

Black History Month: Bad Money Habits - 02-17-2011

by vcmorris - The Thin Pink Line Blog: women and work, women and leadership, women and careers, women and negotiation, women and money, work/life balance - <http://thethinpinkline.com>

Black History Month: Bad Money Habits

by vcmorris - Thursday, February 17, 2011

<http://thethinpinkline.com/2011/02/17/black-history-month-bad-money-habits/>

As an African-American woman, wife, mother, grandmother and financial literacy advocate/activist ... please hear me *roar!* Sister/women of color: you can't afford to keep bad money habits anymore.

I wrote the following post a year ago. I'm posting it again because circumstances outlined here haven't changed enough to make me feel that women of color are getting this message.

For everything there is a season. Make this Black History Month February 2011 your starting point. Now repeat after me your new money mantra: *Black is beautiful but being in the black is my financial state of mind.*

As a group Black women tend to remain steadfast in our spending habits despite the crumbling economy. Why? Yes, we are trend setters and influencers who are more likely to shop impulsively and spend to cheer ourselves up. But the systemic problem is we've not been taught good financial habits and we have some deeply cultural bad money habits that put us behind the savings curve and negatively impact our ability to save.

- Our retirement accounts, stock/bond portfolio and mutual funds holdings are lower than other women of other races.
- Budgeting isn't a high priority or not done correctly.
- Most purchases are made on credit cards – which is a good way of keeping track with those yearend statements that categorize spending for you but credit card spending tends to mask seeing the economy and one's personal money circumstances clearly.

Those are the circumstances that make the road to your long term financial stability – longer.

There's another dynamic at work in the hearts, minds and pocketbooks of Black women: generosity.

As a group, we tend to be steady and generous contributors to family and church money needs. This long held and deep seated sense of obligation has put many women of color behind the savings curve and negatively impacted our ability to save. I'm not judging what you do with your money. I'm just advocating knowing why you've made that decision. And what are the ramifications (good or bad) for you. We must recalculate our relationship with our money, who gets it, when, how and how often. And I advocate that the recalculation begin with a mindset that will be new to many African-American women: *pay yourself first*. That means *every time* you get money, put something away (savings) for yourself. The amount isn't as important as the discipline.

Overwhelmingly, when I give a keynote or seminar on the importance of women becoming comfortable with their personal money – almost every Black woman regardless of age tells me: *"I wish I'd learned more about money and investing growing up."*

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My goal this Black History Month 2011 is to let my sister/friends of color hear me **roar!** You can't afford to keep bad money habits anymore. And we can't afford to pay them forward to future generations of girls and women. Mind over your money matters. Get out of the cycle of overspending and not saving. Being Black is beautiful but being '*in the black*' should be your financial state of mind.

My book "Mind Over Money Matters: It's Your Money So Take It Personally"™ is available at Amazon.com <http://www.amazon.com/Mind-Over-Money-Matters-Personally/dp/0982758812/> for Kindle and to pre-order the hardcover book.

Here's to your health and wealth.

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