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- WORKING TOGETHER -

Smarter Money 101:

Let's Talk Savings! A straightforward method to exit negative financial loops.

BALANCING WHAT WE HAVE



The point of saving -- even if it's just a few dollars -- is to start building the *habit* of saving, ***because saving money is reflective of a mindset***, and this mindset shows up in multiple areas of our lives.

If you truly want to improve your finances, you must ***improve the mentality that drives the actions of your spending***. This is what the action of *saving money* does for you. It is a practice that reforms your mind on how you view the cash that circulates in your life. Saving money is investing the state of mind that you wish to have.



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What if you are like most of us and lack the **self-discipline** to truly engage in the **habit of saving**? Then you may need to take a page out of a friend of mine's book, and physically funnel yourself into the behavior that you'd desire. What do I mean?

Well, this particular buddy of mine had a **habit of interrupting people when** they spoke with him. If he had any thought, whatsoever, he jumped in immediately and began to share it regardless of whether the other person was speaking, listening, still engaged, or moved on. **He did it all the time**, and it was invasive, it was loud, it was rude and it was disruptive. Luckily for him he had a **very great personality** (outside of that), almost always had good ideas (which made his interruptions often 'worth it'), was pretty funny (jokes always lighten the mood) and was handsome guy (being well over six feet tall didn't hurt either).

But one day somebody close to him very convincingly let him know that that behavior was damaging, hurtful and that they didn't want to be a part of it anymore. Whoever it was, **they did a good job of reaching him**, and he made some physical changes that modified his interactions. What did he do? On phone calls, **he began to put himself on mute** while the other person was talking. What does this do? Well, it prevents the other person from hearing anything that is being said on the other end. **Why was this helpful?**

-- He couldn't stop himself from the behavior of interrupting (he had been that way for years) so he changed his ability to do so, until his mindset followed suit. --

And it worked.

Over time, he began to see more and more what it was like to be ignored when he jumped in mid-thought to someone's conversation. Before, when they simply yielded **he never saw anything wrong with his behavior**. Once they no longer yielded (due to the fact they couldn't *hear* him), his interruptions suddenly became louder to himself. **Slowly, he developed** the desire to change this behavior within himself, and over time he needed the mute button less and less.

The same kind of principle holds true for developing the positive mindset towards saving.

If it's difficult for you to do on your own,
then set up some structures
that funnel you
into the behavior you desire
for yourself.

For example,

- ...You can **sell items you don't need any more** and put that into a brand new savings account.
- ...You can utilize special programs or apps that round off the cost of your **purchases to the nearest dollar**, and then use that difference to place into a savings account for you.
- ...Additionally, you can have a **small portion of your paycheck automatically deposited into a separate account** to which you have limited access. This account should not be a back up to your checking account. Instead, place it in a different bank altogether. There should be no bank card/debit card access; meaning, your only access is literally going inside of a bank branch.
- ...Finally, reward your efforts by connecting that account to a high-yield interest rate returns, or even funneling those funds into a long term money market **account that will build passive income** for you over time.

-- All of these are workable suggestions that can be modified to suit your needs.

At the end of the day, focus on what you can do to start developing the mindset of a saver. This will ultimately be the more sustainable approach.

Let's become more financially fit by *changing* how we *cycle* our cashflow:
You may have to do a little research to answer some of these questions

Am I currently saving any money? (yes or no)

How long have I been saving money? (0-6mos, 7mos 1 year, longer)

To me, have I seen any real value so far out of saving (yes or no) -- Why?

I don't really have the space or time to save my money (yes or no)

Saving money is a mentality, except for when you do not have enough to save (true or false?) (Discuss this with a friend/classmates):

What is ***your*** primary reason for opening a savings account?

What are the guidelines for getting money out?

What bank will you choose?

What is their minimum opening deposit?

Does the account at your bank have a minimum balance?

What are the fees for taking your money out?

What is the process for taking your money out?

1 The 50-30-20 rule. **NEEDS** **WANTS** **SAVINGS**

2 Make use of provident fund. Reinvested again and again till you retire.

3 Control the frequency of socialising to save. **Frequency of socialising.**

4 Alternative forms of hanging out.

5 Identifying your needs. **Shopping:** Lunch milk soap Paper Soap Veg. Keep focus on the things you need.

6 Avoid impulse purchases. Be disciplined and follow your shopping list.

7 Use public transport & carpool.

8 Holiday smart by comparing prices and packages. **Check & compare airfares.**

9 Eating out vs. Home cooked food. **Shopping: \$5** **Receipt: BISTRO \$15**

10 Good diet. **Save money** **Good health**

10 PRACTICAL AND EASY WAYS TO SAVE MONEY.