



Mind and Money

Mental health and financial health are closely linked. Being in a difficult financial position can negatively impact your mental health, and mental health concerns can be exacerbated by poor financial wellbeing. The UK's [Money and Mental Health Policy Institute](#) have found that nearly half (46%) of those people in financial debt also have a mental health problem, and 86% of those experiencing mental health problems reported their financial situation contributed negatively to their mental health.

What is Financial Stress?

Financial stress is not just the inability to meet financial commitments, overwhelming debt, or a lack of money. For some financial stress can result from a lack of confidence when managing money, one overdue bill, or anxiety around future financial safety.

The [Financial Health Institute](#) defines Financial stress as "a condition that is the result of financial and/or economic events that creates anxiety, worry, or a sense of scarcity, and is accompanied by a physiological stress response".

Whether you are worried about your retirement, debts, or your children's future, financial stress is a particularly complex and destructive form of stress that can significantly affect your wellbeing.

Key Indicators of Financial Stress

Financial stress can have a significant and adverse effect on a person's wellbeing, such as:

- Persistent thoughts or worries about finances
- Low motivation, low energy, and hopelessness
- Feelings of loss, anger, confusion, and sorrow
- Erratic sleep patterns or difficulty sleeping
- Difficulty concentrating or focusing
- Substance dependency, e.g., alcohol abuse
- Muscle tension, headaches, nausea, and aches

Strategies to Improve Financial Wellbeing

Identify what Triggers your Financial Stress

Identify when you feel more stressed about money so that you can plan ways to manage this financial stress during these times. This process can help you acknowledge the link between financial wellbeing and mental health. Do you feel stressed around payday, end of month, tax time, or Christmas?

Recognise How You Manage Financial Stress

Do you want to bury your head in the sand when money is mentioned? Or maybe you try to watch every cent when you're stressed about money which leaves you feeling suffocated? Recognising how you currently deal with financial stress is a crucial step as you can identify what strategies are helpful or not.

Assess your Financial Situation and Set a Plan

Take time to assess your current financial situation and establish priorities to get in control. Create a financial plan with clear goals. Find ways to reduce your expenses such as contacting your insurance providers for better deals. Remember to review this plan regularly to assess what is working.

Make One Financial Decision at a Time

Managing financial stress and overcoming challenges can take some time. For some, the sheer nature or severity of financial challenges can be overwhelming. Pacing out financial decisions improves an individual's willpower and reduces associated levels of financial stress.

Reach Out to a Friend

For some talking about mental health with loved ones can be a challenging and confronting conversation. The same applies to financial wellbeing, particularly when you are struggling. However, speaking openly to a safe and trusted friend can serve to start the process and acknowledge the link between mind and money.

Seeking Professional Counselling Support

Financial stress and mental health concerns have a cause-and-effect relationship. Speaking with a mental health professional may assist in further developing your tool kit to cope with financial distress such as developing ways to challenge unhelpful thinking patterns, overcome avoidant behaviour, and improve emotion regulation when addressing your financial matters.

Seek Professional Financial Support

Getting practical advice from a financial coach is always a good idea. Whatever your circumstances, gaining helpful information, strategies, and advice to better improve your financial wellbeing can assist in reducing your financial stress and ensure you are tracking forward with your financial concerns.

Manage your Overall Stress

Make time for yourself each day, and step away from the constant worry by engaging in activities that increase your relaxation, such as exercising, going for a walk, journaling, meditating, practising mindfulness, and deep breathing. Ensure you practice good sleep health to provide your mind the best opportunity to reset and improve concentration, focus, and resilience for the following day.

Final Words

Understanding the link between mind and money, and actively seeking help early can help alleviate further distress for those who are already vulnerable or struggling with mental health concerns.

