

Benchmarks

Most of the time I would advise against comparing yourself to others – they have a bigger house, she has a fancier car, he has better abs, she is smarter than I am. The results of comparison can be both depressing and misleading. However, as a health and wealth strategy, comparing yourself to others through the use of benchmarks may be a positive action. There are some universally accepted progress indicators for health and wealth, such as debt-to-income ratios and blood pressure readings.

When you compare yourself against certain benchmarks, it can provide incentive for changes in behavior. For instance, after receiving multiple blood test results indicating that I had high cholesterol, I finally used this comparison as incentive for change. I have tried to incorporate more whole grains and exercise into my life. I also worked to find a way to enjoy oatmeal almost daily. Since I have been averse to oatmeal most of my life, that was a bit of a challenge. I finally had to realize it was the texture I did not like, so I needed to find a way to prepare oatmeal differently to change the texture. I found a baked oatmeal recipe, but it was so full of fat and sugar that I might as well have been eating bread pudding. After some trial and error with recipe alterations, I finally developed a baked oatmeal recipe that works for me. The benchmark created the incentive for change.

While reading the Small Steps to Health and Wealth book, I compared my weight to a body mass index chart. The body mass index or BMI is an often cited health benchmark. While BMI takes into account height and weight, it does not consider body composition, so it is unreliable for people who are quite muscled or for someone less than five feet tall. For most people, though, it can be a reliable guide to indicate whether you are underweight, normal weight, overweight, obese or extremely obese. Because I am one of those people motivated by comparing myself to benchmarks, I determined to lose weight to change which category I was in on the BMI chart.

There are many other health benchmarks, such as blood pressure, blood sugar, fruits and vegetable consumption and physical activity. You may want to use these benchmarks to make positive changes. I think of benchmarks like deadlines. Often, if it were not for a deadline, we can put off completing a task for a long time. But, a deadline or benchmark gives you a target.

Some wealth benchmarks include consumer debt-to-income ratios. Monthly consumer debt expenses, excluding a mortgage, should not exceed 15% of take-home pay. This figure includes payments on credit cards, car loans and student loans. A debt-to-income ratio of 20% or more is considered a danger zone.

You can use your credit score as a benchmark. Many businesses are already using this benchmark to determine your creditworthiness, anyway, so you might as well, too. People with high credit scores (700-800) generally pay lower interest rates to borrow money than others.

Financial experts recommend having access to enough cash to cover household expenses for three-six months. Some more conservative experts recommend having eight months worth of living expenses saved in an emergency fund. To compare yourself to this benchmark, track all your monthly expenses, remembering to add in the monthly equivalent of those occasional expenses such as an annual vehicle payment, vehicle licensing, medical bills, home repairs, etc. After determining the average of your monthly expenses, work toward saving three to six times that amount.

At this point, comparing yourself to benchmarks may start to seem overwhelming, so here is a little practical advice. Choose one area at a time to improve. Be patient. You cannot reasonably expect to build up six month's worth of savings in the course of one month. It will take time to reach a benchmark. It is a bit like going on a long trip when as a youngster and saying "Are we there yet?" from the back seat. It seems like it may take forever to get to your destination, but upon arrival, most forget quickly about the long journey.

Trying to meet or exceed a benchmark takes time and effort. It isn't like *American Idol* where they give a shortcut to fame. There are no shortcuts to reach a benchmark. There are several other financial benchmarks including those for retirement savings and net worth, as well as recommendations for how much of your pay should be spent on housing costs.

Comparing to benchmarks can be a useful strategy for those of us who wonder, "How am I doing comparatively speaking?" Remember when comparing, you can only start where you are. There are no easy leaps to get to the benchmarks. All progress requires planning and commitment. When you know your destination, the journey cannot be accidental.

If you would like other strategies, besides comparing yourself to benchmarks, the Small Steps to Health and Wealth workbook, offers 24 other strategies to improve your health and wealth. The workbook is available at your local Extension office.

And, finally, for those who just want a good new breakfast recipe, here is the recipe for baked oatmeal:

1 16 oz. can pears with no sugar added/naturally sweet or light syrup – pureed in blender

2 ½ c. skim milk or low-fat evaporated milk

2 c. of sugar (brown or white)

4 egg whites

7 ½ c. oatmeal

4 tsp. baking powder

1-2 tsp. salt

Cinnamon to taste (1-2 Tbsp.)

Put can of pears with juice in blender and puree. Add sugar and eggs to blender and blend. Add milk to blender and blend. Transfer liquid to large bowl. Stir in oatmeal, baking powder and salt. Pour into 9x13 greased baking pan. Bake at 350 degrees F for 45 minutes. The oatmeal can be served warm. Baked oatmeal stores well in the freezer as individual portions to be heated in the microwave. Different fruits may be used to puree, depending on flavor you prefer. Raisins and nuts may be added to the recipe to suit individual tastes.