

## Money Matters: When it comes to finances, don't always follow the script

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My dad is the ultimate haggler. When I was growing up we used to buy, sell, and trade albums at local trade shows. For those of you born after 1990, albums are flat objects about the size of steering wheel on which music is recorded and played. Anyway, my dad would haggle over the price of a Peter Frampton album to the point that I would often get embarrassed and anxious listening to him.

My dad was also very thrifty. He was truck driver and lived on a modest income. His idea of air conditioning during the mid-summers of the early '80s was placing fans at the front and back doors of his two-bedroom apartment in Shawnee to keep the thick Kansas humidity from clinging to me while I slept. I did not mind it though. It was just how we lived.

We all have experiences around money in our childhood that drive our financial behavior as adults. Research done by financial psychologists, Brad Klontz and Ted Klontz, found that our unconscious beliefs about money can be categorized into one of the four following money scripts.

*Money Avoidance*-Have the belief that money is bad, and that those that have money do not deserve it. Money is seen as a source of fear, anxiety or disgust.

*Money Worship*-Convinced that more money will solve all problems and lead to power and happiness.

*Money Status*-Equate self-worth to net worth and places a premium on buying the newest and best things.

*Money Vigilance*-Include themes of frugality and recognize the importance of saving. This script is prevalent with millionaire-next-door types as they tend to be discreet on how much money they make or have.

According to research done by Bradley Klontz and Sonya Britt at Kansas State University, the first three scripts are associated with poor financial health, including lower net worth and lower income. They can also predict bad money behaviors.

For instance, those with money worship, avoidance, and status scripts, are more likely to buy compulsively versus those with money vigilance scripts. Money avoiders and worshipers tend to be more financially enabling with their children and are more likely to be workaholics.

So how did my dad's haggling and thriftiness affect me? I completed the Klontz Money Script Inventory, and I scored the highest in money vigilance. I am a vigilant saver and believe that good fortune will come to those that work hard for it. My dad taught me well.

However, I was surprised to find that my score reflected some money avoidance patterns too. As a financial advisor, I deal with money every day so how could this be? I believe that focusing on other people's money has enabled me to avoid areas of my personal finances that I now need to address.

To some extent we all avoid money matters, worship money, use money to gain status, and are vigilant with money. The point is that we should all be aware of how we are wired, so that that we can work toward correcting our bad behaviors as adults and incorporate some financial discipline in our lives.

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