

## Quiz

Name: \_\_\_\_\_

1. Needs (a) the process of considering and analyzing information related to personal and financial goals to determine an action plan
2. Short-term goals
3. Financial planning (b) focuses on a 3-month to 1-year period
4. Want (c) the process of deciding which needs or wants you want to pursue, based on your values and outside influences
5. Intermediate-term goals
6. Goal (d) something basic for your survival
7. Goal setting (e) less than 3-month time frame; focuses on immediate satisfaction
8. Long-term goals (f) focuses on more than 1 year of time and requires delayed gratification
9. Value
10. Decision making (g) something you desire to make your life more comfortable  
(h) the process of defining goals, developing a plan to achieve them, and putting the plan into action  
(i) a specific statement of what you want to achieve, giving direction to your plan of action  
(j) a belief or idea that you consider important or desirable

**11.** Which of the following is considered a need?

- (a) a new car
- (b) business clothes
- (c) a place to sleep
- (d) a steak dinner

**12.** Which of the following is a significant aspect of decision making in financial planning?

- (a) Alternatives do not need to be examined.
- (b) All decisions only have a short-term effect.
- (c) After a decision is made, results can be ignored.
- (d) Every decision made today affects decisions made in the future.

**13.** Which of the following is not a stage in the financial planning process?

- (a) identify goal
- (b) gather information
- (c) make decision
- (d) evaluate results
- (e) wait for financial stability

**14.** Which stage in the financial planning process follows the stage, “Analyze Information”?

- (a) identify goal
- (b) create a plan
- (c) make decision
- (d) evaluate results
- (e) wait for financial stability

**15.** Which of the following factors can influence decisions?

- (a) age
- (b) values
- (c) family
- (d) peers
- (e) all of the above

**16.** Which of the following is considered a need and not a want?

- (a) a place of sleep

- (b) a new car
- (c) a steak dinner
- (d) designer clothes

17. Which of the following items is a want and not a need?

- (a) food
- (b) clothes
- (c) a place to sleep
- (d) a new car

18. What is the purpose of goal setting in the financial planning process?

- (a) to provide direction for planning and action
- (b) to clarify goal ranges
- (c) to differentiate between needs and wants
- (d) to facilitate decision making

19. There are five steps in the financial planning process. What is the first step in the process?

- (a) create a plan
- (b) find out what others would do
- (c) set goals
- (d) make a decision and take action

20. Which one of the following is not part of SMART goal setting?

- (a) realistic
- (b) specific
- (c) attainable
- (d) masterful

21. Many factors can influence your financial plan. Which one of the following concepts reflects this fact?

- (a) Wait and see what happens.
- (b) Financial planning is a process, not a product.
- (c) All financial decisions are short-term.
- (d) You must monitor the plan.

22. Goal ranges are usually divided into three categories. Which one of the following is a goal range category?

- (a) medium-term goals
- (b) adjacent goals
- (c) future goals
- (d) distant goals

23. There are five steps in the financial planning process. Which one of the following is a step in the process?

- (a) developing a comprehensive financial plan
- (b) monitoring the plan
- (c) minimizing taxes in the plan
- (d) allocating money to investment alternatives for the plan

24. Analyzing information is one of the steps in the financial planning process. Which one of the following is also a step in the process?

- (a) constructing a financial planning pyramid
- (b) protecting assets against loss
- (c) implementing the plan
- (d) building a budget for the plan

25. A value can be described as:

- (a) something basic for your survival
- (b) something you desire to make your life more comfortable
- (c) a willingness to give up something now in exchange for a future benefit
- (d) a belief or idea you consider important or desirable

