

Why Money is Not A Priority For Most

Description



The topic of why people don't care for personal finance has been brought alive through active discussions in the financial bloggers community recently.

I really liked [this post](#) by a friend of mine, Xeo, where he offers insight into why people don't care much for this topic at different stages of their lives, until a turning point (typically in their late 30s or 40s) where they wake up one day and realize that it is time to take charge of their personal finances.

The problem can be distilled down to **PRIORITIES**. Life is all about priorities and trade-offs, isn't it? Given how hectic life can be in Singapore, most of us struggle to even juggle our multiple priorities at the same time, much less add on one more – personal finance. Here are a few common priorities as we go through life:

Priority #1: Studies



Our parents commonly tell us to study hard so we can get a high-paying job later on in life. They tell us not to worry about money; just study hard, and the money will come later.

The reality isn't that fantastic though. With so many degree-holders today, these paper qualifications aren't prized as much as they used to be. In fact, if you're joining the private sector, they barely care for what class of honours you graduated with. Nor will they offer you a higher pay just because you're a straight-A student. You may think this is important, but they don't. I learnt this through experience – you would think that a scholar with a higher class of degree honours ought to get higher pay, but my employer still offered me the same pay as every other fresh graduate anyway.

You don't have to prioritize money so much at this stage of life, but simply putting some cash aside each month for savings isn't too hard to do, is it?

Priority #2: Friends



A common question I get asked is [how to save when your friends are always wanting to hang out and spend money](#). Too many people hang out with their friends at cafes and expensive activities, and then complain that they find it difficult to save, lest they lose their friends.

It is not that difficult to maintain a balance between your friends and your money. My JC clique likes to hang out and eat at hawker centres together, and we have great fun doing it. If your friendships are costing you too much time, money and effort to maintain, then perhaps you should start choosing quality over quantity.

I had this one friend who was honestly tiring to keep, as it required constant messaging on Whatsapp and hanging out once to thrice a week, often at cafes and the clubs. We were pretty close, to the extent that we talked about being each other's bridesmaids, but yet whenever I got busy, our friendship would die off due to the lack of regular interaction. A few months later, I found out unexpectedly that she blocked me on Instagram. Not sure what to think, but while I did value her as a friend, I decided that such a friendship was not worth the tremendous effort to keep, so I just left it at that.

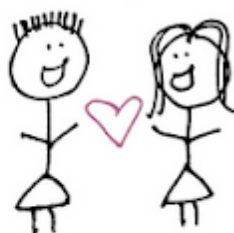
True friends will always understand if you can't always spend while out with them.

Priority #3: Boyfriend / girlfriend

so you met an amazing girl...

She's everything you've waited for. She makes you laugh. She fills your belly with butterflies. The world seems to sparkle when she's around. She's the jelly to your peanut butter, and

life is good.



I know right now you want nothing more than to be in her presence every waking moment, but your friends were there before you met her, and will continue to be by your side through thick and thin. So remember:

Frankly, I feel [too many people spend too much on their relationships](#), and the guys feel the most pinch as they're usually expected to pay for the girl. If your partner is costing you too much time and money, at the expense of your financial health and other social relationships, then perhaps it is time to have a good talk on achieving a balance.

Priority #4: My looks and figure

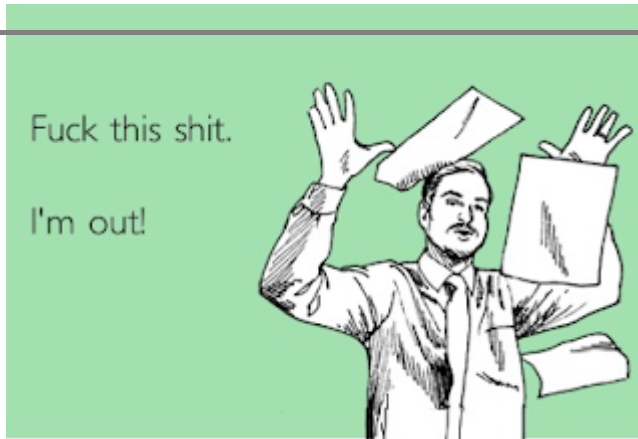


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Guys, you're equally guilty! There's no denying that each of us wants to look good, and for those of us who aren't blessed with good genes and a high metabolism, we go to certain lengths to achieve the same results. Spending tons of money on our hair, skincare and makeup, going for IPL to remove unwanted hair, paying for frequent manicures and pedicures, exercising albeit too often...the list goes on.

I'm not a huge fan of daily makeup, but I do spend time taking care of my complexion so that I still look acceptable even without having to apply foundation and concealer. My secret? Using mostly organic beauty products on my face, so my skin remains clear and I don't have to spend time on makeup to conceal my imperfections.

Priority #5: Work



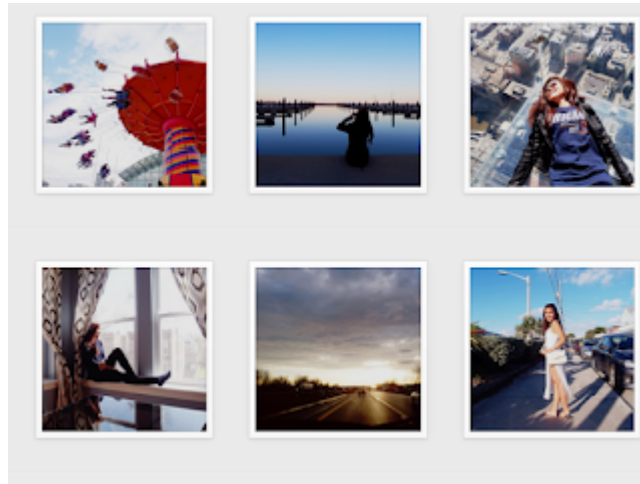
Asians countries tend to work the longest hours, according to BBC. Many of us would have OT at least a few times – I remember staying until 10pm once and bringing my work home to finish only at 2am. It was insane.

Climbing up the corporate ladder is important, but when you prioritize your work at the expense of your health and social relationships, it is only a matter of time before you burn out. Moreover, no one ever wished they had worked more on their deathbed.

Another common mistake young working adults make is that they choose to focus solely on building up their career in their early years, instead of balancing that with active personal finance management. For instance, some of us spend on expensive work outfits and taking a cab to work in order to reach on time and still look good (compared to squeezing in the MRT and perspiring by the time we reach office)...all to create a lasting professional impression.

It is important to spend effort in building up your career especially when you've only just joined the workforce. But the problem comes when we assume our hard work now will pay off in higher wages in the future, therefore we don't really have to save or manage our finances that much right now. What if you don't get that pay raise? Or what if you lose your job?

Priority #6: Saving up for an overseas trip / wedding / house / car



Living the life!

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When we're a student, we're too busy saving up so we can [pay off our tuition fee loan](#) or take our graduation trip to Europe or the US. Once we've started working, we save up for our annual vacation trip. In our mid 20s, we have to save up for our wedding, or in order to buy a house or a car.

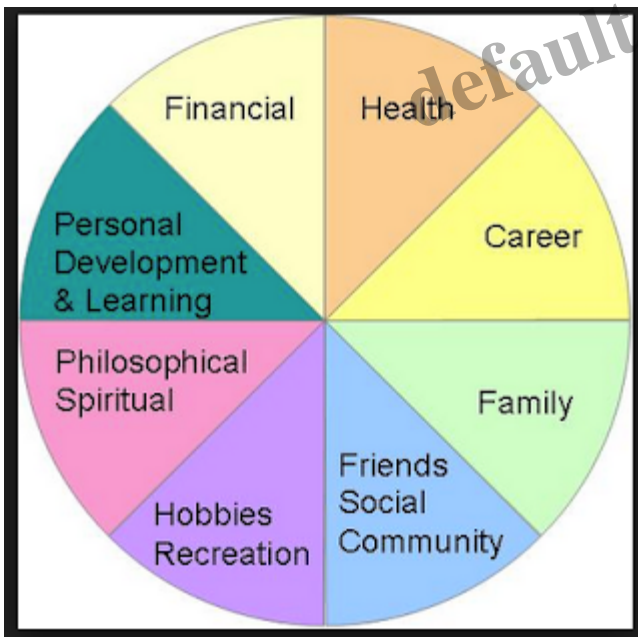
There will always be big purchases in life. But when you're saving solely for these big purchases alone, and do not give heed to your long-term financial needs, that's when your priorities obviously become messed up.

Balancing our priorities

At the end of the day, there's nothing wrong with these priorities, but the trick is in balancing them and not compromising on our other aspects of life. Too often, though, we put personal finance as the least of our priorities (or even not at all!).

I'm not saying you have to make money your biggest priority now, but you should never neglect it in favour of your other priorities. And if you don't make your own money a priority, no one else will. Certainly not your financial advisor!

We shouldn't wait until it is too late before we start saving and investing.



With love,
Budget Babe

Category

1. Savings