

# A Healthy Relationship With Money — is it the Holy Grail?

by Donna Skeels Cygan,  
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Donna Skeels Cygan, financial advisor and author of *The Joy of Financial Security*, stresses the relationship between money and happiness, and gives you practical strategies for doing exactly that -- becoming happier, regardless of the amount of money you make.

Cygan states "Money doesn't *buy* happiness, but it definitely *impacts* our happiness. Our attitude about money and the way we manage our money has a major impact on our overall life, and that carries over into our level of contentment and happiness. Having



a healthy relationship with money is a key step to a happier life."

But, what is a healthy relationship with money? Cygan recommends that we consider money to be a tool; a very useful tool. It can buy nice things and we need to manage it wisely. But we should not give it too much power. We should avoid becoming too materialistic or trying to "keep up with the Joneses". We need to remind ourselves that many other factors play a larger role in truly making our lives "rich". Consider the following factors:

Our relationships with family and friends (psychology research typically lists spending time with family and friends as the #1 way to become happier)

- Focusing on gratitude
- Having a sense of purpose
- Feeling a sense of contentment and satisfaction
- Leading a healthy lifestyle
- Giving back
- Nurturing our creativity

If the above topics impact our happiness, what strategies does Cygan recommend for managing our money wisely? Here are a few:

Determining how much you save now, and increasing it gradually until it is 15-20% of your gross income

Filling out a net worth statement so that you know exactly where you stand. You might be pleasantly surprised! <http://joyoffinancialsecurity.com/tools/>

Having a six month emergency fund

Analyzing your investments – is the asset allocation appropriate for your comfort level with risk? Are the investments diversified? Are the expenses low? Is the

performance strong? Have you "weeded your garden" (discarded the investments that are not appropriate?)

Are you creating three tax buckets? (This can significantly reduce taxes in the long-term)

Are you taking advantage of the extraordinary benefits of a Roth IRA?

Cygan offers many strategies for taking control of your money as well as becoming happier. She states "I think it is exciting that we have control over the way we handle our money and we also control roughly 40% of our happiness. The remaining 60% is impacted by genetics and our environment. In her personal life, Cygan admits that she hasn't completely conquered the "happiness thing." She has been chipping away at bad habits and implementing many of the happiness strategies that come from psychological research. Although many of her bad habits (such as being a workaholic) are deeply ingrained, she is seeing progress. From her personal experience, she is convinced that becoming happier is a journey.

Most people have room for improvement when it comes to their finances, but we can all benefit from becoming happier! Cygan has you covered on both fronts.

#### *About the Author*

*Donna Skeels Cygan has been recognized as one of the top financial advisors in the U.S., and has been quoted in many publications, including The Wall Street Journal, the New York Times, Forbes, Kiplinger's, Newsweek, and Investment News. She is the president of Sage Future Financial, LLC in Albuquerque, NM, serving clients across the U.S., and is the author of The Joy of Financial Security. [www.joyoffinancialsecurity.com](http://www.joyoffinancialsecurity.com).*