



Women, Emotions, & Money

*"If you live for having it all, what you have is never enough."
-Vicki Robin*

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About Money in our Lives

I would like to shed a little light on the complicated relationship a lot of women have with money -- a struggle many men don't have and will never understand.

What are your feelings about money?

Here are just a few sentiments women have when it comes to money issues. Do you recognize any of them?

- Money is for spending! Or, having money isn't important to me.
- I love to shop. I shop when I'm bored, stressed, or when someone upsets me.
- I saw something I liked, and I just had to get it, regardless of the cost.
- Shopping is a great way to lift my spirits when I'm feeling down.
- I make myself feel better by spending on the kids; I feel selfish if I say no to them.
- Sometimes I hate myself, especially when I look at my credit card statement.
- I feel angry at myself for how much money I've wasted over the years.
- I'm scared to face up to the amount of debt I have. I can't think about the bad stuff.
- Money worries keep me awake at night. I don't really know where the money goes.
- I can't be happy until I'm rich.
- Maybe I'm not worthy of having money.
- I am ashamed about not understanding my finances.
- When I have to make financial decisions I get totally confused.
- I need to get control of my money and start saving.
- I have no idea what I have in retirement savings; I'll have to keep working.

When talking about money it's important to state your fears and goals, but keep your voice and emotions calm. Blame, guilt, and shame will only make it harder to make a plan. It matters less how you got there; the situation is what it is. Separating your emotions from financial decisions is important. Talk about where your situation, and make a plan to make things better.

Regardless of how high your income, if you are up against a huge block of negative money emotions, you are going to feel financially fragile, phobic, or even out of control. So let's explore those money emotions. Here is an emotion-recognition exercise to help you give a name to those feelings that creep up whenever you have to deal with money. Just look at these words for a minute. Do any strike a chord with you?

Anger	Fear	Enjoyment	Disgust	Shame
Fury	Denial	Happiness	Contempt	Guilt
Jealousy	Dread	Relief	Scorn	Embarrassment
Resentment	Anxiety	Contentment	Indignation	Remorse
Irritability	Apprehension	Pride	Disrespect	Humiliation
Hostility	Terror	Thrill	Revulsion	Awkwardness
Rage	Edginess	Gratification	Abhorrence	Regret
Annoyance	Panic	Satisfaction	Aversion	Contrition



*"An investment
in knowledge pays
the best interest."
—Benjamin Franklin*



Fear:

Fear is the big bad wolf of money emotions, and it comes in different guises. Being in debt or knowing your finances are spiraling out of control are both common causes of deeply fearful money emotions – the kind that make you break out in a cold sweat at two-o'clock in the morning! When faced with money problems women feel powerless to the point of not being able to face opening their bank or credit card statements, let alone deal with the problem.

Even when you are financially solvent, fear can strike. Maybe you are terrified of making the wrong investment decision, like buying or refinancing an expensive home with a high mortgage or sticking with a safe, familiar investment product. So, you let someone else make the decision for you.

We all have fears about money. It's important to address your worst fears. Often they feel less real once you talk about them. Talking about our fears can help us overcome them. Everyone needs someone they trust to talk to about money. Fearing your finances keeps you in the dark. Get your fears on the table with someone you trust so that you can plan for a happier future!

Anger / Revenge:

Anger over money can be the result of our own actions or a response to what others have done, from jealousy to resentment at being treated unfairly. We all get angry but it becomes unhealthy if you turn to money to resolve your feelings. Did you ever get into a fight with your husband about finances only to go out on a crazy shopping spree to get back at him?

When it comes to money conversations, never have angry discussions about money. When you feel anger welling, stop yourself. Go for a walk, take a few breaths, clean the house, anything. And never go shopping in an angry state.

Anxiousness:

Do you ever feel anxious when you are with someone who is doing much better than you? Psychologists call this fear of being left out "reference anxiety." If you're eaten up with reference anxiety, perhaps you are comparing yourself with others too much. Try doing something different and use another comparator. Write out a list of the things that mean success to YOU and gauge yourself against that. And don't forget good friends, a loving family, a healthy lifestyle, and a fulfilling job (i.e. motherhood); these are great achievements.

Disgust / Contempt:

Believe it or not, some people actually feel disgust when it comes to money. Why? It could be from a lack of trust in others or a dislike of those who have it. What is striking about this is that, apart from not enjoying the good side of money, you may be unconsciously pushing it from your life -- even sabotaging your own success.

While worshipping money is not good, contempt for it is also dysfunctional. Try another approach and push your boundaries a little. Experiment by making yourself buy something unusual for you – and tell yourself you can always take it back.

Confusion:

Everyone is talking about portfolios and IRAs. Are you embarrassed to admit you don't know even know what an IRA is? You'd be surprised how many women are financially illiterate. Many stay-at-home women relinquish all money matters to their husbands as if it's part of the division of labor.

Decide to educate yourself in money matters. Borrow books from the library or get online and visit the multitude of websites that deal with investing -- Investopedia.com is a great website that has wonderful tutorials and definitions for all investing terms. Start investigating your own accounts, cash flow, accumulated debt, and financial assets. If you don't already have one, create a budget and track your spending -- finance apps like Mint, BUDGT, or Learnvest will help.

Emotions often work to sabotage rationale. Keep calm, dig in, and do the work!

Decide what you want out of life. Spend time thinking about what your goals and desires for the future really are. See where you are financially making them happen or if you need to reevaluate your budget and spending, making adjustments for the long view. Focus on the big picture and prioritize. Your financial plan is the map to navigating toward your short, medium, and long-term goals. Know where you're headed and why.

"Many people take no care of their money till they come nearly to the end of it, and others do just the same with their time." –Johann Wolfgang von Goethe



"It's good to have money and the things that money can buy, but it's good, too, to check up once in a while and make sure that you haven't lost the things that money can't buy." –George Lorimer

Here are a few tips for not being at the mercy of your money emotions:

1. Stop the emotion – Be as specific as you can and instead of acting when in an emotional state, stop and think for a minute about how it is you are feeling.
2. Identify the trigger – Is it a reaction to something real that you are facing now, or has it been ignited by an old memory or previous experience.
3. Challenge the emotion – Is it useful in your current financial situation? If it is warning you of real danger, heed it. If it's a gut feeling that you can trust, go with it. But if it is reinforcing bad habits, feel free to ignore it and remind yourself why.
4. Connect with your goal – Shift your thoughts onto whatever you are aiming for, not your feelings. That will help motivate you towards taking action to change things.
5. Break free – Do something different by becoming financially literate and savvy.

Are your emotions the product of distorted core money beliefs?

Our beliefs influence the way we behave and, in turn, what we do or do not achieve. A dysfunctional relationship to money leads to self-limiting money beliefs. For example, if you believe you are a bad money manager, you probably will be. Our monetary beliefs can be very powerful. But beware, misplaced conviction can distort financial reality and drive us to dangerous extremes.

Completing the following exercise will help identify your money beliefs so you can decide whether or not they are holding you back. Fill in the blanks of these statements. Don't spend too much time thinking about it. The first thoughts that pop into your head are the most revealing.

Change your core beliefs:

- Money is _____
- Money isn't _____
- If I made money _____
- People that make lots of money are _____
- I'm scared that If I have money I will _____
- I'm prepared to sacrifice _____ for the sake of money.
- When I think about money, I _____
- Having money is _____
- I deserve to have _____
- I'm _____ with money.
- Money symbolizes _____
- Money is _____

When you've completed the statements read back through them and ask yourself: "What is the basis of each of those core beliefs?"

If you see the need to make changes to your current core beliefs, start with stating the opposite, positive belief in the present tense:

- I manage my money well.
- I never spend more than I can afford.
- I can put together an affordable monthly budget, keep on track, and still have fun!
- I always open my statements and pay my bills on time.
- I tell myself I'm good with money -- I can do this!
- I am organized and informed about my accounts, bills, savings, and investments.
- I ask friends or family for advice, emotional or practical support when necessary.
- I am open, honest, and accountable to my 'money buddy'.
- I show people in my life how much I love them in ways that don't involve money.

Moving Forward:

If your relationship with money is dysfunctional or out of control, then learn the 7 laws of "Chick-onomics", developed by Karen Pine and Simonne Gnessen -- two British women from half-way across the globe, and yet no matter where you live, their 'Sheconomic' principles are applicable. Why, because we're women!

These laws will sum up everything a woman needs to know to take and remain in control of your money. They are:

1. **Take emotional control:** be aware of how your emotions affect the way you behave with money
2. **Change your core beliefs:** know that your financial beliefs (negative and positive) can become reality
3. **Become a power spender:** make sure all your spending decisions are made for the right reasons. Try doing something different: put on your rational hat and calculate the real cost (price/hourly wages + interest charges if put on credit) of something you "feel" you need. This way you strip money of its emotional significance and view it in a more functional and realistic way.
4. **Establish goals:** make your money fit your life plan
5. **Stare down your debt:** face up to what you owe and decide how to pay it back
6. **Be honest about finances:** talk openly and honestly about money
7. **Find a money buddy.** If you can't keep spending sprees in check, take a sensible friend with you shopping -- you'll be less likely to go over the top with someone there to keep you accountable. Find someone who can help you talk through large purchases, big investments, or life-changing decisions.
8. **Secure your tomorrow:** take action now for a secure future

Once you become aware of your emotions regarding money, you can begin treating money neutrally and make rational, unemotional decisions about it. With this awareness, you'll be able to identify and analyze your self-limiting beliefs and change your behavior and attitude towards money.

Dear Future Me,

I promise that I will take care of you and put your best financial interests at heart.

I won't squander your money for the short-term and instead will secure your future and retirement by:

- _____,
- _____,
- _____,
- and _____.

I know that tomorrow comes with its own surprises, but I'll do my best to ensure that at least you will be financially secure through your golden years.

Love,

Present Me

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*"No one's ever achieved financial fitness with a January resolution that's abandoned by February."
-Suze Orman*

