once the wall is full of savings options, it is time to evaluate how well the alternatives will work for the family. Go around and

ask what each family member thinks of each idea. Take away or move to a bottom corner of the wall choices that the family is unwilling to try. Attempt to find savings strategies that each family member is willing to accept.

Step 5: Create an Action Plan

Once you have assessed the choices and found savings strategies for each family member, write them down. Include in the action plan:

- What the family is going to do.
For example, the family is going to save \$100 a month for 20 months towards the down payment of a home.
- What each family member is going to do.
Be specific.
- When it will be done.

A written plan makes sure that everyone understands the family decision and their part in helping it happen.

Step 6: Count up the Savings

A written plan is also helpful for keeping track of your family's savings. Each month, take the time as a family to monitor your achievements and progress toward your goal. It is also an important opportunity to remind yourselves why you are saving and motivate each other. If certain family members are having trouble with their responsibilities, help them brainstorm more alternatives for saving.

Step 7: Learning from Success

This step is probably the most important. Once you reach your goal, take the time to learn from the situation. Take note of what worked and didn't work so that you can make adjustments to future family action plans.

Step 8: Tackle the Next Challenge

That's right! Your work doesn't stop here. You now have a family that functions well together and can competently achieve its goals. What other family issues can you tackle using this six-step process? Is there another savings goal in your future? Is your family having trouble accomplishing another kind of task? Are there feelings and emotions in the family that could be resolved? All families deal with multiple problems. Learning to identify and solve problems as they arise can lead to a more successfully functioning family. This problem-solving process can be helpful for families to work their way through many different obstacles, both big and small.