

CHRISTIAN MONEY \$ENSE

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If at First You Don't Succeed: Plan!

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Have you ever watched a team that played a game without a plan? If you have, you know that it ended in sure disaster for that team. Without a plan, a team will not play together as a unit but will play more on impulse and individual desire. They will have less understanding and discipline to sacrifice personal accomplishment for the team's success. They will not effectively attack the other team's weaknesses to their own advantage. A plan is essential for success.

This is true in many other areas in life: business, war, travel, etc. How about personal finance? Most would say that planning is good, but most do not do it. Recent statistics point out that 95% of Americans do not have a financial plan or budget. Statistics also indicate that 80% of Christian families do not have a budget. And we wonder why so many people are having financial difficulties in the most prosperous nation in human history!

The majority of people do not budget because they see no benefit to it. However, the Bible indicates that there is benefit if you plan. Proverbs 21:5 states, "The thoughts of the diligent tend only to plenteousness; but of every one that is hasty only to want." The word "thoughts" in this passage means a thought toward planning or purpose. Diligence is a wonderful thing to have, but this is not the only thing necessary to be prosperous. Planning is also needed to bring profit to your labor. There are many who work hard and make a lot of money, but they are not prosperous. Some people look prosperous, but it might be at the expense of major debt. This is because they have not planned, which is essential to financial success.

Why is a plan useful? First, it helps you steer toward long-term goals, like retirement or a child's education. These are things you do not think about every day but will need to be planned for so that you will be ready for

them. Second, it helps you make decisions. Recently I got married and needed to look for housing. What was the best option for me: buying or renting? After looking at my allowance for housing based on my plan, renting was the best option for me. The budget helped me make the best decision. Third, it will focus your spending discipline. Planning keeps you from spending your money on frivolous things that you don't need. These are just a few ways that a plan can be useful.

How do you make a budget? There are many formats that can be used by individuals, but I will suggest two. The first format is the 10/70/20 plan. Basically, you take from your gross wages all taxes due and tithes and offerings you have decided to set aside. From this, you put 10% into savings and retirement, spend 70% on living expenses (rent, food, etc.), and allocate 20% to debt payoff or buffer fund for future large purchases (house, car). The other format is found at www.crown.org/tools/ under Online Budget Guide. This website will actually calculate a budget for you, based on your current income, so there is little to no math involved for you.

As you begin to plan, remember that it will take time to build the right budget for you, so take time to work through it. Also remember that the formats suggested above may not fit your needs or situation; be willing to search further to find the right budget format for you and your family.

If you are not succeeding in your finances, make a plan to focus your finances!

BBC Foundation has been ministering to churches and individuals regarding biblical stewardship since 1992. Send your questions on finances and stewardship to: BBC Foundation, 538 Venard Rd., Clarks Summit, PA 18411. Phone: (800) 451-8668, website: bbcfoundation.org; e-mail: info@bbcfoundation.org