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Season 1. Taking more control of your money

Episode 1.

Why take more control of your money?

Hi there, Jason here. And in this lesson, I want to focus on why YOU might want to take more control of your money. We'll explore what you could do to achieve that control, and how to go about it in future lessons. But for now, let's focus on your reasons for wanting to take control.

The evidence shows that by understanding our emotions in any big financial decision, we give ourselves a much higher chance of success. The psychologists tell us that at a fundamental level, after all our basic needs are met, we're all motivated by the search for the same three things: freedom, mastery and purpose. Or as Psychologist, Scott Geller describes them: choice, competence and community (or doing good for others).

And, when it comes to our personal finances it's the desire for freedom and choice that often drives what we do. The trouble is that we too often use that choice to spend too much of our money on things that we don't really need - today. Which leaves us with less than we need for those important life goals in the future or those we have for our loved ones. One reason we do this is because the people selling the stuff we don't need, know how to use our emotions against us.

They know that by promising us some emotional gains if we buy or emotional pain if we don't, they can get us to open our wallets. So, they might promise us a feeling of Prestige and the respect of others, if only we'll purchase their expensive (brand name) goods. Or they might suggest that we'll feel powerful and in control, or mysterious, or sexy as soon as we've bought their stuff.

When we look at the adverts for our favourite 'treats' it's easy to see the emotional strings they're using on us. And knowing that we're being played is a great place to start if we want to fight back. What's more, we can use the same techniques of emotional selling to sell ourselves on the idea of making better financial decisions. We simply need to ask ourselves what's really important in our lives.

What do we want to be, have or do, over the medium to long-term, for ourselves or our loved ones? And how much of the 'stuff' we buy each month is helping us achieve those important life goals?

The truth is that our emotions will be targeted every day by those psychology trained marketers and their multi-million-pound budgets. So, we've got to be strong and decide for ourselves what's really worth buying and where we can find this thing (or service) at a fair price. Spending money today – on that other stuff is just going to reduce our freedom of choice for our future.

So, ask yourself this question: What do you think you could do over the coming weeks and months to take more control of your money and cope with whatever financial curve balls life throws at you? Well, in the next lesson we'll dive into the first idea to help you do exactly that. See you back here soon

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