

Your Money Attitude

Taking Action

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One way to correct or modify our parent's teachings is through education. Education is the key to successful and effective money management. Once you have this education with money, then it becomes easy to create and practise working with a monthly budget. But above all, you must be willing to take charge of the situation and be a leader. Remember that no one else can or will put your finances into order; only you can do this.

Getting Started

The first step to managing your money is to create a system that works for you, and that you will stick to. A good way to get started on the road to financial freedom is to create file folders for all of your bank and credit statements and general or tax receipts. Keep all of these items in a "current month" folder, and on the day that you have assigned yourself to pay all of your bills, take out these papers and sort them into their own separate folders. This is one way to keep your sanity during the month, so that you are not constantly organizing your bills and receipts into files.

Keeping a basket or a shoebox by the door, or at another convenient location, will allow you to deposit your bills as you receive them into a known location. This will prevent the bills from being lost in the chaos of everyday life. Then on that one assigned day when you pay your bills, pull out your basket. You're on your way!

It is also a good idea if you can set up an automatic debit to pay off some of your bills. With credit cards this is not an option; however, with most other bills the creditors would be more than happy to set up an automatic debit. Of course, this means that you should always keep money available in the automatic debit account, but the system does save a lot of time and anxiety.

It is advisable to close numerous bank accounts and get rid of any gratuitous credit cards. But remember to keep a "debt free" bank account.

Eliminating these excess cards and accounts will help to keep the money management process simple and straightforward.

Making the Money Connection

We all know how the story goes: you go to the grocery store to buy one small item, and you end up spending an excess of fifty dollars. My daughter Melissa, who works for Safeway part time, tells me that this is a very normal scenario, and that people often do not compare prices or look for cheaper brands for their food items. Making the connection between planning to manage our money properly and the effort we put into making it happen is a vital step in the money management process.

Seven Simple Steps to Saving Money

- Compare prices and brands. Always read your local grocery store flyers to see if the items that you need are on sale. Also, clip out any coupons that offer discounts on items that you need.
- Take your lunch to work or school. Although a homemade lunch may seem boring, try to incorporate a lot of tasty fruits, cheeses, breads or bagels, and some soups or raw vegetables. Occasionally indulge and eat out with friends.
- Avoid going to the mall or out shopping unless you have a clear list of what you need to buy. Trips to the mall or grocery store can lead to impulse shopping, unless you have a clear intention of what you are looking to buy.
- Avoid buying recreational items brand new. Always be on the lookout for garage sales or second hand stores, which can offer a variety of items at very reasonable prices.
- Whenever possible, walk, ride your bike or take public transit to wherever you need to go.
- Collect small gifts throughout the year. When Christmas or a birthday comes around, you are prepared, and so is your wallet.
- If there is a particular item that you use a lot of, buy bulk with a family member or friend. You'll be getting the best of both worlds. On the Road to Financial Success

Now you have begun one of life's toughest journeys staying on the road to financial success. It is easy to get sidetracked, but always remember; you are human, and you are going to make some mistakes. In order to acquire good money management skills, you need to have the genuine desire to make that change in your life. Remember that only you can make this happen, and don't be afraid to fail. Failure is a part of life, but just as a lack of money management, it can be overcome. If you are having any type of credit problems that need the assistance of a professional, call Solutions today.

Remember, if you are experiencing financial difficulties do not wait. Speak to a professional today.

Do you have a story that you would like to share about your experience with a debt collector? Email me – mhjohnson@creditsolutions.ca

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