



SELF-COMPASSION THROUGH *Financial Wellness*

By Carina Casuga

Self-compassion in itself is a precious gift, as it is essential to happiness. Does self-compassion apply to finances as well? Absolutely!

Managing your finances to withstand unexpected financial setbacks, ensuring you are on track with your financial security goals and that you can exercise freedom of choice in financial wellness are as important as physical and mental wellness.

Whether you are just beginning to build, or you are in the process of building or rebuilding a financial portfolio, you are ensuring your finances covers your needs and wants. And you are ensuring your financial responsibility supports your values.

As a seasoned global payroll and benefits manager, I can attest that income, revenue, or net worth does not guarantee financial security or happiness.

Consider having to experience an abrupt unforeseen income loss, medical emergency, or a hefty repair bill. How much financial distress would you experience? How long would your savings sustain you? Even the best financial plans could erode your savings. Hence maintaining financial wellness is crucial during a major life event. This was clearly exemplified this past year. What have you learned from this pandemic?

Here are tips to strengthen your Financial Wellness:

1. Figure out your starting point and move forward

Review your finance, such as your income, expenses and net worth. Put on your mathematical hat, suspend judgment and gather data. If you find you previously made terrible choices, don't beat yourself up. To err is a human. Pause, forgive yourself, and keep going. Think positively. Learn about yourself, what works for you? If a budget does not work for you, figure out what does. Determine what exactly is causing your impulse buying.

2. Values and goals

Be clear on what is important to you, then set 2-3 financial goals aligned with your values. Money is a medium of exchange, for which the price is the amount of life and time it took us to earn that money. A \$100 dinner could cost you 3-5 hours of work time (after-tax take-home pay). How valuable is money to you? Does paying off debt help you sleep better at night, or does saving for an emergency fund resonate better with you?

3. Act and execute

Engage your creativity. For example, consider bartering services, provide tutoring services in exchange for groceries. Look for opportunities to increase your income, save money, and cut unnecessary expenses. Increase your financial literacy. Focus and discipline are key.

4. Maintain and Protect

Everything valuable requires sustenance and protection. Review progress, rebalance, and restart when necessary. Ensure essential legal documents are in place, such as a Will or Power of Attorney. Secure personal insurance to protect your income and earning capacity. This will take care of you and those relying on your income when you are unable to work.

5. Seek advise

Refrain from making short-term decisions that could have long-term consequences. Seek advice from experts. Take advantage of corporate resources, local community organizations, and government agencies.

Look to the future with optimism and faith. Would your future self be glad you did? Be kind to the "present" and "future" you.

I help equip professionals and immigrants live an engaged and purposeful life through personal and professional development coaching and training. Check out the Financial Organizational document on my website www.carinaspeaklife.com, as it directs you and your loved ones to information that could be vital during emergencies or challenging times.