

# Next Steps

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## The most important question is: How are your Money Habitudes working for you?

Are YOU satisfied that your combination of Money Habitudes is helping you reach your goals and not causing any problems?

If so, congratulations! Periodically check back to see if they are still working well for you. When circumstances change you, your Habitudes may need to change as well.

If you're not satisfied and would like to do some things differently, you now have an enormous advantage! You know what motivates you. Instead of responding automatically when faced with a routine choice or a major financial decision, you are aware of how your Money Habitudes influence your actions. Now you can prepare yourself to take charge!

## What works for you to be successful?

When considering what next steps you can take, there isn't one right answer.

For example, let's say two people have eight Security cards and no Spontaneous cards. One may react with pride because he has recently taken control of his spontaneous spending and is intentionally using strategies to save for a more secure future. His next step may be to keep doing what he is doing. Another may realize that being so cautious with her money is no longer necessary or is actually limiting her in different ways. She may feel it's time to become less focused on security and become more spontaneous.

Before you set goals or think about what you “should” do next, ask yourself **three questions**:

### 1. What do I really need?

- ✔ Information and resources for managing your money more effectively or to prepare for the future, or
- ✔ Support and guidance to understand or balance your relationship with money so you can follow through and do what you already know you need to do.

### 2. How do I like to learn? What has worked best for me in the past?

- ✔ If you find it easier to work with someone and like the interaction, consider what types of professionals, classes or programs would be the best fit.
- ✔ If you prefer working independently and are self-motivated, using online resources and books may be a good choice for you.

### 3. Are you typically more successful approaching change gradually or full steam ahead?

## Taking action

The following suggestions can help you choose one or two actions to take if you want to make any changes to your Money Habitudes. Generally if a Habitude is very strong, you are more likely to be overusing it. If you are missing a Habitude, you may be underusing it. Ask yourself if there are specific situations when you over or under use that Habitude and would benefit from using one of the strategies suggested below.

# Planning

## Overusing

- ✔ Learn effective communication skills that you can use when pressured by others to spend money in a way that conflicts with your values or goals.
- ✔ Understand the money messages from your past.
- ✔ Challenge yourself to find out if your goals reflect your wants and needs or if they are a response to others' expectations of what you "should" do.
- ✔ Be supportive and giving to others.
- ✔ Take a break from being productive and goal-oriented. Relax, be spontaneous and enjoy life.
- ✔ Challenge yourself to experience new activities that are out of your comfort zone. Take some risks.
- ✔ Be tolerant and patient with people who have lifestyles and values that are different than yours. Try to see their perspective and understand what works for them.

## Underusing

- ✔ Write down what would add value to you this year (vacation, pay off a debt, add to a savings plan, etc.) and what you would like in the future (own a home, start a business, etc.) It's the start of a short and long-term plans.
- ✔ Make a list of how you spent money last year (or last month). Mark each item to show it was necessary or a good use of your money (+) or (X) if looking back it was not a good use of your money.
- ✔ Make a list of necessary expenses (housing, food, transportation, insurance, etc.) Be sure to include items that are billed quarterly and annually. Circle the ones that can change each month (utilities, food, charge cards, gifts, etc.)
- ✔ Use the above information to make a realistic spending and saving plan.
- ✔ If possible, set up automatic payments and deductions to help you stick to your plan.

# Carefree

## Overusing

- ✔ Know the realistic expenses needed to support yourself even if you do not pay them (health and car insurance, rent, utilities, clothes, etc.).
- ✔ Become familiar with the basics. Use simple techniques like rounding expenses up and rounding income down to work with easy numbers to make a basic budget and keep track of your money.
- ✔ If you live with someone who pays the bills, go over a month's expenses to be familiar with your basic costs.
- ✔ If you have investments or inherited money, make an appointment with a financial professional to find out how much money you have and how it is being managed.
- ✔ Determine if you are being fairly compensated at work.
- ✔ If you avoid managing money because of a lack of skills, consider taking a class or asking for help. You may find it helpful to work with a counselor if you have a fear of: commitment, taking on responsibility or having money or anything valuable.

## Underusing

- ✔ Ask yourself what is the worst that can happen if you let something slide, make a mistake or don't do it perfectly. Would it make a catastrophic difference? Could you live with it? If so, go with the flow.
- ✔ Be more in the moment.
- ✔ Before saying "no" ask yourself "why not?" It may help you be more flexible.
- ✔ Look at your calendar and your budget to see where if you are being too rigid or demanding on yourself or others.
- ✔ Instead of depriving yourself, explore less expensive options to meet your needs and wants.
- ✔ When considering a job, purchase or service, instead of exclusively focusing on the price, think about other values: Will it save time, make life easier, provide a valued opportunity or be meaningful?
- ✔ Challenge yourself to go out of your comfort zone and take more risks.

# Security

## Overusing

- ✓ Reassess your budget to include fun, gifts and being able to respond spontaneously to new opportunities.
- ✓ Reduce the time you spend to record, check and manage your finances.
- ✓ Plan to spend money on a special gift or activity for yourself every month.
- ✓ Talk to people you love to understand how your behavior related to money affects your relationships.
- ✓ Face your fear. Put everything you would need to survive in a bag or suitcase. Keep it in a closet so you are prepared for the worst.
- ✓ Do you say “no” out of habit to something you would like to buy? Make a fist. Open it one finger at a time to remind yourself to allow money to flow out and flow in without being blocked. Then decide how you feel about buying it.
- ✓ Interview financial professionals. Find someone you trust to gain a broader perspective on saving and investing for a more realistic, livable financial plan.

## Underusing

- ✓ • Save something regularly. Whether it is \$5 or \$500, commit to putting it in a savings account every week or month to start. It may be the start of an emergency or investment account, a down payment or for retirement.
- ✓ • Get your credit report and credit score. If necessary, have a plan to pay off your debts.
- ✓ • Know when your bills are due and pay them on time all the time.
- ✓ • Become confident and well informed by asking questions when you need a loan or are paying someone for financial expertise and advice. To do that, three to six calls and ask questions. What are their fees? What service do they offer? What do they offer that is better or different than other providers? What other questions should you ask that would help you be better informed? By the 3rd call you will have learned a lot!
- ✓ • Use resources to help you determine how much you need to meet your needs and goals in the future—do not wait until you have a plan to start saving something

# Giving

## Overusing

- ✓ • Plan activities for personal enjoyment that are unrelated to your favorite charities.
- ✓ • Do you give away too much of your time? Know the value of your work. Negotiate to receive a fair salary.
- ✓ • Know how much you can give and identify how you like to give—big amounts at once, small amounts to multiple people/charities. Stick to a plan.
- ✓ • Have a plan for giving that includes giving to yourself and providing for your future.
- ✓ • Understand that having money is not inherently bad or sinful and being poor is not inherently honorable.
- ✓ • Before helping others, consider if you may be limiting their development of responsible behavior.
- ✓ • If you attract needy people, explore the benefits you receive by being needed by others.
- ✓ • Identify your own needs, wants and ideas. Become aware of your tendency to agree to someone else's plans to save, spend, invest or be charitable before you

## Underusing

- ✓ Giving may appear to be underused even if you give generously but are not motivated by the joy of giving. You may give out of a sense of obligation or responsibility, strategically to have influence, to compensate for feeling guilty or because you don't know how to say “no”.
- ✓ Look for individuals or organizations that share your values and determine an amount to contribute to them.
- ✓ Understand what makes you comfortable being generous: accountability, anonymity, appreciation, acknowledgment and look for opportunities to give in a way that meets your needs.
- ✓ Set aside an amount that you must give away each week or month.

# Status

## Overusing

- ✔ Shop for quality, not name brands. Limit trendy items to 10% of your purchases.
- ✔ Make a gift list and assign a price limit for each person. Look for sales; do not buy more gifts with the "savings."
- ✔ If you have debt, talk to a professional to learn how to pay it off as quickly as possible.
- ✔ Shop from a catalog to avoid impulsive spending caused by store displays, sales and persuasive salespeople.
- ✔ Shop when you are feeling good, not when you feel stressed, angry, tired, hungry or pressured.
- ✔ Set up a budget. Use direct deposits to ensure there is money to pay bills and savings for the future. Set up automatic payments for bills if possible.
- ✔ Support yourself with affirmations that you are a lovable, valuable person.

## Underusing

- ✔ Determine which situations will be more successful for you if you are aware of others' expectations and intentionally do your best to meet them. It doesn't necessarily mean spending more money but doing what's necessary to make a good impression. It may be the way you dress, gift you give, offering to pay for someone else, etc. Not caring what others think may limit your relationships, job offers and other opportunities.
- ✔ If you have a business, think about what is important to your customers.
- ✔ If you have business or career goals, identify the best way to spend your money to position yourself for success. Being associated with a known business, training program, university or successful person in that field can be worth your investment.

# Spontaneous

## Overusing

- ✔ Use direct deposit and pre-set automatic payments. Save a set amount weekly, even just \$1/week adds up.
- ✔ Make a list of alternative activities to shopping. Plan to do them with other people.
- ✔ Don't use store credit cards. Keep one major card for emergencies but leave it at home. Pay with cash.
- ✔ Stay out of stores and away from TV shopping networks. Start with a monthly "no shopping week."
- ✔ Write down everything you spend for a week or a month. Rank each item 1-10 for enjoyment and value.
- ✔ Before each purchase ask yourself: Is this a need or a want? How long will I have to work to pay for it? Is it worth an hour's pay? Is it worth a week's pay?
- ✔ Talk to a financial professional to set up a plan to get your debts paid off.
- ✔ If you routinely feel guilty, ashamed or embarrassed about your spending or debt or if you feel out of control when shopping, consider a support group or counseling.

## Underusing

- ✔ Spontaneous may appear to be underused if you plan to be spontaneous! Ex: You know a special event is coming up, you expect to be asked for money or can predict something you plan to purchase will be on sale so you have an amount in your head and can react in the moment.
- ✔ Have an amount (even a small amount) of money that can be used to have fun in the moment.
- ✔ Before automatically saying "no", ask yourself what is the worst that can happen if you respond spontaneously or take the risk. If there are no negative consequences or only minimal ones, go out of your comfort zone and say "yes".
- ✔ Differentiate between risky behavior and taking a calculated risk.
- ✔ Talk to a financial advisor to determine if you tried and

## **Where can you get help?**

Once you have chosen one or two strategies, you have many resources available to help you set financial and personal goals and support you through the learning and change process. Reach out to friends, professionals in your community, go online, read a book or find a group or organization that meets your need for information. Here are some suggestions:

### **Looking for day-to-day money management?**

Financial educators teach classes to develop savings and spending plans, debt management, managing credit, tracking money, loans, basic accounting and tax information. Programs are frequently offered through adult community education programs, military bases, corporate human resource departments, banks, credit unions and faith-based programs. The United Way is often a good contact for resources in your community. The Cooperative Education System offers resources online and every state has an office at the state university where you can contact to see what programs, classes and individual support is offered. Other resources include Consumer Credit Counseling Service and the National Foundation for Credit Counseling. The Association for Financial Counseling and Planning Education lists certified Financial Counselors on their website.

### **Need information for future planning or tax and legal advice?**

Certified financial counselors, advisors, planners and accountants can work with you to address your specific needs to be financially stable and secure going forward. These may be related to personal finances, debt management, financial obligations, taxes, retirement, emergency planning, investing, long-term care planning, education and other specific financial situations.

### **Need help getting started or following through?**

Often money issues go hand-in-hand with other challenges. You may know what to do, but have a difficult time because of problems with organization, time management, being able to effectively communicate your needs and wants, or not being clear about your own values or priorities. You may need the confidence to speak up, negotiate, say 'no' to others and 'yes' to yourself. Or managing money may be associated with unpleasant memories or negative experiences.

Working with a counselor or support group may provide the personal understanding and strategies that will positively affect your finances.

Resources for support include online support groups and support groups in your community for overspending, debt management, addictions, hoarding and other challenges that impact finances. Many counselors, psychologists, therapists, social workers and coaches have additional expertise in focusing on the emotional side of money issues. The Financial Therapy Association and Center for Financial Social Work are two resources for finding a professional.