

Report: The surprising truth about the new confidence trick

PSYCHOLOGIES.CO.UK

PSYCHOLOGIES

APRIL 2014 COMPACT EDITION £3.90

MAGAZINE

SCARLETT
JOHANSSON

On aliens, ambition,
and getting naked

LOVE
& LIES

Are you telling
the truth? Is he?

18-PAGE SPECIAL

Wake up
inspired

UNLEASH YOUR INNER ARTIST – YES, EVEN YOU...
DISCOVER PASSION AND PURPOSE AT WORK

+ TEST: HOW CAN CREATIVITY TRANSFORM YOUR LIFE?

BEAT THE
GYM GUILT
Get fit for life

BEAUTY

THINK
PINK

+

CLOCK
OUT!

Less drudge
more fun





“Sharing your financial details with your partner is an intimate thing. And many of us are scared our partner would love us a bit less if they knew how much we spent on shoes”

The F word

[MONEY] For many of us, our finances are private. So what happens when we enter a relationship and have to negotiate money and bills with someone else? Financial journalist **Samantha Downes** looks at common problems that arise when love and lolly combine...

PHOTOGRAPHY NATO WELTON

Financial issues are estimated to be the cause of at least a third of relationship breakdowns, and according to Relate, those couples who are able to discuss money openly and honestly are more likely to stay together.

But for many of us, finances are a taboo subject; which means that when we do end up discussing them, it's often because we're upset or resentful. So why do these financial flashpoints occur and how can we stop them from ruining our relationship? Here, financial journalist Samantha Downes asks the experts our most honest and pressing questions about the money issues we have with our partners.

Q I find money one of the hardest things to talk about with my boyfriend - both everyday things, like how we split a bill, and big stuff, like how to save for a deposit

to buy a place. As soon as I raise the subject, I feel as if I'm being materialistic and our relationship should be 'bigger' than this.

A For generations, women were caregivers rather than financial providers, and stepping out of that role means developing skills to be more assertive in this area. Simonne Gnessen, founder and director of Wise Monkey Coaching and co-author of *Sheconomics* (Headline, £8.99), says: 'Money is a contentious issue even without the dynamics of a relationship. Even an established couple, who have similar attitudes to money and what to do with it, can have problems talking about it.'

Gnessen believes this is because most of us grow up avoiding even simple chats about money, so we've never developed the skills needed to discuss it. She says: 'Chances are money was rarely discussed in your family when >>>

you were growing up, or it may have been the cause of a family break-up. All too often this is the case with my clients. I had one who, when she was seven, asked a family friend what they earned at a party. She was told off sternly and warned never to ask that question again, so it's no wonder she ended up in debt in her adult life. She'd never dared confront money since.'

Dr Jane Cox, a human behavioural specialist, says you have to introduce the money issue gently, but obviously. 'If you feel uncomfortable or a bit shy opening the topic, use the guise of a conversation about someone else, for example a friend who's buying their first home. It doesn't have to be about serious stuff. Bring up the idea of an entertainment fund to cover nights out or holidays. By approaching it like this, it becomes an open discussion which will make it much easier to talk about money as you move into the different aspects of your life together.'

Gnessen uses Money Habitudes (moneyhabitudes.com, from £11.99), card game which helps couples who have fallen out over money as 'it can act as a good ice-breaker or conversation-starter'. The cards use six different money personality types to try to help people understand their money habits and attitudes and those of their partner, too.

“We live in a world where the value of things, and often people, is, to some extent, based on their financial value”

Q My partner and I have moved in together and we're splitting the bills 50:50. I know that's fair, but he earns more than me and I feel a little resentful, as he has money left over to spend on himself at the end of the month whereas I have virtually nothing. I do more housework than him, too.

A We live in a world where the value of things, and often people, is to some extent based on their financial earnings, Gnessen points out. 'And it's natural to consider our value when we're looking at our relationships.'

'You know you earn less than your partner, but you know you're contributing in other valuable ways - after all, cleaners and cooks are paid a wage and you're doing it for free. So it's no surprise you've totted up your contribution and realised that in many ways you're doing more (if not earning

more) than your partner. Not only are you paying your way, which costs you proportionally more than your partner, but you're doing his washing, too.'

Cox adds: 'Feelings of unfairness must never be ignored because they'll have an impact on your relationship. He will end up surprised because he didn't realise the simmering resentment you feel. That's not fair on either of you. When the time is right, sit down together and draw up a list of monthly expenses. Have both your pay slips at the table, and show him very rationally that 50:50 leaves you broke and him with spare cash.'

Gnessen says the best way to resolve your salary gap is to agree to pay the same percentage of your salary into a separate account. This will cover bills, while each of you keep the remaining percentage in your own accounts for your own personal use.

Q Is a joint account a good idea? My parents had one and it worked well for them. My boyfriend and I have our own accounts and we pay different bills, but when I add up what I've spent, I feel annoyed if it's more than what he's spent.

A A joint account means pooling finances and this is something we want to avoid. Why? Deep down, we just want to be loved. 'Sharing your financial details with your partner is an intimate thing,' Gnessen explains. 'And many of us are scared our partner would love us a bit less if they knew how much we spent on shoes.'

It's also that pesky status anxiety rearing its head again - that we're not as smart or worthwhile if we earn less or have less in our bank accounts. 'Opening up finances means exposing ourselves to ridicule, or examination. How rarely do people discuss salaries, even among close friends?' Gnessen adds. 'If we think we're bad at managing our money, it can make us feel like



we have a guilty secret we don't want our partner to know'.

Cox says clients will often try to avoid confrontation so, rather than combine finances completely, they will divvy up financial commitments; where one pays the fixed costs, like the house or the car, and the other pays changing costs like groceries or gas. But, Cox points out, problems arise if you have, for example, particularly high heating bills in winter, or an unexpected vet bill, and one party takes that hit while the other pays exactly what they expected to pay.

Both Gnessen and Cox recommend a joint account for household expenses, where you both contribute a pre-agreed amount of money, or percentage of salary, into the account. 'That way, you are making a commitment to each other, but also still holding onto a degree of your financial independence,' says Gnessen.

Q I am pregnant and plan to take a year's maternity leave when the baby is born. Until now, my husband and I have earned about the same but obviously this won't be so in the future and I'm worried. I don't want to feel like I have to ask for money if I need to buy something. How can we make this work?

A Relying on our partner for money can make us feel exposed and resentful. After all, who wants to be told they can't buy that gorgeous coat they've seen when they wouldn't have hesitated to buy it a year earlier? 'The financial independence we have seems hard won,' agrees Gnessen. 'We know how hard it is to get up the career ladder and make a living.'

Having a baby will alter your relationship. The solution is to have a 'baby budget' so you keep some autonomy, and can treat yourself, without feeling like you have to ask permission. With

changes in maternity leave, you may want to split childcare between you, which means you're sharing the financial and emotional responsibility of looking after your baby. You won't know exactly how you'll feel until the baby arrives; you may not want to go back to work or you may decide to go back after three months.

Cox advises having a contingency plan so finances don't cause a flash-point. 'If you're the one at home, it may be worth your partner paying you a household budget and making a bit of extra cash available in your account each month so you can run the household and not have to ask for extra money all the time,' she says. 'A one-off transfer will take the pressure and awkwardness off both of you. When you're back at work and have a real idea of the impact your baby has had on your finances, you can adapt this arrangement to suit your lifestyle.'

FALL IN LOVE WITH YOUR FINANCES

Kate Northrup, author of *Money: A Love Story* (Hay House, £12.99), tells us how to create a loving relationship... with money

- **REPLACE 'I CAN'T AFFORD THAT' WITH 'I'M CHOOSING NOT TO BUY THAT':** The words we use create the emotions we feel. And our emotions have an impact on our behaviour.
- **DO YOU JUDGE PEOPLE WHO HAVE MONEY?** Your subconscious mind will sabotage your efforts to earn more money if you're judging

people who are high earners. Learn to embrace and celebrate abundance, so you can create more of it for yourself.

- **LEARN TO VALUE YOURSELF.** At the end of the day, write down three things you value about yourself and/or three ways you added value to someone else's life. No one will value you more than you value yourself.