**Are your finances stressing you out?**

Here are some strategies for improving your finances

Financial health is a significant factor in a person’s overall well-being. Financial health is a significant factor in a person’s overall well-being. While some stress is “good” – in healthy doses, it can help protect us from illnesses, build resiliency and spark survival instincts into action to avoid danger, among other benefits – ongoing stress can negatively affect your health.

Under “bad” stress, you may experience physical ailments, such as headaches, muscle tension, chest pain, digestive issues or fatigue, as well as mental health concerns, like sadness, irritability lack of motivation or anger. If your financial stress persists, it can become chronic stress, which can lead to serious health conditions, including high blood pressure, heart disease, obesity, diabetes, depression and anxiety.

Whatever your personal situation is, talking to someone you trust, such as a family member, friend, health care provider or financial counselor, can be helpful. So can taking measures to reduce your financial stress and working toward financial health and wellness. While everyone’s situation is unique, here are some strategies to consider to gain more control over your finances.

**Reduce overall stress**

You’ve likely heard it before, but it remains true: Taking care of yourself is an important factor in taking care of everything else in your life. Exercising regularly, eating healthy foods, getting enough sleep, giving yourself time to relax, connecting with others, practicing gratitude, getting outside — they all help combat stress. And none of these have to cost you more or any money. Taking a walk counts. So does switching from junk food to healthy food, sitting still in a park, reading, etc. The key is to actively nourish your body and spirit.

**Figure out how you feel about money**

In many cultures around the world, talking about money or one’s personal financial situation, be it good or bad, is taboo. On a more individual level, people can have a lot of different emotions associated with money, ranging from guilt or shame for having it or not having enough of it, to exhaustion from the constant struggle of earning and/or managing it, to the joy of having achieved a financial goal, and everything in between.

Understanding how you feel about and view money can help you be more aware of your relationship with it, and take more control of your own behaviors. Keep in mind, your background or current situation does not necessarily define your emotional relationship with money. The key is knowing your relationship with it so you can get a realistic view of your behaviors in relation to your priorities, commitments and essential needs.

To figure it out, take stock of the money you have coming in and what money you are spending. This will help you identify correlations. For example, if you’re generally on a strict budget, but once in a while splurge beyond your own resources, ask yourself why that is and when it happens. Is it when a friend visits and you’re ashamed to admit you cannot afford to eat out? Is it when you treat your children to a new toy or activity that you cannot afford because you don’t want to disappoint them? Something else?

**Do the math**

Write down all your sources of income and financial responsibilities, including recurring commitments, such as bills and debts. Also, track your spending. If you have records, you can take a look backward and see where your money has gone. If you haven’t kept records, start. You may soon realize that you’re spending money on arguably unnecessary items.

Create a budget that includes the essential expenses — like nutritious food, affordable shelter, weather-appropriate clothing and, depending on where you live, things like insurance, medication, etc. Then take a look at what you need versus what you’re spending. Identify problem areas and make decisions about cutting or curtailing nonessentials. Even small changes can add up to a big difference.

Also, consider ways to lower your essential expenses and/or earn more income. For example, if you have more than one credit card, consider whether you can consolidate the debt onto the one with the lowest interest rate, and then cut up the rest. If you’re unhappy in your current job, consider whether it’s time to work toward a promotion or look for a new opportunity that pays more. Do you have anything of value that you arguably don’t need or wouldn’t have to replace that you can sell, such as the bicycle your child has outgrown?

**Be ready to make tough choices**

While it may seem like, and in some cases may be, an oversimplification, making decisions to generally live within your means can go a long way in promoting and providing financial security. For many people, this can mean making difficult decisions.

Depending on the choices you’re already making, there may be a variety of ways to curtail your spending and recurring financial responsibilities. An ideal place to start is with lifestyle comforts that are less likely to impact your health and wellness. It all depends on where you live and what resources you have, but it could mean choosing to rent or buy a smaller home, taking public transportation or walking instead of owning a vehicle or hiring a ride, skipping the morning trip to the café in favor of home brew, keeping your smartphone for as long as it works and gets automatic updates, etc.

If you live with family members, it’s OK to explain to them the need to cut back and why. If you have children, sharing the situation can also become a teaching moment for them, so they better understand how money works and how to set realistic financial expectations for themselves.

**Prepare for the unexpected**

Again, it depends on where you live, but consider if you or your partner loses their job or has a health scare, or something else, do you have enough money saved to cover your essential expenses? Financial counselors often recommend having at least 3 months’ worth of cash saved to protect yourself against the unforeseeable.

If your balance sheet shows you’re in a healthy financial place, protect it by stowing away resources for what could happen. If it doesn’t, work toward this as a goal.

**Give yourself a break — and a pep talk**

Keep in mind, if the numbers seem very imbalanced between what’s coming in and what’s going out, give yourself a break. Berating yourself (or your partner) will not be helpful. You cannot change your past, but you can take measures to better control how you handle your financial future by making a financial plan and following through. Also, create achievable financial goals. Paying off your debt and creating a cash reserve won’t happen overnight, but over time, many people successfully work toward a more financially sound life.

**Consider your mental health**

A strong link exists between financial stress and mental health. Mental illness affects the way a person thinks, feels and behaves. People who are living with a mental health condition are more likely to experience financial difficulties, as it often is more difficult to find or keep a job, earn enough income or manage finances.

Conversely, people with financial stress are more likely to develop mental health concerns, as noted above.

Mental health conditions are treatable. They also are more common than you might believe. An estimated 1 in 8 people globally live with a mental disorder.1 If you think you may be coping with a mental health concern or illness, connect with a health care provider, community support group or another qualified resource for help.

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