

MODULE **2**

Attitudes to money

Learning objectives

By the end of the session you will...

- Be aware of attitudes to money.
 - Your personal attitudes
 - Their origins

Activity

Read the text and answer the questions

- 2.1 *What does money mean to you?*
- 2.2 *Uncovering your financial past*
- 2.3 *Spending perception scale*
- 2.4 *Helpful / unhelpful money attitudes*
- 2.5 *Your attitude to money*

2.1 What does money mean to you?

There is an inseparable link between our unconscious feelings about money and the way we earn it, spend it, save it and invest it.

Think about what money means to you.

For most people it is more than a medium of exchange – it represents our emotions in many human transactions. We rarely talk about our personal financial situation – it is a social taboo cloaked in fear and secrecy.

The table below shows what money can mean to people.

The meaning of money

(This is what money can mean to people)

- a) Security – if I have money I will be safe.
- b) Freedom – if I am financially independent I can choose whether to work or not.
- c) Love – money makes me loveable and relationships much easier.
- d) Respect – I earned all the money.
- e) Power – nobody will push me around, I will be strong and have control over my life.
- f) Happiness – I'll be happy. Lack of money causes all the problems in my life.

What does money mean to you?

What are you on the scale?

Put a cross 'x' in the appropriate place

	LOW										HIGH
	0	1	2	3	4	5	6	7	8	9	10
a. SECURITY											
b. FREEDOM											
c. LOVE											
d. RESPECT											
e. POWER											
f. HAPPINESS											
g. 'INDEPENDENCE'											
h. 'CONTROL'											
i.											
j.											

We have left blank boxes for you to add any other words that mean money to you e.g. 'Independence' and 'Control'. Fill in the blanks and mark where you are on the scale.

How do you think your views affect the way you deal with money?

Do you leave it to others or 'until tomorrow?'

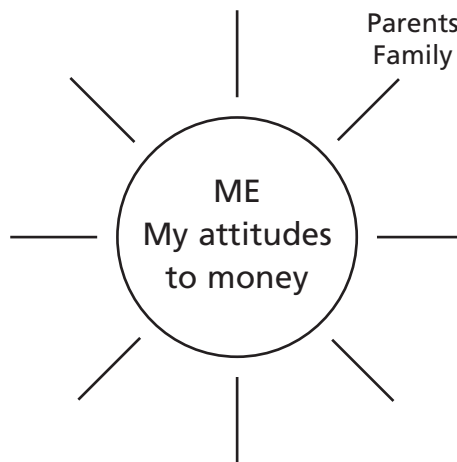
Are you extravagant or are you very careful with money?

Do you reward / punish yourself with money?

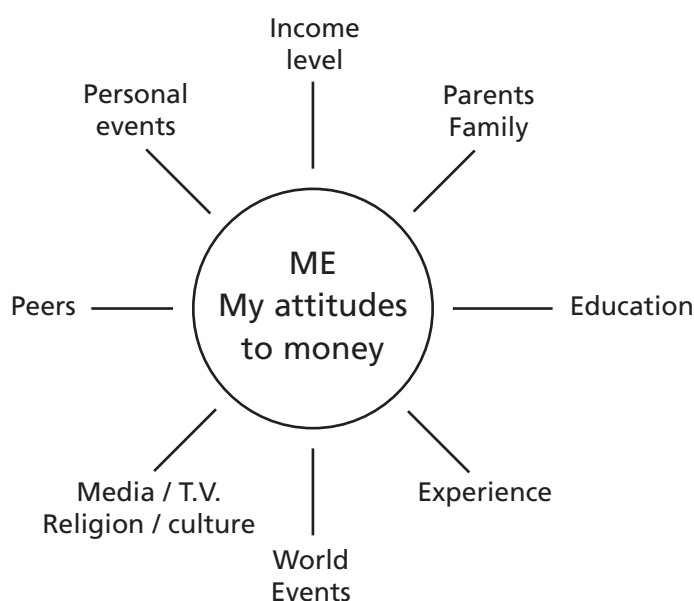
Are you a saver or a borrower?

2.2 Uncovering your financial past

We can now try to understand our views and feelings of money by uncovering our financial past. Family attitudes are powerful motivators of our unconscious money patterns and styles. What other influences might there be on our money attitudes? Fill in the diagram below.



For completeness compare your diagram with the one on page 2/3.

2.2 continued**2.3 Spending Perception Scale**

The following 18 statements pertain to spending techniques. There are five responses to select from, which indicate the degree of your likeness to each statement. Just mark the number of your response to each question.

This is how to score:

- 5. Totally like me
- 4. A lot like me
- 3. Equally like me and unlike me
- 2. A little like me
- 1. Not like me at all

NOTE: If a statement does not apply to you put in a score of 3

1. Each month, I usually keep a small amount of cash from my pay.
2. Each month, my pay goes into my current or savings account.
3. I save payslips for showing income tax and other deductions.
4. Each month, I set aside a pre-determined portion for fixed expenses.
5. Each month, I set aside 10 percent for savings.
6. I manage my money according to a written spending plan.
7. All my grocery spending is planned in advance and done with a list.
8. I rarely make more than one trip a week to the grocery store / supermarket.
9. I use grocery and other coupons whenever possible.
10. Comparison shopping for quality, value, price, etc. is something I do for practically every purchase, large or small.
11. I do not have any credit cards with a balance outstanding.
12. I do not have any loans (exclude 1st mortgage).
13. I have comparison shopped my motor or home insurance in the last year.
14. I don't eat out more than once a week.
15. I have obtained estimates of my retirement benefits from my pension scheme and/or the State.
16. I am able to, and do at the end of the day, account for all cash spent.
17. I balance my accounts with each bank statement.
18. I save regularly with a building society / bank / insurance company / etc.

Scoring

- | | | |
|--------------|------------------------|---|
| 73+ | Very Perceptive | Time to teach others how to do it. |
| 58-72 | Pretty Good | Concentrate on improving a few of the weaker areas and you'll be amazed at the difference overall. |
| 36-57 | Average | An hour a week focused on improving your spending would equal an increase in saving and give you more to invest. |
| 18-35 | Lousy | Immediate changes required to avoid financial disaster – implement a spending plan (see module 4) and get on a pay-as-you-go basis as soon as possible. |

2.4 List (a) unhelpful money attitudes and (b) helpful money attitudes

(a) unhelpful

(b) helpful

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

2.5 You have now discovered what money means to you, uncovered your financial past, found your spending perception and listed helpful and unhelpful money attitudes.

In the light of what you have learned:

Are you content with your attitudes to money? If not, what can you do about it?

Are you pleased with your spending perception? If not, what can you do about it?

