

How mindfulness can benefit your financial health

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When you avoid emotional or impulse buying by focusing on the moment, the money you keep can help you realize your dreams.



Stop us if this story sounds all too familiar...

You make big plans to save for retirement, pay off your debt in a year and take the family to Aruba. But by the time you've met all your financial obligations, you find yourself pushing at least one of those goals farther down the road than you intended.

"Oftentimes, people think if they earned just another \$1,000 a month, they'd be better off," says Charmaine Huber of Money Coaches Canada, who is based in Simcoe County-York Region, Ontario. "But it's not about how much you make, it's about how much you keep."

In other words, even a healthy raise likely won't substantially improve your financial situation – unless you change the way you handle your money, and **spend it in ways that align with your values and goals.**

"Most people are on auto-pilot when it comes to their money," says Huber. "As soon as they're introduced to a paradigm shift, they start to think more whenever they spend, and it hits home."

This is where the practice of mindfulness can prove to be a game-changer: You can have more money left over to realize your dreams when you learn to use techniques that help you avoid emotional or impulse spending.

What *is* mindfulness, exactly?

For all its health buzz, mindfulness is just a simple tool to help guide concentration. “Mindfulness is quieting your mind by tying your focus into the current moment,” says Karolina Pasko, a registered psychotherapist based in Vancouver. “It’s self-managed and requires no training at all.”

And whether you’re looking to savor a delicious, healthy meal and get in touch with your hunger cues, connect with nature on a family hike or stay grounded during a high-stress meeting, simply slowing your mind to focus on the current moment can benefit almost any aspect of your life.

How to use mindfulness to avoid impulse buying

In terms of finances, mindfulness means taking a moment to focus on how each purchase may affect you, so you can make deliberate, informed decisions about your spending.

When in doubt about a purchase, ask yourself:

- Can I afford this without going into debt?
- Do I need this right now?
- Can I get this more cheaply somewhere else?
- Will buying this help me achieve my financial goals or get in the way?

A mere 10 seconds of introspection can allow you the space to separate your needs from your wants and help you figure out if you might regret the purchase later — or, conversely, whether it might be really worth it to purchase right away.

How to use mindfulness to check emotional spending

Emotional spending is a little bit different from impulse buying. The challenge is less about timing and more about the motivation behind the purchase. Most people fall into emotional spending when they are dealing with stress or trying to boost their mood. Since society often rewards us for purchases — regardless of motivation — emotionally driven spending can be a difficult habit to grapple with, says Pasko.

The good news is that when it comes to emotional spending, mindfulness can help you separate purchases that you'll truly enjoy from ones that are a temporary distraction.

When in doubt about a purchase, ask yourself:

- Does this item or service help me, hurt me or is it neutral?
- Am I buying this as a distraction from another emotion or a painful situation?
- Am I expecting this particular item or service to make me feel a certain way or convey my status in society?

Fear not: Asking such questions won't necessarily deprive you of your heart's desire. After all, there's nothing wrong with enjoying your money within reason. But mindfulness can clue you into patterns of spending that may need to be dialed back, and gaining that awareness can open up avenues to address problematic habits before they become bigger issues. If, for example, your practice of mindfulness reveals a propensity for emotional spending, then that knowledge can give you power. You can now begin the process of addressing it, perhaps with the help of a money coach, therapist or other mental health expert to.

The bottom line? "Financial peace of mind isn't a pipe dream," says Huber. "It's available for people from all walks of life and all income levels."

Invest the time in developing mindful spending habits and you may just find yourself that much closer to the financial independence and security that can expand the possibilities for you and your family.