

## **Overcoming Money Anxiety**

### **00:06 Barbara**

Financial wellness includes the ability to manage money in a way that gives you peace of mind and empowerment to make your own choices. At Golden 1, we're here to help with unbiased financial guidance. As a not-for-profit member owned credit union, our main goal is to help you reach financial well-being. Join us as we discuss why financial knowledge matters and how to apply it to your financial journey. Together, we can be golden!

### **00:37 Courtney**

Hello and welcome to Golden 1's Financial Wellness Podcast. I'm Courtney McKinney, Golden 1's Social Impact Program Manager.

### **00:45 Barbara**

And I am Barbara. We are from Golden 1's Financial Education. And we would like to welcome you to this very special podcast. We want to talk about facing money fears today.

### **00:58 Courtney**

Yeah, that's a difficult topic to talk about, but that's part of the thing is we have to talk about it, right?

### **01:04 Barbara**

We do. That really starts to open the door to give getting rid of these fears. The more comfortable we are at understanding financial topics, financial management, then we start to shed that fear.

### **01:22 Courtney**

It's like anything in life the more you avoid it, the more it seems to follow you in a troubling way.

**01:27 Barbara**

Yes. And a lot of times we have fear of the unknown. And once we start learning, we're like, oh, that wasn't that bad. I actually get it and I actually can do this! I think that that's why this podcast is so important for us to just voice out that the money fears that are out there are real- and not uncommon.

We all have them, and at different levels. We might have the fear of starting out if you're a young person about to become an adult right, and going out into your own world or fear of retirement and, you know, pensions and all that, because you're starting to think about that coming around the corner.

**02:15 Courtney**

Yeah. Or maybe you're just scared of numbers like me.

**02:19 Barbara**

Yeah.

**02:20 Courtney**

You know- like math is my least favorite subject. I did okay, but I think sometimes I just blank out when it comes to numbers. And then, I asked my mom if it was okay to share the story and she said yes, but my first real experience with, I guess, the financial world and credit was going with her to buy a car and I was about ten and umm it's seared into my brain and I'll always remember she got a really high interest rate and she was in tears. And I remember the message I got from that was and she did tell me, you know, like this is you have to have good credit. This is what's happening. And obviously I didn't fully comprehend it and we didn't really have deeper conversations beyond that.

Besides, I knew I needed to have good credit, whatever that meant, and I knew I should avoid debt, whatever that meant. And I knew that I should save money and I knew what that meant. Okay, That was like doable. But then as you become an adult, that that image in my head of her in tears just stuck with me. And it became something that it made me fearful. It didn't feel like, okay, yes, I'm empowered now. I'm going to have good credit. It felt very much like fear based. And I think that I'm still in a lot of ways clawing myself out of that. And a lot of that is just looking at it directly and talking about it.

**03:28 Barbara**

And knowing that we can change slowly our mindset and it doesn't necessarily have to stay that way. I remember talking to a client of mine many years ago, one of his very traumatic life experiences that created a fear in him that he's carried for a long time and he was trying to kind of break out of that. He at a young age, became homeless for a little bit.

So not having the money to pay for rent, for a place to live made him- he had to sleep, you know, on benches at a park for a few nights. So that struggle made him very fearful and he didn't want to experience that ever again. And the interesting thing is that you could really react two ways of that. Based still in fear- right? If you were a spender, naturally you could react by, I want to have everything because I didn't have it and I know what that feels like and I don't want to have that again. So, I'm going to buy myself everything that I can. But also, if you're a saver, naturally, that same experience can be like, I'm not spending a dime...

**04:56 Courtney**

...that's me

**04:57 Barbara**

... because I don't want to be in that situation again.

And my client was actually on that spender site where he wants to have the latest and the greatest because he knows what it was not to have anything back then.

And I think understanding that our life experiences have such an impact in how we're managing our money is important.

**05:20 Courtney**

Mm hum

**05:21 Barbara**

And then also understanding are we naturally wired to be a saver or a spender?

And you said right away that for me. I know I'm a saver as well

And I probably, if I would have had a dramatic experience like that, I probably would have been kind of hoarding money.

**05:45 Courtney**

Right?

**05:46 Barbara**

And a lot of times we don't see a lot of those people as having necessarily money issues because they're saving it.

**05:55 Courtney**

Right

**05:56 Barbara**

Those that stand out are the ones that like to spend it and get into debt and then they're stressed about it. But the fear is real on both ends.

**06:03 Courtney**

Right and for me, I mean, I had to learn and I'm still learning. I just got to financial advisor like to help me with my 401Ks because I used to just you know, I've had jobs in the past and I just had 401k account here in 401k account here because I did it, I tried one time to figure out how to roll it over and I just like they tried to explain it to me and I felt like I was just seeing black, like I didn't understand at all, so I just left it there. I didn't approach it, and I just I knew it was saving. I knew I had money. I just didn't want to talk about it. And so finally in the past year, I was like, okay, I need to condense all this. I need to be more proactive about this. And it's ironic because when you're really like, you know, getting into investment accounts, it's you aren't you're making a risk with your money. You are saying, I'm going to make these investments. Same with you if you're an entrepreneur, if you're an investing in another person's project, the way to make money is you have to take risks. And you know, especially when you are growing up in a family where, like a lot of us, where risk taking with your money isn't a thing, let alone talking about that, it's really a hard learning curve.

And so I was glad to be able to have someone help me think about it. But even just like for myself, you know, making a habit of actually looking at my accounts instead of avoiding it

**07:17 Barbara**

Mm humm

**07:18 Courtney**

Especially my investment accounts and being aware- and it's funny you said earlier, it really demystifies it. Even when I actually take time to look at my investments and like know the names of the accounts and the different things that it's being invested in, instead of just being like, yeah, it's going into some big bucket in the sky.

It's not as hard to understand as I think it is before I actually try.

**07:39 Barbara**

Yes. A lot of times when I kind of bury our head in the sand because of that extra effort or out of our comfort zone that it takes. But once we see it, we think that wasn't that bad.

**07:52 Courtney**

Right?

**07:52 Barbara**

It actually is doable.

**07:54 Courtney**

I actually empowering- really empowering, I think.

**07:58 Barbara**

And I, to me, I like to say that those are the baby steps that we need to take towards feeling more comfortable with money in all aspects: talking about it, managing it, etc.. If we open that, see that statement, that's a baby step.

**08:20 Courtney**

Mm humm

**08:21 Barbara**

Now I'm opening that statement and it wasn't that bad.

**08:27 Courtney**

Yeah

**08:28 Barbara**

Now I can read and maybe Google a couple of terms or talk to the financial advisor and see he explained what this really means to me.

That's another baby step. And that's how we grow and we gain that confidence.

**08:40 Courtney**

Mm humm

**08:41 Barbara**

That empowerment of, okay, I now understand a little bit more every day.

**08:46 Courtney**

And it's really cool when you make those baby steps with other people. So, like for me it's been really key to talk about these things with friends. We started talking about our salary is like, maybe, I don't know, when I was in my twenties. And that conversation has been helpful. But then it's evolved. It's evolved to what are we investing in and even talking about like green investments and things like that. It's really helpful to have friends who are willing to like, be vulnerable with you and say, I don't know. So if there's something that you don't know, you don't feel, you know, silly asking a question. And so- I think having other people that you can find to just start having the baby steps with is helpful, too.

**09:22 Barbara**

I also think it's important for us to be aware of how risk averse we are in general, how risky of an investor can I be or do I want to be? And that really lets us learn about our fears a lot. If we want to be super conservative, a lot of times it's because it's based on fear. If we're very risk takers, then is that a really productive also

**09:57 Courtney**

Mm humm

**09:58 Barbara**

Where do we find that happy medium? And so those baby steps or that really learning to practice a little bit out of our comfort zone, if I'm always taking big risks, how do I take it back a little bit? If I'm always super conservative, how do I take little risks and see to see, do I feel okay? Yeah, that wasn't that bad.

**10:23 Courtney**

That's a good challenge because no matter where you are on the spectrum, you can challenge yourself to balance out. For me, it's definitely trying to take more risks and I find that investment accounts are a safe place for me to like test out being riskier, not my 401K, but other just personal investment account. And you know, it's just it's kind of fun. You know, I'm not a gambler, but when it comes to that account, I allow myself to try stuff and you can go on medium risk, high risk, or you can go low risk, which, you know, if you're planning for retirement, you really need to rely on that. You might do that, but it's a good way to just practice and challenge yourself.

**11:00 Barbara**

Yes, I think that that's a good goal. It's like kind of like play money without being a gambler, but learning at the same time because you are using that money to learn. I think that's great.

What about being mindful? I- I read this article about how people have a visceral reaction, right? We all do. To a really anything that we do. And especially anything that has to do with money, if we're happy, we're having happy feelings,

**11:38 Courtney**

MM humm

**11:39 Barbara**

Are we spending it? If we're stressed, are we having retail therapy? Because that helps us feel more relaxed or just even the thought of talking about money. Does it get our palms sweaty?

**11:54 Courtney**

Mm humm

**11:56 Barbara**

I think that's important to start learning about ourselves as well.

Or can you recall anything that's kind of a visceral reaction?

**12:02 Courtney**

I mean, honestly, it's my savings account. I am a little bit of a hoarder and when I see I get I probably a little endorphin rush. When I see my savings account growing because I just have this like foundation of a scarcity mindset when it comes to money. And I think when it comes to mindfulness, I think it's really important to know where your feelings about money come from.

You know, like, I think it's important for me to share that experience when I was ten at the Ford dealership because it really influenced how I see money, and that's not necessarily healthy. It's kind of like, this is not who I am. It's not indicative of what kind of person I am, but I have internalized that. And so I have to be really mindful of how- I am money as a tool. It is not who I am and I can use that tool. It doesn't have to use me.

**12:53 Barbara**

Absolutely. And I think that going back to having that balance, if we are having like significant reactions to something wherever it lands, if it's because I have large amounts in savings, well, how do we balance that out? And start having some great reactions when we spend a little all within a planned environment? We're testing that out because it's so important to not be too lopsided on one side or the other or let fear drive. We all have fears. There's things going on in the world externally that affect, you know, what we're doing, what we're thinking, but how do we manage that and be mindful of it and come to a balance



**13:43 Courtney**

Right

**13:44 Barbara**

As much as we can. I think that's important.

**13:46 Courtney**

Yeah. And because I mean, no matter how much savings like I accumulate, if I still have this scarcity mindset and I need to use it, for example, what if I need to? What if I do decide to buy a house and I use a significant amount of my savings? I think about that a lot. I think I will have a lot of anxiety with the place I'm at now, and so I have to work on that, you know, being aware that this is where I'm coming from. And the purpose of money is a lot of times to be put to use. And that can also be put to use for fun things. And that's okay. But what you're talking about about balance is the key thing. And it's like balance across the board when we talk about money or life.

**14:22 Barbara**

I think that's very interesting that you bring that up. It's also attachment. When we have fear, we're more attached, whatever it is, whether it's materialistic things or money or that we're talking about today. I always recommend when it comes to money, talk to a professional, find a money coach, find a mentor. And a mentor has to be someone that has good management skills, that has that you could consider successful in their management of money. But it doesn't have to necessarily be a certified professional. But do talk to someone. I think that is absolute key to helping ease a little bit of those fears or anxieties around money. Thank you, Courtney, for sharing this wonderful talk with us because it is so needed and I hope that some people can relate out there to what we're talking about.

**15:26 Courtney**

Yeah, I think so, too. Thank you, Barbara. This has been fun to talk about.

**15:30 Barbara**

For more financial tips, subscribe to the Golden 1 Financial Wellness Podcast on Apple, Google and Spotify. You can also find a wealth of additional resources such as webcast

and videos, by visiting the Financial Wellness tab at Golden1.com. As a dynamic and trusted leader dedicated to enhancing the financial well-being of Californians and our diverse communities, we have launched a new learning lab designated to assist individuals in developing their financial knowledge.

Get started with our program by taking a personal assessment, and then the program will tailor its content options by providing recommendations, tools and courses to help support your specific financial journey.

Thank you so much for joining us today. This has been Barbara...

**16:24 Courtney**

.... and Courtney,

**16:25 Barbara**

wishing you financial, health and happiness. And as always, reminding you to

**16:33 Barbara and Courtney**

stay golden!

**16:36 Barbara**

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