

Overcome the Roadblocks to Saving Money Regularly

The barriers to financial well-being can feel crushing. No one will argue that this is a simple change to make. There's a good chance that you are wondering whether saving money regularly is worth the effort. It can be challenging to change old habits, especially at first. But we've got three strategies to help reduce the drawbacks or roadblocks you might be facing.

What are your three biggest roadblocks?

1. _____
2. _____
3. _____

Reduce the Drawbacks

1. Create a list of the benefits, or pros, of saving money regularly. As you add to your list, the drawbacks, or cons, may seem less important. Try to have at least two pros for every con.
2. Consider the cons as the hassles they are compared to the serious consequences of not paying down debt. For example:
 - How does keeping up with the friends and neighbors who appear to be more well-off compare to the stress you have about your lack of savings?
 - How does meeting your family's expectations compare to the fear of not having money to cover an emergency?
 - How does the temporary discomfort of starting a conversation with your spouse or partner about your personal finances compare to continuing to live paycheck to paycheck?
3. Counter the cons, or drawbacks, with practical alternatives or challenges. Some of the most common barriers to our personal financial well-being are the things we tell ourselves, like:

“I don't know how to get started.”

“I can't trust myself to save money regularly.”

“I don't know how to reduce spending in order to increase savings.”

“I'll have to give up things I enjoy.”

“I don't know if it's worth it.”

Chances are, at some point in the change process, you'll say one of those things (or something similar) to yourself. But don't let that stop you. Be prepared and arm yourself with the strategies to overcome the barriers. You can check out these suggestions for overcoming common barriers.

I don't know how to get started.

You can break it down into steps. Check out the *Emergency Savings Resource Sheet* for some tips. What will your small steps be?

I can't trust myself to save money regularly.

That's easy. Just make it automatic. Sign up for automatic savings at your bank. Each week or month, they will move an amount of money from your checking account to your savings account.

I don't know how to reduce spending in order to increase savings.

You'll be amazed at how much you spend without even thinking about it. How much did you spend yesterday? You probably have no idea. Did you buy coffee and grab a pastry on the way to work? Did you use a couple gallons of gasoline on your commute? What about lunch? And dinner? Did you go to a restaurant or get carry-out from the grocery store?

It all adds up. Those are all variable expenses, some of which could be cut. Take that \$2 coffee a day...no big deal, right? But that's \$14 a week, and \$728 a year.

And that \$7 lunch? Even at only five days a week, that adds up to \$1820 a year. Want to go to a movie? If you and a friend split the cost of a DVD rental or on-demand movie instead, you could both save \$8.

Cost-cutting strategies are getting a lot of press lately—everything from how to reduce your grocery bill (think coupons, buying in bulk, and buying produce in season) to getting a better deal on cable and Internet service or family vacations. Your friends and family may have ideas too. Keep your eyes and ears open for those tips.

I'll have to give up things I enjoy.

You might, but improving your financial well-being means giving up something today to get something tomorrow.

Ask yourself how the temporary loss or delay of some of the things you want compares to the weight lifted by knowing that you are doing something about your financial well-being. So for now, remind yourself how much better you'll feel about yourself and the benefits you'll get by saving money regularly.

Try some of these ways to enjoy yourself:

- ✓ Buy less expensive versions of the things you enjoy.
 - At the grocery store, try the store brand of your favorite cereal (raisin bran is raisin bran, right?).
 - You can also save on over-the-counter medications—the formula will be the same whether it's store brand or name brand.
 - Instead of department store cosmetics and shampoo from your salon, check out the beauty aisle at a discount store like Target™—you can get great quality products for less money.
 - Shop for clothing at sales and brand-name discount stores.
- ✓ Entertain your family the old-fashioned way. Try board games, bike rides and picnics, and free summer concerts. Borrow books and DVDs from the library and take advantage of their story hours, lectures, and movie nights.
- ✓ Watch sports events on TV instead of at the stadium—you'll have a much better view.

I don't know if it's worth it.

It's natural to wonder if something that is going to keep you from acquiring what you want in the short-term is worth it. If you haven't already, it would be helpful to think through all of the reasons it is worth it for you to save money regularly.

For one thing, you will feel much more secure and self-confident. You'll be better positioned for retirement and you'll provide a better life for your children. And probably most important, saving money regularly keeps you out of debt. That truly makes for a brighter future.