

Mastering Personal Finances:

Introduction

Your Path to Financial Success!

Everyone, both Christian and non-Christian, wants to achieve financial success. We're all trying to achieve our goals and maximize our personal happiness. On the other hand, we're all unique because each of us has different goals driven by our individual values.

The authors of this book believe that success is the act of continually becoming the person God wants you to be and achieving the goals God helps you to set. If your perspective is "Whatever God has given me, I am using it for His goals and objectives," your view of financial success is decidedly different from the contrasting worldly perspective stated in the familiar one-liner, "I want what I want when I want it." Depending on your perspective, you'll set different goals and take different actions. You work out your values, goals, and priorities through a series of daily decisions about money.

God is very interested in your success and prosperity. He told Joshua, *"Study this Book of Instruction continually. Meditate on it day and night so you will be sure to obey everything written in it. Only then will you prosper and succeed in all you do."* (Joshua 1:8). In fact, when it comes to finances, the Bible has more than 2,000 verses where God provides specific instructions in how to manage money so that you can be successful.

This biblical guidance is invaluable in helping you establish the values that form the foundation of your financial goals. Beyond that, the Bible offers the encouragement and faith that enable you to pursue those goals despite the ups and downs of the world economy and the stock market. Almost every day offers you a new set of challenges and opportunities to make wise financial decisions. Your faith can inspire both the perspective and the perseverance necessary throughout your lifetime journey toward achieving your goals.

Integrating Your Faith and Finances

Although your faith forms the basis, personal finance also depends on math and science to determine the best management of your assets: how and when to spend, save, finance, and invest to optimize your financial situation.

This sounds like working the numbers, but far more is involved here. What are the values and goals that “optimize your financial resources”? How do you decide among all those “unlimited alternatives”? This is where you enter the world of behavior, where your faith can be the guiding system.

Some think that the personal finance is simple and everyone knows how to do it. They say it’s just a matter of spending less than you earn. They believe it’s only basic math and doesn’t have much intellectual value. But if personal finance is so easy, why are credit card debt, living paycheck-to-paycheck, and needing to use social services so prevalent?

Others may view personal finance as too complex or not relevant to their situation because they seldom make decisions to borrow and spend based on complex computations. One recent graduate student in criminal justice admitted to feeling intimidated by the whole notion of big-time economics. After taking our personal finance course, she still can’t calculate compound interest, but she knows it when she sees it—and knows why it matters. “The class made it less mysterious,” she explained. That is our goal for you.

Making Good Choices

Legendary basketball coach John Wooden once said, “There is a choice that you have to make in everything you do. So, keep in mind that in the end, the choice you make makes you.” A basic tenet of economics is that resources are scarce, so we must make choices. Personal finance is the organized process of making those financial choices and the skill-set that enables them. However, even if you have all the skills, there is no guarantee that the process will produce the desired results. It can be thrown off track if you can’t sustain the right perspective or execute the plan.

So we focus on the importance of the winning perspective, skills, and behavior necessary for successful execution of the financial planning process. As authors, financial counselors, and professors, we've had years of experience in the field of financial planning, writing books, teaching courses, and conducting seminars on the topic, acting as coaches to help people make changes in their financial lives. Over that time, we've learned a lot ourselves, too—not only from the experts, but from our students, whose needs and perspectives have helped to form this book's content and focus.

In fact, we could describe it as a coaching manual rather than a textbook. It not only draws the “plays” on the board, but by takes you to the “practice field” where actual problem-solving work is done—and where the focus is on you, the learner.

This book is designed to help you to acquire financial wisdom, not to help you to acquire wealth—although you might do that along the way (see Solomon). While many people equate personal finance with investing, this is not about investing, although the basics are covered. Instead, we focus on our personal responsibility—our stewardship—to manage the resources that God has entrusted to us. Although that word isn't used much today, it's an essential element of faith-based financial achievement. The successful student can look forward to hearing, *“Well done, good and faithful servant; you have been faithful over a few things, I will make you ruler over many things.”* (Matthew 25:23)

Changing Your Life

Integrating your faith and finances in this way will help you establish a deeper sense of purpose, gain motivation to change your behavior, and develop methods to implement this change. As Paul said, *“I pray that you will begin to understand how incredibly great His power is to help those who believe Him, that same mighty power that raised Christ from the dead and seated Him in the place of honor at God's right hand in heaven.”* (Ephesians 1:19-20).