

cial goals that will enable you to methodically work toward building a financially stable life. For example, do you want to rent a larger office? Do you need a new car? Will you be taking continuing education classes next fall? Start planning now.

Create a list that contains three savings categories: 1) Long-term goals—those five years or more down the road; 2) mid- and short-term goals—those you hope to realize in five years or less and 3) emergency cash. After each goal, write down how much money you will need, and when.

Then create a plan for saving toward each goal. How much a month will you need to put aside? Do your goals seem out of reach? Don't feel discouraged. Once you put down on paper something you

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hope to achieve, your mind has a way of working toward reaching that goal. (It will also help you to resist those impulse buys, such as mood rings or a *National Enquirer* at the checkout counter.)

After you have established your personal budget, your business budget, and have set your goals, move on to the next step, which is making sure you get the most out of each dollar you earn.

STEP FOUR: **PRACTICE PREVENTIVE MAINTENANCE**

In today's society of throwaway goods—move, divorce and change personal styles with alarming alacrity—the next step may be downright un-American.

It's taking good care of what you own—including your own body—and practicing preventive medicine, so you can spend your money on what you really want, rather than throwing away money on replacing things that with only a little care, you wouldn't have to replace. It all harkens back to advice your grandmother might have given to you: Waste not, want not.

"Recession-proofing means that you are protecting your health, home, car, children, even pets," Lawrence says. For your car, that means getting your oil changed on a regular basis. For your pets, it means feeding them right and getting them their shots.

For your children and yourself, it means eating right, taking your vitamins, and getting bodywork done—and don't scrimp on this when the going gets tough. "If money is tight then you have an undercurrent of stress in your life," says Lawrence. And as bodyworkers know, that's exactly that right time to get a massage.

On the business side of things, make sure that you maintain all your equipment and supplies, including your computer, phone system and table. Always have adequate supplies on hand. "So you're not in the position to need something at the last minute—this will save on overnight shipping costs, and you'll have time to comparison shop," says Lawrence.

STEP FIVE: **PROTECT YOUR ASSETS THROUGH INSURANCE AND SAVINGS**

You've heard it a million times, and we'll say it again. Protect yourself as much as you can by having an emergency stash of cash, and enough insurance to protect yourself against catastrophic injury or illness. For example, make sure you have health insurance that at least covers any major surgery or treatment, even if you pay for office visits and small procedures yourself. (Hint: Higher deductibles equals more affordable premiums.)

Lawrence also recommends disability insurance for those who are self-employed. For those who cannot afford the premium payments, create your own disability fund, which would be an amount above and beyond the recommended three to six months of living expenses in a liquid account.

Remember, though, your emergency savings account is not for periodic expenses—such as estimated tax payments or major insurance payments. Nor is it to be used for long-term goals that you have set, such as a new car or a house. Lawrence recommends either opening three different accounts (one for long- and mid-term goals, one for emergency money, and the third for periodic expenses), or opening just one. The key is to clearly demarcate the three areas in your own records.

Your first savings priority should be funding your emergency account and the one for periodic expenses, suggests Lawrence. Then you can save for long-term goals.

STEP SIX: **KEEP THE ENERGY MOVING**

According to Lawrence, working with money is not about being stagnant, even when you're tense about making ends meet. You will need to spend some money to make some more. She also recommends keeping your name out there through networking, volunteering and marketing yourself. "Keep the energy moving with money," she says, "and keep your name out there—that's energy movement, too. Keep it moving and flowing, so that you're giving and receiving."