



## *Insights and practical applications of Money Habitudes*

Habitudes are our habits (actions) and attitudes (thoughts). They become such an integrated part of our personality over the years that we often aren't even aware of them and how they influence our lives. Each month we'll explore Habitudes as they relate to money and life.

### **Money Habitudes Types May Look Alike... Don't be fooled, they're not!**

Often people ask if some of the Habitudes types are actually the same. The quick answer is NO! They may look the same on the surface, but the behavior is motivated by different needs, wants and messages. Understanding those differences will help determine the right strategies to stay on course for more financial control or balance. Here are the pairs of Habitudes that are often confused.

**SECURITY AND PLANNING:** People with these dominant Habitudes may be thoughtful about the way they spend and save money. They may think and plan more, be more conservative and want the facts before they make a move that involves money. They are often the ones who pay the bills, keep track of their finances and make the major financial decisions. **The difference is:**



**Planning** means people already have an idea or plan for how to use money. That doesn't necessarily mean their plan includes being financially secure and prepared for their future. Their plan may not be practical or realistic. However, once they have a plan, their first thought when they get money is to use it to achieve that plan. They may need help to evaluate their plan to build a career or business, live a certain lifestyle or achieve milestones. Is it realistic? Is it working or does it need to be adapted? They may also need help to include security and future needs into their plan.



**Security** means people want to feel financially secure and prepared. However, they may save just to save without any plan except to save as much as possible. They may have no sense of "enough" even if they have more money than they would ever need. They may hoard money, deprive themselves of conveniences and fun, and see themselves as poor. They may need help balancing their life to include giving, spending on activities that can bring them joy and enrich their lives or things that could make life more convenient or comfortable.

**SPONTANEOUS AND CAREFREE:** People with these dominant Habitudes may be able to respond quickly to others, situations and opportunities. They are focused on the present and make choices that meet immediate wants and needs. They may appear to be irresponsible and impulsive to others, especially if they are asking or expecting others to help them when they need money or to be rescued from some situation of their own making. **The difference is:**



**Spontaneous** means people are focused in the moment. Although they may know what they “should” do, they get caught in the moment, act impulsively and then rationalize their actions. They often feel guilty or ashamed about how they use their money which can lead to keeping secrets. Becoming aware of the people, places, situations and moods that trigger actions they later regret is important. Help them learn how to avoid the triggers when possible, predict when they are vulnerable and be prepared with strategies to stop or slow them down to help minimize spending money in ways they will later regret.



**Carefree** means people simply don't want to deal with money or be responsible for it. They often don't have the skills to manage or invest their money and will let friends, family or professionals take control. Often this avoidance is due to negative experiences and money messages associated with pain, anger, shame, feeling inadequate or other strong emotions. It can also be an adaptive response to someone who is controlling and wants to make the financial decisions. Along with the basic skills to manage and oversee their money, they need help developing personal skills to speak up, negotiate and communicate effectively.

**GIVING AND STATUS:** People with these dominant Habitudes may both appear to be generous and thoughtful. Others depend on them and find them to be very reliable. Sometimes others are confused or uncomfortable because they don't understand why someone is being so nice or generous. Others may feel indebted to them. **The difference is:**



**Giving** means people give out of the joy of helping others to make life better or easier. Often, they give without regard to whether they can afford it. Giving people may also accept a lower salary or not ask for a raise out of loyalty to the employer. Help them explore how they like to give (to individuals or organizations, small donations versus one larger one, in a planned way or spontaneously, etc.), how much they can afford to give, how to differentiate between enabling and being supportive and to identify if others are taking advantage of them



**Status** means people give to make a positive impression. They either want to fit in or stand out. Fitting in is being accepted by family, colleagues, neighbors or any individual or group of people. It is a very strong motivator. Standing out may be related to being seen as someone who is successful, worthy of respect or influential. Often becoming aware of their motivation is eye-opening enough to make change. Strategies to give and make a positive impression may setting priorities and exploring if the way they are giving is accomplishing what they want or if there are other ways to fit in or stand out that would be more effective.

**In summary,** helping others be successful managing their money means looking below the surface. Instead of recommending what appears to be the obvious strategies based on observed behaviors, being aware of what motivates their behaviors and considering those needs will lead to more specific, successful strategies.