

# Coping With Financial Stress



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## Coping With Financial Stress

Financial problems can be enormously stressful. Seventy-three percent of Americans surveyed by the American Psychological Association said that money is the number one stress in their lives.

If you're under financial stress, you may be arguing with your spouse or family members about money, experiencing headaches or panic attacks, hiding bills or receipts from family members, or finding it difficult to sleep at night. Your eating habits may have gone south, and you may find it hard to make it through the day.

In fact, researchers at the National Institutes of Health say that chronic stress (worries over several months or longer) can shorten your life by 15 to 20 years,

Financial stress can also hurt your ability to do your job well. According to research by Thomas Garman, about one-third of workers report high stress, and say that personal finance issues are the top stress factor. That means that if you don't manage your financial issues, you may find yourself at risk of losing your job or getting passed over for promotions.

You may feel like you are the only one in your situation, or you may have tremendous guilt or regret over choices you've made in the past. Those feelings won't help you create a better future, though. It will help, however, to realize that literally millions of Americans experience financial stress. You're not alone.

Following are strategies you can use to reduce financial stress and get your life back on track.

## Step One: Coping

The first step in dealing with financial stress is to try to relieve some of the stress as quickly as you can. This can help you feel better, and give you the strength and perspective you need to make changes for your future. Here are some important coping strategies:

### **See Your Doctor:**

If you're experiencing physical symptoms such as panic attacks, insomnia, depression, or high blood pressure as a result of your financial problems, see a doctor. It can be very difficult to handle financial pressures when you are not feeling well physically or not getting enough sleep. Medical help may give you the edge you need to be able to cope with your problems.

### **Exercise:**

Regular exercise can help reduce stress. For example, one study by Edward McAuley, a professor of kinesiology at the University of Illinois found that exercise had "a significant impact on anxiety." Other research reported by the American Psychological Association found that regular exercise releases chemicals that help the brain cope better with stress reduce anxiety and lift depression. Try to find something you enjoy so that you'll stick with it; whether walking with a friend, swimming or even rollerblading. If your schedule is very hectic, consider breathing-type exercises that you can do almost anywhere such as LifeLift ([www.lifelift.com](http://www.lifelift.com)) or Oxycise ([www.oxycise.com](http://www.oxycise.com)).



### **Get Help:**

If your financial distress is compounded by abusive or self-destructive behavior - either in yourself or in loved ones - get help. Those who are abusing alcohol or drugs can find resources through local support groups like Alcoholics Anonymous or Narcotics Anonymous. Family members can get help through Al-Anon. If your employer offers employee assistance benefits, you should be able to get counseling or referrals through that program. Those who are physically or verbally abusive should contact a local mental health organization for a referral to local agencies that can help.



### **Deal with Debt Collectors:**

Debt collectors can be aggressive. If you are receiving calls, you need to work out a repayment plan or, if that's impossible, ask them to stop contacting you. You have the right under the federal Fair Debt Collection Practices Act to write to a debt collector to instruct them to stop contacting you. (Note that this law does not apply to creditors who are contacting you about the debts you owe them. There may be additional state laws that apply in that situation.) Once they receive your letter, they are allowed to contact you only to tell you about legal action they will be taking to collect the debt. You can also stop a debt collector from calling you at work by telling them



that your employer does not allow such calls. Often a good way to stop creditor harassment is to work with a reputable counseling agency. Once you enroll in a counseling program and successfully make your monthly payments, participating creditors will stop contacting you. You also gain peace of mind by knowing you have a plan for actually getting out of debt!

### **Talk about It:**

Find someone you can trust – a close friend or relative, clergy or a mental health professional – to share the fears and worries you are experiencing. Most people are afraid to talk about money.



But getting it out in the open with someone who can help you see your situation more objectively can be of tremendous help.

### **Get Real:**

If you've been juggling bills, you may not have a clear picture of where you stand financially. Completing a detailed budget is crucial if you want to change the situation you're in now. Fill it out entirely. Include your spouse or partner in the process. This may seem frightening but don't put it off. The longer you wait, the worse your situation will likely become.

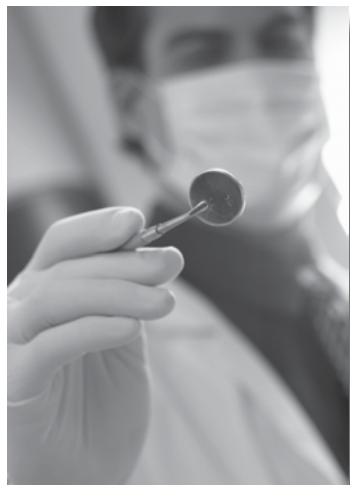
### **Be Thankful:**

When you're in financial difficulty, you may feel the weight of the world is on your shoulders. But for most people, even when things aren't going well, there is still a lot they can be thankful for. Oprah Winfrey says that keeping a "gratitude journal" has

been helpful for her and many who have followed her advice feel the same. Take the time each day to write down three or four things you are thankful for, and really take a few moments to appreciate them.

### **See Your Dentist:**

High levels of financial stress and poor coping abilities increase twofold the likelihood of developing periodontal (gum) disease, according to a study in the Journal of Periodontology. Since gum disease can be associated with other even more serious health problems, such as heart disease, respiratory disease and diabetes, it is important to take care of your teeth. The good news: the study found that those who were working to solve their financial problems, rather than just avoiding them, had no higher levels of gum disease than those without financial distress.



### **Simplify:**

In today's frantic consumer world, it can be hard to step back and simplify. But a simpler life may save you money and help reduce your stress (and improve your overall health). Look at where you are spending your time and money to see if you can identify ways to cut back.

### **Change What You Can:**

Lynne Hornyak, PhD, PCC is a coaching consultant on the mental side of money. She recommends you look at things that are causing you financial stress in two ways: their level of

importance, and whether they can be changed. Items will fall into one of four categories:

- 1. Important, Changeable:** A high mortgage payment may be an example of this. You need a roof over your head so it is important, but you can change this expense by perhaps refinancing or moving to a less expensive home. Frequently bailing your friends or children out of their money problems, when you have your own, is something that also may be important and changeable.
- 2. Important, Not Changeable:** Perhaps your financial problems were due to expensive medical bills or a divorce. There may be nothing you can do to change the facts, but those issues are important. Since you can't change what happened, you may have to change your attitude, expectations or both. Grieve for your loss, but then shift your focus onto other things you can do to live within your current financial reality.
- 3. Not Important, Changeable:** The fact that your spouse insists on paying the bills by hand when you'd rather do it online may drive you nuts, but it may not be important as long as they are being paid. If it's not important, change your attitude.
- 4. Not Important, Not Changeable:** Maybe your parents always squabbled about money and that bothered you. But that is in the past and how they talked to you then is not really important, nor can you change it. Let it go. Of course, if you are a parent now, how you talk to your kids about money is entirely within your control!
- 5. Become Resilient:** Resilience is adapting well in the face of difficult events

or stress. You may have more resilience than you think, and it can be learned. According to the American Psychological Association, there are several ways to increase resilience including making connections with others, avoiding seeing problems as insurmountable (shifting your perception), accepting that change is a part of life (attitude), moving toward your goals and taking decisive action (taking control of and responsibility for your life).

## **Resources:**

For more tools and information to help you cope with financial stress:

American Psychological Association Consumer Help Center at [www.helping.apa.org](http://www.helping.apa.org) offers information about coping with problems such as stress, balancing work and family life, and family relationships; includes a free guide to developing resilience.

For a free brochure titled "Periodontal Disease: What You Need to Know," use the AAP's online request form at [www.perio.org](http://www.perio.org) or call 1-800-FLOSS-EM.

**Debt Collector Information:** For free information on your rights when it comes to debt collectors, visit [www.ftc.gov](http://www.ftc.gov).

**Debtor's Anonymous:** If debt has been an ongoing problem for you, visit [www.da.org](http://www.da.org) for a referral to a local support group.

Lynn Horniak's website at [www.lmhservices.com](http://www.lmhservices.com) offers free articles and a free self-quiz that helps you understand your relationship to money.

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