

Psychology of Money

What is your money motto?

Money Personality Quiz

- 1. If \$20,000 came to me unexpectedly, my first impulse would be:**
 - A. To spend it on things I really want, including gifts for others.
 - B. To put it in my savings account.
 - C. To feel so overwhelmed that I'd put off making decisions about it for quite a while.
 - D. To invest it in order to make the biggest profits possible.
 - E. To give most of it away and use it to make the world a better place.
- 2. When it comes to dealing with my money:**
 - A. I enjoy spending it on gifts for myself and others, and on whatever will give me immediate pleasure.
 - B. I hold onto it and enjoy thinking about the security it provides.
 - C. I try not to think about it and hope it will take care of itself.
 - D. I worry about it a lot and strategize how to make more and more of it.
 - E. I make sure that it never influences my life choices.
- 3. My goals about my money are:**
 - A. To have enough of it to ensure that I can buy whatever I want.
 - B. To save enough of it now so that I never have to worry about my old age.
 - C. Unclear to me.
 - D. To make as much of it as possible, as quickly as possible.
 - E. To have enough to satisfy my basic needs and then give the rest away.
- 4. When it comes to following a budget:**
 - A. I hate the word budget. I prefer spending plan!
 - B. I enjoy following mine closely.
 - C. I don't have a budget and never want one. My money will take care of itself.
 - D. I rework my budget often to figure out ways to have more money to spend and save.
 - E. I take pride in living so simply that I've never needed a budget.
- 5. When it comes to spending money:**
 - A. I love spending money, and I tend to spend more than I earn.
 - B. I'd rather save my money than spend it. Spending money makes me nervous.
 - C. I hope I'll have enough money to take care of unexpected expenses.
 - D. I enjoy spending money, as long as I keep accumulating it at the same time.
 - E. I don't follow where my money goes, and I don't want to. I focus on more important aspects of my life.
- 6. I deal with financial record keeping as follows:**
 - A. I keep some records but have trouble organizing them and finding them.
 - B. I enjoy keeping careful records.
 - C. I'm not even sure which records I should be keeping.
 - D. I keep reworking my records, to figure out ways to make more money or to make my money work better for me.
 - E. I don't keep records. I hate to spend my time this way.
- 7. When it comes to saving money:**
 - A. I have trouble saving money, and this bothers me sometimes.
 - B. Saving comes naturally to me. I am regular and consistent.
 - C. I know I ought to be saving money, but I never seem to get around to it.
 - D. I enjoy saving large amounts of money and spend a lot of time and energy thinking about how to save more.
 - E. I save only for absolute necessities.
- 8. This is my attitude toward borrowing money:**
 - A. I've borrowed money quite often, and I'm pretty casual about paying it back.
 - B. I try never to borrow money from others.
 - C. I try not to borrow money, but when I have, I find it hard to keep track of my progress and paying it back.
 - D. I'm willing to borrow large amounts if it will help me make more, but I worry about amassing debt if the profits don't show up quickly.
 - E. I borrow only for absolute necessities.
- 9. As far as credit cards are concerned:**
 - A. I tend to use credit cards often and make the minimum payment.
 - B. I have always tended to avoid using credit. I prefer paying by cash or check.
 - C. I don't take much notice of the status of my credit cards. I often forget to pay even the monthly minimum until I get a warning notice.
 - D. I don't mind running large charges, as long as I can pay them off quickly. I think about my credit card bills a lot.
 - E. I prefer not to have credit cards at all. If I have one, I use it as little as possible.
- 10. When it comes to providing for emergencies:**
 - A. I keep thinking that I'll have enough to start saving for emergencies soon, but I'm still not quite there!
 - B. I try to save regularly for an emergency fund.
 - C. I don't have enough saved to provide for emergencies. I just hope for the best.
 - D. I've put aside a sizable amount for emergencies, but I still worry about them!
 - E. I have no money set aside for emergencies, and I almost never think about what I would do if something bad were to happen.

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11. When it comes to paying taxes:

- A. I have trouble saving for taxes and doing my tax return, and I feel strapped every year before April 15.
- B. I save regularly for taxes, and usually I complete my tax return in advance of April 15.
- C. I scramble to get together some minimal records, just to get the taxes done. I'm always surprised at how much money I owe every year.
- D. I take pride in having more assets and paying lower taxes every year, if I can.
- E. I hate focusing on taxes and try to get them done with as little fuss as possible.

12. When I want a certain item but it's not within my budget:

- A. I will buy it, whether I can afford it or not.
- B. If the item is important enough to me, I'll figure out how to adjust my budget to afford it. If it isn't that important, I'll forget about it.
- C. Either I'll decide I don't really want it, or I'll buy it and figure out how to pay for it later.
- D. If I want it, I will buy it. I can always figure out a way to pay for it.
- E. Most of the things I want are not expensive luxury items, so I can afford them. If I do want something outrageous, I may buy it, but the purchase will make me feel very uncomfortable.

13. When I'm feeling down in the dumps, spending money:

- A. Always cheers me up.
- B. Is the last thing I would do; putting some more money in savings might lift my spirits.
- C. Is not what I think about to cheer myself up.
- D. In large amounts, and hatching plans to make more money, makes me feel better.
- E. Just makes me feel worse. Spending money has nothing to do with happiness.

14. I worry about money:

- A. Not very much. I just enjoy spending it!
- B. Constantly. It's the main thing I worry about!
- C. Only when financial crises strike.
- D. A little bit all the time. But I do all I can to manage it well.
- E. Never. I worry about important things!

15. If I won a million dollars in the lottery, my first reaction would be:

- A. To be wildly excited, realizing that from now on I could buy anything I wanted.
- B. To feel shocked, a little overwhelmed, and very relieved that my future was now secure.
- C. To be totally overwhelmed – I would have no idea how to handle it.
- D. To be very happy and pleased, and to immediately start thinking about how I could simultaneously make my money grow and use it for my own enjoyment.
- E. To feel guilty, thinking about the starving masses that have nothing.

Add Up Your Answers!

A:

B:

C:

D:

E:

The letter you answered with the most is your money personality.

Please see the following page to learn more about your money personality.

NOTE:

This quiz was created by Oliva Mellan, author of "Money Harmony."

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A. Spender

If you are a spender, you enjoy using your money to buy yourself goods and services for your immediate pleasure. You probably get satisfaction from spending money on gifts for others. The odds are that you have a hard time saving money and prioritizing the things you'd like in your life. As a result, it may be difficult for you to put aside enough money for future-oriented purchases and long-term financial goals. You may spend most or all of the money you earn, and you may even be in debt. Now, it is important to realize that some people who are in debt are not spenders; they may simply not make enough money to meet their basic needs. If your own income is insufficient to meet your expenses, you are facing a real money crisis. You will have to come up with strategies to generate more income.

B. Hoarder

If you tend to be a hoarder, you like to save money. You also like to prioritize your financial goals. You probably have a budget and may enjoy the processes of making up a budget and reviewing it periodically. You most likely have a hard time spending money on yourself and your loved ones for luxury items or even practical gifts. These purchases would seem frivolous to you. You might very well view spending money on entertainment and on vacations - and even on clothing - as largely unnecessary expenses. If you think about investing your money, you tend to be concerned not with liquidity but with future security, especially during retirement. "Saving for a rainy day" appeals to your orderly nature. If you are an extreme hoarder, you may want to keep your money so close to you that you avoid putting it even in conservative investments such as money markets, bonds, or mutual funds. Some hoarders have been known to keep their money hidden under mattresses and in other secret places rather than put it in a bank. However, these cases are relatively rare. Depending on how extreme your hoarder tendencies are, you might exhibit some, most, or all of these traits.

C. Avider

If you tend to be a money avoider, you probably have a hard time balancing your checkbook, paying your bills promptly, and doing your taxes until the very last minute. You may avoid making a budget or keeping any kind of financial record. You won't know how much money you have, how much you owe, or how much you spend. You may avoid investing money, even if you do have some, because it seems like too much trouble to attend to such details. What fuels this avoidance? You may feel incompetent or overwhelmed

when faced with the tasks of your money life. If you are an extreme money avoider, you may even feel a kind of money anxiety or paralysis when faced with money tasks that resemble the feelings associated with math anxiety. Some money avoiders share with money monks the belief that money is dirty. Others have a kind of aristocratic disdain toward the boring, seemingly unimportant details of their money life. But most avoiders are more prone to feeling that they are inadequate or incompetent in dealing with the complexities and the details of their money life, rather than feeling that they are above such dirty work.

D. Amasser

If you tend to be a money amasser, you are happiest when you have large amounts of money at your disposal to spend, to save, and/or to invest. If you are not actually spending, saving, or investing, you may feel empty or not fully alive. You tend to equate money with self-worth and power, so a lack of money may lead to feelings of failure and even depression. If you hire an investment advisor or financial planner, your major concern will be finding investments with high rates of return, since you hope to make as much money as you can, as quickly as possible. You probably enjoy making your own financial decisions, so it may be quite difficult for you to give up much control to money professionals. If, on the other hand, you tend to be a worrier, too, and if you are tired of being overly obsessed with your money, you may actually welcome the opportunity to assign some of the details of your money life to a trustworthy financial advisor.

E. Money Monk

If you are a money monk, you think that money is dirty, that it is bad, and that if you have too much of it, it will corrupt you. In general, you believe that "money is the root of all evil." It stands to reason that you identify with people of modest means rather than with those who amass wealth. If you happen to come into a windfall somehow (through inheritance, for example), you would tend to be uneasy and even very anxious at the thought of the influx of so much money. You'd worry that you might "sell out," becoming greedier and more selfish, and losing sight of positive human, political, and/or spiritual ideals and values. You would probably avoid investing your money, for fear that it might grow and make you even wealthier. If you were willing to invest some of it, you would most likely be comfortable only with socially responsible investments that reflected your deeper values and convictions and that contributed to causes you would like to support.