

Ask an Expert: Five Tips to Help Couples Build Money Management Skills

Carolyn Washburn

01/15/2016



Successful couples

have learned to blend their money styles by being in harmony with the way they build a budget and spend money. So how do they do it?

Everyone has a money style. Many people love to save, others enjoy spending and unfortunately some just don't want to be bothered with thinking about money, and they are the avoiders. Often spouses are opposite in their habits, which can work well; but unless they can discuss it and make a successful plan, it can lead to arguments and dissatisfaction in the relationship.

It may have been learned from parents or developed later in life, but everyone values money differently and has a preferred style for handling it. No style is right or wrong, but how it is handled is critically important. Some regard money as a security and have a desire to save and protect it. Some enjoy spending money because it makes them feel good, and still some don't want to even open an envelope that might have a bill inside. Unless you understand how your partner values money, it can cause frustration in a relationship.

When a couple fails to communicate about how each person values money and there is not a financial plan, arguments often arise. Many unhappy marriages and divorces are a direct result of financial issues.

Couples with strong relationships have developed money management skills that work for them. For example, they set aside time each month to go over finances, talk about how they value money and set goals. Generally one of

the individuals will be the money manager; however, both should discuss and look at the plans each month. Both partners must be happy with the spending arrangement. It is important to set a budget. Then set aside 10 percent for savings, since this makes the saver happy. Next, set aside 10 percent for a charity. This makes the spender feel good and also helps him or her see the real value in money. This will also direct the avoider to make a plan and know where the money is going.

Understanding the value each person places on money helps build respect in a relationship. Both partners should have input about where the money goes.

A strong relationship will put the value of money into what makes family members happy and content. Money will be used for meeting goals and planning ahead for the future. When you can build a financial plan, you will have the freedom to work on areas of need for your family.

Consider these tips for building a financial plan:

1. Discuss how you value money and what is important (saving, spending or not discussing it). Visit Olivia Mellan's website if unfamiliar with money styles. Take the quiz at <https://www.moneyharmony.com/moneyharmony-quiz>.
2. Discuss your family goals for this year, the next five years and then for future needs and retirement.
3. Make a financial plan (a budget) where you can set aside money to save and money for charity. If things are tight, start where you can. Most financial planners will encourage you to set aside 10 percent for each of these; however, you can begin with less. Even a little can make a difference because it sets a precedence.
4. Set up a plan for your family needs and wants and review it monthly.
5. Be sure to set aside weekly activity nights for the two of you. Spending quality time together can help you discuss your financial plans in a more direct and positive way.

Relationships are fragile, and money is a major issue. It doesn't matter how much or how little you have, but how you work as a team to plan and be content with your financial decisions.

By: Carolyn Washburn, Utah State University Extension family and consumer sciences professor, 435-534-2692,

carolyn.washburn@usu.edu What Next? Get
useful tips like this as soon as we release
them. Sign up here.