Reducing Money Anxiety

General money stress has ramped up over the past couple of years. More people are reporting feeling anxious about money. It's mostly to do with the increase in general stress levels we've all experienced. Rising cost-of-living pressures, economic uncertainty, and natural disasters can compound our financial stress.

There are many factors right now that can impact financial anxiety, including the rising inflation and geopolitical events. We find that no matter a person's financial position, everyone has money worries, which are often heightened at times of crisis. The changes, the uncertainty, the constant 'pivoting' required to navigate the past couple of years have ramped up overall anxiety levels. How we feel about our money is very much tied to that. Worrying about money can impact your sleep, affect your relationships and lead to poor health due to heightened stress levels. Ironically, it can also trigger you to spend more.

If you are feeling money anxiety...

You are not alone.

In challenging times, whether personal, local or global, we see an increase in people reaching out for financial guidance. Money anxiety doesn't just happen to people in huge amounts of debt, either. There doesn't necessarily need to be a 'reason' for feeling twitchy about your financial status.

Even though you're more stressed about your finances than the numbers would suggest you should be, it doesn't mean you should dismiss the way you feel.

If money is consuming your thinking or is getting in the way of your relationships or enjoyment of life, then you have money anxiety, regardless of your status.

If you're feeling anxious, please don't lie awake at night fretting. There are positive steps you can take, and help is available. You don't have to do this on your own.

HERE ARE 6 THINGS THAT YOU CAN DO RIGHT NOW TO FEEL BETTER ABOUT YOUR MONEY WORRIES:

1. Create a new budget

Your budget is the foundation upon which you can build the rest of your financial life. When the cost of living goes up and your financial situation changes significantly, making a budget can make life easier. If you don't already have a budget, there are many different ways to approach this, with many different types of tools and services available. You can also use a budgeting app to automate the whole process.

If you already have a budget, you can go in and adjust the numbers to reflect your current cost of living. Make sure your income is updated as well so you know exactly how much is coming in and going out.

To really cut costs, go through the last few months of your bank statements manually, adding up your monthly expenses and putting them in categories. This process will make you acutely aware of where your money is going, which is key to the next couple of steps.

2. Cut back on discretionary spending

As you go through your monthly expenses, you may come across a few surprises here and there. Start cutting out some of your unnecessary expenses. For example, you could cut takeout and dining out for a month. Planning ahead before you go shopping will help you keep your total under control. Grocery shopping online can be a great money saver for some. Avoiding in-store shopping prevents you from grabbing items you don't need. If you've already hit a bare bones budget and can't cut out any more expenses, the next steps might help.

3. Cancel subscriptions and negotiate bills

Subscriptions often sneak into your budget and hide there, eating away at your money without you even realising it. Try to identify all your recurring payments, whether monthly, quarterly, or annually. If you're paying for more pay TV channels or streaming services than you watch, think about changing your subscription to a new plan or a lower tier. Or if it's not something you use regularly, it may be time to cancel.

Even if you don't have any subscriptions, you might be paying unnecessary fees for things like your bank account or credit card. Research what is available for fee free banking. You can also negotiate recurring bills like insurance payments or downgrade services like your mobile phone plan.

4. Use your talents to increase your income

Look into using a skill or interest you have to make extra money on the side. Or consider developing a new skill that could help increase your funds.

For a long-term solution, investigate positions in your industry or at your place of work that meet your salary goals, and then figure out how to acquire the skills and experience you need to get those jobs.

5. Share your concerns

Financial problems tend to impact the whole family and enlisting your loved ones' support can be crucial in turning things around. Even if you take pride in being self-sufficient, keep your family up to date on your financial situation and how they can help you save money.

Your loved ones are probably worried - about both you and the financial stability of your family unit. Listen to their concerns and allow them to offer suggestions on how to resolve the financial problems you're facing.

Set aside regular time where you can enjoy each other's company, let off steam, and forget about your financial worries. Walking in the park, playing games, or exercising together doesn't have to cost money but it can help ease stress and keep the whole family positive.

6. Reach out for guidance

Call someone who can help. An experienced and suitably qualified financial coach or financial counsellor can help you navigate your financial worries. Regardless of whether you:

- Feel like you are doing ok, but would love a general financial health check
- Are having trouble paying bills and need help with a management plan
- Want to save more money or reach some other important financial goal

Having the support of someone that can help you take a look at your incomings and outgoings and formulate a plan to get a gap between the two.

This not only helps you get and stay on track with your finances, but it also has a raft of personal benefits, from increased peace of mind to lowering stress levels. The flow on effect of feeling more confidence about your money is immense and has a positive impact on individuals, families, and personal and work relationships.

Converge offers 24-hour, 7 day a week counselling support. Contact us via the Converge App, our website or phone - it's easy!

Download our **App** to book an appointment.

Visit **convergeinternational.com.au** to Live Chat with a counsellor.

Call **1300 687 327** (Australia), **0800 666 367** (New Zealand), **+613 8620 5300** (International)