

## WHAT IS YOUR MONEY PERSONALITY?

- Allistar Walker

Do people really have different money personalities or is it all a load of bollocks? You can decide. See what you think you are. There are nine basic elements that are key factors when it comes to your financial life. They are:

1. **Money knowledge** – knowledge is power. Lack of it puts you at a disadvantage.
2. **Confidence with Money** – Helps make people more comfortable with money.
3. **Involvement in Money Affairs** – The greater day-to-day active involvement, the greater the chances of success.
4. **Understanding and Risk Tolerance** – Informed risk taking can be good. Your choice of KiwiSaver fund should only be made after you understand the various fund risks.
5. **Work Ethic** – Oh heck! Focus and discipline with a drive to achieve are key ingredients for money success.
6. **Spending Habits** – do you budget or waste money on things like takeaways or buy things you don't need to impress people you don't like?
7. **Saving Habits** – KiwiSaver is a start. If you really want more then, saving will be more top of the mind than borrowing.
8. **Attitude to Investment** – Get the right investment vehicle for you.
9. **Debt Tolerance** – Use debt wisely eg as a means to leverage investment.

These all come together in the 3 following money personality types. You may notice that there are bits of you in each type but you will also notice that more of you is one particular type. Knowing yourself they say, points the way to controlling yourself. Am I right?

**SPENDER** – Money goes out faster than it comes in. Live from pay packet to pay packet. Limited means of managing their money. Unable to pinpoint where the money goes. Low investment knowledge. Shy away from seeking money advice. Frightened of asking 'dumb' questions. Rarely have investments and don't take risks in areas that would benefit them financially.

**CAREFUL** – Watch their money closely. Have a money management system which could be a bit rough and ready. Moderate level of money knowledge and open to learning more. Take time over financial decisions and have a fear of losing money. Relatively confident but balk at more risky opportunities. Strong work ethic. Don't like debt and stay within comfort zones here. Purchases are considered and researched.

**SAVVY** – Solid level of money knowledge. Understand rule of 72. A propensity to listen and learn more about money and various wealth strategies. Seek advice of experts. Good work ethic and expect money to work as hard for them. Moderate to high level of confidence and understand risk levels with investments. Like to be involved in their financial affairs but may have an expert look after these for them. Spending is controlled and always on lookout for good value. Manage debt to their advantage. Analytical and have natural gut instinct.

So where do you sit. The strongest element is knowledge. Readers make Leaders, so bone yourself up. Everyone can move from one personality to another – go for Savvy.

*Allistar Walker is a financial services consultant. Help to get on the right track is available at 0800 005 066 or view website at [www.mortgagehelp.co.nz](http://www.mortgagehelp.co.nz).*