

Personal Finance and Emotions



Role play

- Takot
- Galit
- Inggit
- Guilt (Konsensiya)
- Hiya
- Magsadula nang maikling kuwento kung saan naipakita ang negatibong epekto ng emosyon sa paghawak ng pera

Fear



- a distressing emotion aroused by impending danger, evil, pain, etc., whether the threat is real or imagined
- Fear of not being loved
- Fear of being left behind
- Fear of the unknown

Fear of Not Being Loved

- Starts with *lambing* – expression of fondness
- Abuse of *lambing* leads to extortion
- Extortion inflicts fear
- OFWs don't want their families to think that they no longer love them. It is one of their greatest fears or insecurities.
- Remittance is used as an expression of false love

Scott Peck's Definition of Love

- Love is when you make the other grow
 - Dependence on remittance does not make others grow
 - Sending too much remittance is not an act of love
 - Loving act here is “tough love”
- Love is a choice
 - Spouse and children must participate in decision making
 - Collective decision = all have responsibilities
- Love is work
 - Reunite families the soonest possible time
 - Each family member should contribute to family goals

Fear of Being Left Behind

- Comparison that puts undue financial pressure
- Peer pressure: facebook status
 - Latest gadgets and fashions
 - Vacations
 - Food porn
 - Selfies

Be Comfortable With Who You Are

- Be happy with the achievements of people around you
- Keep them as inspiration but need not keep pace
- Evaluate good personal finance practices
 - Did they finance wants with debt?
 - Do they have enough emergency savings and adequate insurance protection?
 - Are they building their retirement fund?
 - Do they have significant portfolio that generates passive income portfolio?

Fear of the Unknown

- Not used to doing investment researches
- Rely too much on media or on what other people say
- Study risk to be able to manage it
- Learn how to measure – what you cannot measure, you cannot manage

Courage



- the quality of mind or spirit that enables a person to face difficulty, danger, pain, etc., without fear;
- Courage to fight for love
- Courage to catch up
- Courage to increase knowledge and skills

How to Conquer Fear

- It takes a lot of effort to eliminate fear
- It entails a lot of discipline, responsibility and self-awareness
- How do we eliminate fear? **COURAGE**
 - Courage to overcome peer pressure
 - Courage to take worthwhile risks
- It takes courage to love and love conquers fear

Anger



- a strong feeling of displeasure and belligerence aroused by a wrong
- Galit sa pamilya (magulang, anak etc.)
- Galit sa pera
- Galit sa mundo

Galit sa Pamilya

- We prioritize our family
- Unresolved family conflicts or problems lead to anger
- Negatively affects family planning
- Black sheep in the family
 - No one stood ground to enforce discipline
 - Leads to false belief of being right
 - Brings about skewed sense of entitlement

Communication is Key

- Keep communication lines open
- Keep composure and keep your cool
- Do not allow to postpone re-establishing communication lines where issues will remain unresolved
- Unresolved issues compound present issues

Galit sa Pera

- Overspending
 - Splurging on appliances and gadgets
 - Indulging in fashion
 - Binging in fancy restaurants
 - Overdoing vacations

Address Feeling of Deprivation

- Find joy in simple things
- Prioritize savings, buying insurance and investing
- Maintain your lifestyle and gradually increase it as passive income grows

Galit sa Mundo

- Pessimists
- Entertain the dark side and refuse to look at the brighter side of things
- People who rant but hardly offer solutions to problems
- They give up on suggested solutions without even trying
- Miss out on opportunities

Find Joy and Peace in Oneself

- Exercise appreciating small things
- It is easier to be a critic than a changemaker
- Try the other person's shoes
 - Is what you are about to say constructive?
 - If you were at the receiving end of the criticism, would you feel good?
 - Would you rather hear suggestions or recommendations rather than plain criticism?
- Surround yourself of people with positive energy

Joynger



- the emotion of great delight or happiness caused by something exceptionally good or satisfying
- Joy in togetherness
- Joy in simplicity
- Joy in being at peace with self

Guilt



- a feeling of responsibility or remorse for some offense, crime, wrong, etc., whether real or imagined
- Guilty dahil iniwanan ang pamilya
- Guilty dahil marangya ka pero mahirap ang kamag-anak
- Guilty sa kasalanan ng iba

Guilt When You Are Not Able to Help Financially

- Solution to most financial problems is not money
- Solution: change in perspective and change in lifestyle
- Untrue: “Just because you can bail them out, you should bail them out”

Guilt Because You Are Well Off and Your Relatives are Not

- "It is not my fault that you are poor."
– Nellie Bernardo, LSE Rome, Batch 1
- Psychological warfare is typically used to pressure you to send remittance
- Clarify who you are responsible for – use compulsory heir of the family code as guide

Compulsory Heirs

- Your children
- Your spouse or life partner
- Your parents
- *You are not allowed to help financially outside of your responsibilities (compulsory heirs) if you are not financially stable.*

When Am I Financially Stable?

- Savings equal to nine months of expenses
- Adequate insurance coverage
- Having the prescribed passive income or net worth given your age

- A person who doesn't know how to swim cannot help a drowning person through swimming

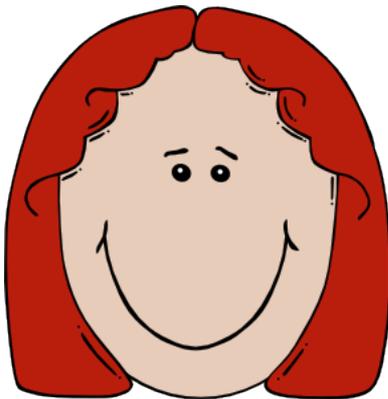
How Can You Help?

- Prayers
- Moral support
- Advice
- Keeping company

Feeling Guilty of the Mistakes of Others

- Common among parents
- Your primary responsibility, as parent, is to guide them and provide for their needs
- Your children will decide whether to follow your guidance or not
- If they fail to follow you, you have to take comfort in the fact that you have done your part and have done everything you can to support and guide them

Clear Conscience



- free from blame or not deserving blame
- Malinis ang konsensiya sa tunay na dahilan ng paga-abroad
- Hindi mo kasalanan na mahirap sila
- Hindi mo responsibilidad ang lahat

Clear Conscience

- Assure yourself that you did not mean any harm
- Action is based on sound judgment
- Include those who are involved when coming up with a decision
 - responsibility is shared
 - accountability is clear

Shame



- the painful feeling arising from the consciousness of something dishonorable, improper, ridiculous, etc., done by oneself or another
- “Ayokong madungisan ang pangalan ko”
- Cover up reality with luxuries you can not afford
- “Nakakahiya”

Saving the Name of the Family

- Parents should refrain from solving the financial problems of their children
- Do not allow your children to abuse you
- Do not tolerate bad financial habits and don't let these linger
- Do not tempt family members on financial matters
- If they do bad things to relatives, they would be encouraged to do bad things to others

Pretensions

- Social media domination – hide identity or project more of who you are not
- Those who flaunt most probable can't afford what they brag
- Start with being true to yourself and then true to others
- Warning: Too much trust on yourself and trusting others too much

Hiya

- No need for hiya if reason is valid and acceptable to both parties
- Recognize mistakes

Honore



- honesty, fairness, or integrity in one's beliefs and actions
- Magpakatotoo ka
- Marangal ang ikinabubuhay ko

Envy



- a feeling of discontent or covetousness with regard to another's advantages, success, possessions, etc.
- Inggit sa ari-arian ng iba
- Inggit sa kagandahan ng iba
- Inggit sa relasyon ng iba

Envious of the Accomplishments of Others

- Do not pressure yourself to always conform with society's standards – transcend these
- Parents should refrain from pressuring their children to fulfill the parents' unfulfilled dreams
- Convert envy to inspiration
- Focus on **how** people achieve things and not **what** they achieve
- Take time to also recognize and congratulate yourself

Envious of What Others Could Afford

- We have more choices now but we are less happy
 - We focus more on the things we do not have than those that we have
- Social media exposure – peer pressure to conform
- Set limits for satiation and gratification
- Avoid unhealthy competitions

Content



- satisfied with what one is or has; not wanting more or anything else.
- Pagiging kontento sa sarili
- Kontento sa linis ng kalooban
- Pagmamahal sa sarili



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