

Steps to Effective Money Decisions

How do you make decisions about money? Here are five steps you can use to help you make good money decisions.

Step One: What is the money issue or decision you need to make?

Step Two: **Look closely at the situation.** What lead you to this issue or decision?

What are your concerns about the issue?

Who are the people involved or affected by the decision?

What would happen if you didn't make a decision?

Step Three: **What options or choices do you have?** What are the pros and cons for each option? Rank the options and test them, if possible. Use the following chart to record your answers.

Option	Pros	Cons	Rank
1			
2			
3			
4			

Step Four: Your decision is ...

Step Five: Follow up and make sure the decision is still right for you.

Source: Adapted from *DollarWorks 2* (University of Minnesota)