

## Tips For Managing Your Finances - After The I Dos

It doesn't matter whether you are a mature couple with independent careers or high school sweethearts getting married after graduation. One of the biggest problems that you'll face in your adjustment to married life is guaranteed to be... managing money together.



Incompatibility of financial management styles, goals and spending habits is a major cause for many divorces. It's not just a matter of not having money to pay the bills - although that does cause stress and friction in a relationship. Many of the couples who fight about money have more than enough, they just can't agree on how to spend it, what future needs to save for. Believe it or not there are couple who fall apart trying to decide what kind of stocks to invest in.

After the wedding bells stop ringing and the bills for the dress, flowers, photographer and honeymoon arrive, many newlyweds find their physical and emotional compatibility may be trumped by their financial incompatibility. The financial transition from "I" to "We" can be easier if you are prepared for the bumps in the road.

Money is a major sticking point in many new marriages and the number one cause of divorce and marital fighting. However, it doesn't need to be. Sam Goller and Deborah Shouse, co-authors of the new book "Yes, You Can . . . Achieve Financial Harmony," help newlyweds align their monetary values and beliefs to create a thriving marriage.

"Communicating about money is one of the top challenges for even the most open and articulate couples," Shouse explains. "Before you can build a financial foundation that supports your wants and dreams, it's necessary to understand what goals are important to you and your partner and why they are important."

Open communication is just the beginning. In their book, Goller and Shouse offer the following 10 tips to help couples achieve financial wedded bliss:

1. Come clean before tying the knot. – Avoid a fight about money after the honeymoon by talking about your individual financial situations before the wedding bells ring. If you are coming into the marriage with student loans or hefty credit card payments don't surprise your new spouse with the news after the honeymoon!
2. Spend time talking about money memories. – Most of us underestimate the impact our upbringing and traditional roles have on our current financial decisions. Sharing and working through emotions from the past can relieve tension in the future.
3. Know when to pursue a money conversation and when to stop. – People who are tired, hungry, cranky or involved in cooking dinner aren't in a good frame of mind for holding meaningful money conversations. Talk about money issues at a time when you're both rested and mentally available. It might help to schedule a regular monthly date to chat about where you are financially as a couple. Don't make it the same time that bills are getting paid.
4. Figure out what counts. – Prior to formulating a financial plan, talk about your priorities and what really matters to each of you when it comes to money. This may be an area where each of you need to compromise a bit to fit each others spending styles.

5. Find your missing dollars. – Before you can spend your money in a way that gives you the greatest pleasure and helps you meet your goals, you have to understand your spending habits. Consider keeping a spending journal to find out where your money really goes.

6. Eliminate credit card debt. – The average American has more than \$8,000 of credit card debt. Newlyweds can't afford to fall deeper into debt than they already are. Make paying off credit card debt a top priority starting with the cards charging the highest interest rates.

7. Create an emergency fund. – What if a financial emergency strikes? Three steps to get you started on an emergency fund are:

- \* Determine how much you need.
- \* Figure out how to consistently save.
- \* Find a safe place to put your savings.

8. Find a system that works for both of you. – Maybe it's sitting down together each month to pay the bills as a team. Or maybe one of you is better at handling expenses than the other and prefers to do it alone. Find a system that works with your needs. Another source recommends setting up a joint account for joint expenses and a separate account for each of you that gets a regular deposit to cover personal needs, spending sprees or gifts for each other.

9. Don't stop talking. – To enjoy continued financial success as a couple, it is necessary to continue your money conversations on a regular basis. Again, many experts recommend sitting down with your spouse monthly to make sure you're still on track.

10. Personal growth. – Spending doesn't always have to be money. One of marriage's greatest rewards is spending time together. Learning and expanding your horizons as a couple or with friends can offer greater returns than any purchase. Plan activities that are fun and easy on the budget. Sharing simple household chores can work to draw a couple closer. Try picking a delicious new dinner dish recipe each week and doing the cooking and prep together for a romantic meal that you shared making.

"Achieving financial success doesn't have to be stressful, but it requires determination," Goller says. "Newlyweds have a huge advantage when it comes to investing for the future – time. By taking the time now to build a solid financial foundation, attaining financial independence is a real possibility."

<http://www.chiff.com/a/wed-newlywed-finance.htm>