Know Your Money Personality

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Statistics About Money Management in the United States

¾ of adults want help managing their money

32% of households in the United States use a monthly budget

In 2014 consumer debt reached $3.2 trillion. (Student Loans, Car Loans, Consumer Goods).

Parents influence their children’s decisions about money 1.5 times more than financial classes and friends.
Emotions and Money

Values
• Ideals, customs
• What is important to you?

Emotions and Attitudes
• Feeling in regard to something.
• How you react.
What Emotions or Feelings Do You Have?

- Winning the lottery
- Your home being in an earthquake
- Budgeting
- Having no emergency savings account
- Receiving an inheritance
- Investing in the stock market
- When you think about the balance in your retirement account?
- Traveling
- Having $30,000 in student loan debt
- Wives managing money
- Husbands managing money
- Discussing money with your partner
Money Memories

What did you do with your first paycheck?

What is your earliest memory related to money?

What did your parents teach you about money?
Reflection

Do you have disagreements about how money should be handled in your household?

Do feel you have enough money?

What is your worst fear related to money?
Why is it Important to Understand Money Values and Relationships?

- Understanding the value each person places on money helps build respect in a relationship.
- See another’s point of view.
- Both partners should have input where money goes.
Perceptions and Differences

- How much would you spend before telling your spouse or significant other?
- What do you feel qualifies as a large or a big purchase?
It’s NOT about money! It’s your money habitudes!!!

MONEY HABITUDES
Exploring Your Personality

Money Habitudes® Solitaire

That’s Me!

Free Spirit
Targeted Goals
Status
Security
Selfless
Spontaneous

Sometimes...
Maybe...
It Depends...

That is not me!

Utah State University is an affirmative action/equal opportunity institution.
Money Habitudes

Security  Spontaneous  Status

Selfless  Free Spirit  Targeted Goals
Understanding the Cards

How do others see you in regards to money?

What are the advantages and disadvantages of each habit?

How does the Habitude help you or keep you from reaching your goals?

If you are missing a Habitude how does this influence the way you handle money?

Do any of the habitudes change depending on your mood?

What people or situations cause you to switch to a different Habitude?
Money Habitudes - Security

Thrifty and Organized
Miserly and Cheap

Have a budget, financial goals, savings
Take care of possessions

You may neglect current expenses to save
Do not enjoy activities because of cost
Money Habitudes - Spontaneous

- Fun-loving
  Do not worry about consequences

- Enjoy an exciting life
  Get things right away without waiting

- Hard time saying “no” to purchases
  Do not have any reserves for emergencies
Money Habitudes - Status

Generous and Impressive
Superficial and Insensitive

Present a strong first impression
Enjoy sharing and including others

Get into debt to maintain appearances
Always give but have trouble receiving graciously
Money Habitudes - Selfless

- Sacrificing and Charitable
- Judgmental and a Martyr

- Have strong values and convictions
- Clearly decide between needs and wants

- Feel guilty or angry if you buy for yourself
- Use giving as a form of control to impose values
Money Habitudes-Free Spirit

Easygoing and Carefree
Immature and Irresponsible

Share generously with others
Do not feel pressured by expectations of others

Lack the skills and information to make wise choices
Feel trapped or obligated by being supported
Money Habitudes-Targeted Goals

- Responsible and Accomplished
  - Driven and Too Conservative

- Buy items you really want that will retain value
  - Make intentional financial decisions

- Expected to help others who do not plan
  - Hide or keep information about money form partner to control finances
What Does it Mean if I Have a Combination of Habitudes?

**Advantage**
- Adaptable
- Flexible

Example:
Someone with a spontaneous personality about buying a car, may be very Targeted when managing finances for an aging relative.

**Disadvantage**
- May act inconsistently
- Causes frustration

Example:
Someone who saves money (Security) may splurge and go into debt on a wedding. (Status)
Additional Information on Conflicting Habitudes

• Life events can influence the conflicting Habitudes.

• Look for patterns and trigger events.
  – When are you decisive vs. indecisive?
  – Are you good at sticking to your goals unless you are with a specific people?
Now What Do I Do?

- Address challenges
- Choose a suggestion on the back of the interpretation card to start developing more effective Habitudes.
- Tell a friend or family member about your goal.
- Check your progress.
Money Harmony
https://www.moneyharmony.com/

- Amasser
- Spender
- Hoarder
- Avoider
- Money Monk
Personality Description - Amasser

- Happiest with large amounts of money at your disposal to save, spend, and invest.
- Equate money with self-worth and power. Lack of money could lead to feelings of failure or depression.
- Like to make your own financial decisions and feel hesitant to give control to others.
Personality Description - Avoider

Avoid making a budget or keeping a financial record.

Have a hard time balancing your checkbook, paying your bills or doing your taxes until the last minute.

May feel disdain when it comes to dealing with money. However, mostly feel inadequate or incompetent to handle finances.
Personality Description - Hoarder

- Like to save money and prioritize your goals.
- May have a difficult time spending money on even necessities.
- May have a hard time investing for fear that you won’t have access to the money or that you could lose it.
You see money as dirty with the ability to corrupt you.

May avoid investing for fear that your money would grow. If you do invest it would be in “social responsible” companies.

If you received a large amount of money you would be uncomfortable.
Personality Description - Spender

Enjoy spending money for immediate pleasure.

May be difficult to save and prioritize purchases.

May not focus on long-term goals and have difficulty planning for the future.
More on Personalities

- Money Worriers
- Money Mergers and Money Separatists
- Planners and Dreamers
- Risk Takers and Risk Avoiders
Money Harmony Questions

5. When it comes to spending:
- I hope I have enough money to take care of unexpected expenses.
- I enjoy spending money, as long as I can keep earning and saving more and my net worth keeps increasing.
- I'd rather save my money; spending it makes me nervous.
- I don't care where my money goes; I have more important things to think about.
- I love spending money, and I tend to spend more than I earn.

6. When I think about financial recordkeeping:
- I love to look at my old statements to see how much more money I have now.
- I'm not sure which records I should be keeping.
- I enjoy keeping careful records.
- I keep track of things on and off.
- I don't keep records. There are more important things in life.

7. When it comes to saving:
- I know I ought to be saving money, but I never seem to get around to it.
- I really enjoy saving, and often think about how I could save more.
- I have trouble saving money, which bothers me sometimes.
- If I had enough money to save, I'd give it away instead.
- Saving comes naturally to me. I am regular and consistent about it.
Sample Questions Money Harmony

10. As far as credit cards are concerned:
- I don't like to use credit cards, and think that people who do are asking for trouble.
- I use credit cards a lot and tend to make the minimum payment most of the time.
- I don't mind running up a large balance, as long as I can pay it off quickly.
- I'm often surprised by how much I owe, especially when late fees are added in.
- I've always tended to avoid using credit. I prefer paying by debit card or cash.

11. In the event of a financial emergency:
- I don't know if I have enough saved, so I just hope for the best.
- I hope I could rely on friends or bartering services.
- I never have enough money left over to save for emergencies.
- I've put aside a sizable amount for emergencies, but I'm not sure it's enough.
- I've saved enough for almost any emergency, but hope I never have to spend it.

12. As far as paying taxes is concerned:
- I'm always astonished to find out how much tax I owe.
- I save regularly for taxes, and usually file my return well before it's due.
- I hate the whole thing and try to get it done with as little fuss as possible.
- I always have to scramble to get my return done and find cash to pay my taxes.
- I take pride in paying less on my increased income, if I can.
More questions from Money Harmony

13. To feel totally satisfied with my annual income, I would need:
- My employer to match every dollar I put into my 401(k)
- At least twice as much as I'm earning now.
- I'm sure I could use more money, but I have no idea how much.
- I'm fine the way I am. More money would make me feel uncomfortable.
- To have someone else pay my bills, so I can spend the whole paycheck!

14. When it comes to investing:
- I always let my dividends compound to maximize my return.
- If I were to invest, I'd want someone else to make all the decisions for me.
- I only invest in safe, conservative choices like CDs.
- I've always wanted to try something wild that might end up making me rich.
- If I were to invest, I would choose only socially responsible companies.

15. When I really want to buy something that's not in my budget:
- What budget? Everything will work out all right.
- I'd have to think hard before giving myself permission to spend the money.
- I'll buy it whether or not I can afford it.
- Most of the things I want are not expensive, so I can afford to buy them (even though later on I'll probably wish I hadn't)
- If it's important enough, I'll tweak my portfolio. Otherwise, I'll forget about it.
More questions from Money Harmony

16. When I think about money in general, to me it represents:
   - Security.
   - Happiness, pleasure, and excitement.
   - A sense of greed and possibly corruption.
   - A source of anxiety and conflict.
   - Power, prestige, and freedom.

17. I would apply for a bank loan under these circumstances:
   - To go on vacation or buy something I really wanted.
   - Only if it were a dire emergency. I hope I'll never have to borrow money.
   - To invest in a business or some other high-yielding opportunity.
   - To make essential repairs, pay off debt, or increase my future security.
   - I don't know.

18. I worry about money:
   - Never. I worry about more important things, like global warming.
   - Somewhat, but I'm doing all I can to make sure I'll have more than enough.
   - Constantly. It's the main thing I worry about.
   - Only when a financial crisis strikes.
   - What, me worry? I just enjoy spending it!
More questions from Money Harmony

19. When I think about providing for my future:
   ○ I'm quite concerned, since it's been so hard for me to save.
   ○ All I can do is hope the future will take care of itself.
   ○ Since I'm planning to have plenty of money, the future will probably be fine.
   ○ I feel reasonably confident, since I've been saving systematically for years.
   ○ I think making a difference with one's life is much more important than money.

20. If I won a million dollars in the lottery, my first reaction would be:
   ○ To feel guilty, thinking about impoverished people who have nothing.
   ○ To feel relieved that my future was now secure.
   ○ To be totally overwhelmed. I would have no idea how to handle it.
   ○ To start thinking about ways to make it grow and use it for my own enjoyment.
   ○ To be wildly excited, realizing that from now on I could buy anything I wanted.
Discussing Money

- Make sure everyone has enough time to share their point of view.
- Validate what you heard your partner say.
  - “What I hear you saying is…”
- Choose a safe time and place.
  - It is okay if it only lasts 10 minutes.
Tips to successful discussions

• Personal money allocations or allowances
  – “I can spend $____ per month, without telling anyone.”
  – All purchases over $____ will be discussed beforehand.

• Recognize others efforts to budget.

• Learn to talk about money in positive ways without being negative.

• Set goals for the next planning period.
Thank you!

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