

COPING WITH FINANCIAL HARDSHIP

TO MAKE AN APPOINTMENT

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Financial stress can be overwhelming but supports are available to help people manage.

YOUR EAP PROVIDER

Many people experience difficulties with their finances at one time or another during their lifetime. Financial stress can feel overwhelming but supports are available to help people manage.

This fact sheet provides information about how financial stress can impact our wellbeing. It also provides ideas about how we can look after ourselves if we are coping with financial hardship.

CAUSES OF FINANCIAL CONCERNS

There are many different stressors that can impact our finances. These may be short-term or long-term.

- Losing employment
- Transitioning to retirement
- Unemployment
- Difficulty gaining employment
- Accumulating debts
- Unexpected bills
- Rising costs of living
- Suffering from financial abuse.
- Increased spending due to mental health issues such as bipolar
- Addictions such as gambling, and drug and alcohol addictions

IMPACTS OF FINANCIAL STRESS

It is common for us to feel that financial stress is impacting our wellbeing and enjoyment of life. Financial stress can be short-term (e.g. from a recent job loss or unexpected bills) or long-term (e.g. from accumulating debts).

When we are experiencing financial stress, it is normal to focus our time and attention on trying to manage our financial problems. When our mind is focused on a threat, our stress response (survival response) is activated. This can lead to a range of sudden changes in the mind, body and in our behaviour to help protect us from danger. When financial stress is ongoing, we may feel many of these changes over a longer-period of time due to a constant sense of threat.

Financial stress can lead to a range of distressing emotions. It is common to feel angry, overwhelmed, or concerned or hopeless about the future. We may experience changes in the types of thoughts we have such as an increase in worry and negative thoughts. People can find that their sleep is impacted, and they may not want to spend as much time with others. Other signs of stress include: headaches, muscle tension, and difficulty concentrating. Some people will use alcohol or drugs to cope with their situation.

Seek financial counselling

If you are having difficulty managing finances, professional support is available through financial counselling services. Financial counselling services can help with budgeting and offer options to help improve your situation. Services such as the National Debt Helpline and Salvation Army Moneycare offer confidential and free financial counselling services.

Problem-solving

When we are experiencing an issue that is overwhelming, often we struggle to think of ways to manage it. Some people find it useful to use a structured problem-solving approach to help manage their financial problems. Sometimes it is helpful to do this with assistance from a trusted friend or family member.

Start by identifying the specific problem and the barriers to overcoming the problem. Brainstorm solutions. Consider the pros and cons of each possibility. Choose a solution and test it out. Evaluate how well the solution worked and if you need to make changes or try a different solution.

Looking after your wellbeing

Managing financial issues can be stressful. To help manage the stress, we can consider maintaining a healthy diet, getting a good amount of sleep, and doing regular exercise. Many people find that relaxation exercises (e.g. breathing and muscle relaxation) are helpful for reducing stress.

Sharing with others

It is common for people to not wish to talk to others about their financial problems. However, many do benefit from talking about their concerns with a friend, financial member, or colleague.

When to seek help

If you are feeling overwhelmed by the stress of managing finances, you may wish to seek support from a GP, counsellor or psychologist.

Managing worry

Finances are one of the most common worries that people experience. There are many different techniques for managing worry:

- Some people find it useful to write down their worries and to consider whether they are experiencing a **real problem** or a **hypothetical problem**.
- A real problem is a problem that exists now that requires a solution. A hypothetical problem is a problem that does not currently exist but may happen in the future.
- If the worry is a real problem, it might help to consider if there is something that can be done right now to help fix the problem.
- If the worry is a hypothetical problem, you might be able to try and find some ways to let the problem go and focus on something else that is more important.
- Some people use a technique called 'Worry Time'. This is where we postpone our worries to a specific time of day that is dedicated to focusing on our concerns.
- Sometimes it can be useful to reflect on the validity of our worries. We can reflect on whether there is any evidence to support our concerns, and if it is a likely scenario or a worst case scenario.

FOR MORE INFORMATION

National Debt Helpline

www.ndh.org.au
1800 007 007

Salvation Army Moneycare

www.salvationarmy.org.au
1800 722 363

Centre for Clinical Interventions

www.cci.health.wa.gov.au
Free workbook on managing worry at:
'What? Me Worry!?!'

