

Improving your Financial Wellbeing

Financial stress is one of the most common and persistent forms of stress in the world. In fact, approximately 1.8 million Australians were suffering from financial stress in 2020 according to the AMP Financial Wellness Report.

WHAT IS FINANCIAL STRESS?

An official definition of financial stress is: A state of worry anxiety, or emotional tension related to money, debt, and upcoming or current expenses.

As with any source of overwhelming stress, financial problems can take a huge toll on your mental and physical health, your relationships, and your overall quality of life. In the worst circumstances, financial stress can even prompt suicidal thoughts or actions.

EFFECTS OF FINANCIAL STRESS

While society promotes the old adage that there's more to life than money, when you're struggling financially, fear and stress can take over your world. Financial stress can lead to:

1. **Depression:** Financial stress can damage your self-esteem, make you feel flawed, and fill you with a sense of despair.
2. **Insomnia** (or other sleeping issues): Whether it's worrying about unpaid bills or a loss of income, financial



concerns are common reasons for tossing and turning at night.

3. **Weight loss or gain:** People deal with stress in different ways, but a change in appetite is a particularly common complaint. Consistent stress and anxiety can disrupt your appetite, causing you to anxiously overeat or skip meals to save money.
4. **Anxiety:** Not having the safety net of money can make you feel vulnerable and anxious. Constantly worrying about unpaid bills or loss of income over time can trigger anxiety symptoms such as high heart rate, sweating, shaking or panic attacks.
5. **Social withdrawal:** Financial worries can take away your confidence and cause you to withdraw from friends and retreat into your shell—which will only make your stress worse. You may also decline social invitations out of embarrassment of not being able to afford the outing.
6. **Physical ailments:** Suffering from financial stress can cause, headaches, gastrointestinal problems, diabetes, high blood pressure, and even heart disease.
7. **Relationship issues:** Money is often cited as the most common issue couples argue about. Left unchecked, financial stress can make you angry and irritable, can decrease libido, and erode the foundations of even the strongest relationships.
8. **Unhealthy coping methods:** When people experience stress over a period of time, they can resort to unhealthy 'coping' methods such as drinking too much, abusing prescription or illegal drugs, gambling, or overeating.



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HOW TO SURVIVE FINANCIAL STRESS

While there are other remedies to help ease the burden of financial stress it's important to feel more confident about your financial situation. This can be done in 5 steps.

1. Understand your situation

Fully understand how much money you have; how much is coming in each month and what and what money will be needed to cover bills and living expenses for the month. This can help you better understand your cash flow.

2. Track your spending

If money is tight, try tracking your spending for a month or two to see where money is going. You may uncover something you're spending too much money on or can cut back on.

3. Don't make too many financial decisions at once

It's easy to get overwhelmed when faced with mounting bills and not enough income to cover them. Tackle your financial issues one step at a time.

4. Make a budget and stick to it

Put your income at the top of the page, and from that number, deduct your expenses. The amount left over is what you can spend on other things, such as reducing debt and increasing savings. Having a written budget gives you confidence in your personal financial strategy, which can help you dramatically lower your financial stress level.

5. Get creative and discover other ways to save

Saving can be tiresome. Have a think about other ways you can stay on track and make progress. Some people find that doing freelance work, selling unwanted possessions, or relocating to a less expensive house can help generate extra cash for the future.

While you're taking control of your finances, it's important to look after other aspects of your mental and physical health. This includes staying active, seeing your friends as much as you can, not consuming too much food and alcohol, and trying to keep to a daily routine — particularly allowing yourself enough hours of sleep.

If you're finding the financial burden is too overwhelming, talking to someone about your financial worries can really help manage your stress. Contact one of our friendly team today on 1300 687 327 to talk to a mental health professional or learn about our financial assist services.

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