Mindfulness in Spending

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What is Financial Stress?
Outline

• Financial Stress
• Emotional Intelligence
• Primary & Secondary Control
• Mindfulness Meditation
• Steps to spending consciously
• Mindfulness in spending exercise
Financial Stress

- Individuals experience financial stress more frequently in young and middle adulthood.

- Financial problems are expected to negatively influence personal development across a broad range of life domains.
  - Family development
  - Leisure activities
  - Lifestyle

- Undesirable job and financial experiences increase the risk for psychological and behavioral morbidity

(Wrosch et. al, 2000; Catalano et al., 2011)
Emotional Intelligence

- The ability to manage emotion-related issues encountered both in social and professional realms influence attitudes about money.
- **Emotional Intelligence**
  - Cognitive ability to identify, process, and manage emotions (Salovey and Mayer, 1990).
Primary and Secondary Control

• **Primary control**
  – Attempting to change the external world so that it fits within personal needs and desires.
    • primary control striving are persistence in goal striving or the investment of time and effort if obstacles emerge.

• **Secondary control**
  – Targeted at the inner world and involves individuals' efforts to influence their own motivation, emotion, and mental representation (Rothbaum et al., 1982).
    • include positive reappraisal, downward comparison, attributional bias, or goal disengagement

• **Primary and secondary control strategies are adaptive**
  – enhance and protect individuals' resources for managing prospective development by using strategies of goal attainment, (Heckhausen & Schulz, 1995, 1999).
Stress Reduction Techniques: Mindfulness Meditation

- Mindfulness is the nonjudgmental observation of the ongoing stream of internal and external stimuli as they arise through the practice of meditation
  - emotion focused coping strategy
  - mindfulness interventions may lead to reductions in pain, stress, anxiety, depressive relapse, and disordered eating (e.g., Kabat-Zinn, 1982; Kabat-Zinn et al., 1992; Kristeller & Hallett, 1999; Shapiro, Schwartz, & Bonner, 1998; Teasdale et al., 2000).
Mindfulness Meditation Major Components

- Mindfulness-based stress reduction (MBSR) program (Kabat-Zinn, 1982)
  - Developed for populations with a wide range of chronic pain and stress-related disorders.
  - Groups of up to 30 participants
  - Practice in mindfulness meditation skills, together with discussion of stress, coping, and homework assignments
    - Body scan is a 45-min exercise in which attention is directed sequentially to numerous areas of the body while the participant is lying down with eyes closed
    - Participants instructed to sit in a relaxed and wakeful posture with eyes closed and to direct attention to the sensations of breathing
    - Yoga postures are used to teach mindfulness of bodily sensations during gentle movements and stretching.
Mindfulness Meditation

- Mindfulness-based cognitive therapy (MBCT) (Segal, Williams, & Teasdale, 2002)
  - based largely on MBSR program.
  - incorporates elements of cognitive therapy that facilitate a detached or decentered view of one’s thoughts
Mindfulness Meditation and Financial Management

• The purpose of mindfulness training is not to induce relaxation, but instead to teach nonjudgmental observation of current conditions
  – However the practice of mindfulness exercises may lead to relaxation

• Social psychological variables relevant to money management decision making can be influenced by mindfulness training
  – self-awareness about financial management
  – lower rates of materialism
Mindfulness Meditations

- UCLA Mindful Awareness Research Center
  [http://marc.ucla.edu/body.cfm?id=22](http://marc.ucla.edu/body.cfm?id=22)
  - Breathing meditation
  - Body scan meditation
  - Meditation for dealing with difficulties
Mindfulness in Spending

- **Question the Desire**
  - What is the need you are trying to fulfill? Are you anxious? Do you need a distraction?
    - You must determine whether what you want to buy will truly fulfill your needs.

- **Avoid Habitual Momentum**
  - Momentum often comes from habit and impulse, resist habitual and/or impulsive spending habits and become more conscious and deliberate about spending habits.

- **Stay with Discomfort**
  - When we are able to focus on the present, the discomfort changes and attention can be given to things that are meaningful and comforting.

- **Rest in your Breathe**
  - Pause and focus on your breathing.
Mindfulness in Spending

• Offer Real Intimacy
  – You can not buy happiness
  – The desire for material things is only satisfied briefly, and then more desire arises

• Value you Life’s Energy
  – Before you make any purchase, ask yourself whether it’s worth your effort and your (or someone else’s) life’s energy

• Opt for True Satisfaction
  – There are things we need to sustain ourselves. For everything else, pause and consciously consider: Will this buy me happiness? Or will it go on to contribute to more stress, anxiety and dysfunction?
Spending Consciously Exercise
Tracking Spending Behavior

• Possible Purchase
• Reasons to purchase item
• Possible Outcome of Purchase
• Reasons not to purchase item
• Decision
• How much money I spent
• How much money I saved
• How this decision makes me feel
Thank You

Questions?