

The Financial Harmony Podcast

Episode 10

How These 4 Emotions Can Stop You From Achieving Your Goals

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Hello and welcome to another episode of the Financial Harmony Podcast. This is episode number 10: How these 4 emotions can stop you from achieving your goals.

In today's episode I'm going to have a closer look at what some common emotions are that we experience when it comes to money, and what the best way is to deal with them to make sure that they don't impede our progress.

As much as we like to distinguish between logic and emotion and believe that we can make decisions purely based on reason and knowledge without being influenced by our own feelings and sentiments, we are influenced by our emotions a lot more than you might think. The field of emotions is a fascinating part of our human minds, and as they have such a big impact on our daily lives and decision making, I wanted to dive into this topic more and uncover some common emotions that you too might have experience with, and talk more about how to become aware of these emotions, with the ultimate goal to make sure we don't let them stop us from reaching our dreams and our goals.

Just a heads up that this episode has once again a free download you can get in the show notes on ingenataliehol.com/episode10 where you can find a quick list and all the tips of what I am going to talk about today in a document you can download for free.

So let's start at the beginning, which is why emotions have such a big influence on our behaviour and decision making. As a trained neuropsychologist, I am going back to my roots here for a moment and talk a little bit about how our mind works, but don't worry I'll try and keep this as simple as possible.

Our human brains essentially consist of three main parts.

- The first one is our brain stem. This is our most fundamental part of our brain and it controls most of our automatic functions. Think about breathing, our heart rate, our body temperature control and our sleep cycles. Our brain stem is at the base of our brain and is



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directly connected to our spinal cord that sends messages up and down our body.

- The second part of our brain is our cerebellum. This part of our brain is positioned just above our stem and is principally responsible for such things as movement, muscle coordination and balance.
- The third and biggest part of our brain is the cerebrum or cerebrum in American English, which is a very complex structure with many different sub structures and functions including our senses, language, memory and learning skills. There are the deeper structures here that are believed to be responsible for emotions, memory, attention and pain awareness, all the way up to the higher cortex, or grey matter areas, that are involved with higher level thinking, planning and impulse control.

Now why are we going into the anatomy of our brain? (apart obviously from the fact that I find this fascinating?). Well scientific studies have shown that the areas of our brain involved in more complex and higher level tasks, such as language, planning and memory, evolved later than some of the deeper and basic structures, including those involved with emotions, which are therefore older from an evolutionary point of view. Another difference here is that our emotional system is much faster at processing information, often unconsciously, compared to our much slower, conscious system that is located in the cortex and able to analyse information more rationally.

If we look at this from an evolutionary perspective, our emotions were huge factors in our ability to survive. So if we saw a big sabertooth tiger for example, or a poisonous snake, our bodies made sure that we reacted instantly because we felt fear. This is exactly the same process that still protects you today from a car that races down a road and is about to knock you over. Your body instantly makes you feel scared of the approaching vehicle, which allows you to react instinctively, before you have even consciously become aware of this, you can jump out of harm's way. The rush of adrenaline you feel afterwards is all to do with the fact that the fear causes other parts of your body to be able to get into action immediately, so certain hormones got sent out at a speed you can't even imagine, your muscles got into action and your senses were all ready to get you out of danger. Imagine you had to wait for your slow, big analytical brain to sort this out for you! You would have been run over about 30 times probably before that part managed to get all rolling and get its messages out to the various parts of your body to get moving.

This combined factor of the emotional system being older, and it being faster and more unconscious, compared to our conscious analytical mind, means that emotions have a far bigger influence than we like to think on our decision making. The fact that we are often unaware of their influence, because they are processed at an unconscious level, provides us with a huge challenge if we want to look at the affect our emotions have on behaviour.

I hope this all makes sense, but don't worry, you don't need to remember the details of the brain structures! It is just to highlight how much our emotions are super powerful when it comes to getting us to do things, whether we like it or not, and that we often aren't aware of this ourselves. As they don't manifest themselves most of the time, or at least not in a simple way.



The good news though is that you can become more aware of your emotions if you know what to look for. And once you are more aware of your emotions, you can help your brain to take them into consideration when it is trying to analyse or plan or organize your financial life. Some of your emotions might be sabotaging your progress when it comes to personal finances and pursuing financial harmony. And these emotions can be a little sneaky because they can influence your actions on a subconscious level, as we just saw.

The thing is some people when they hear about being influenced by emotions, they instantly think about the feeling of sadness, or the stereotype of women crying. I think this is typical of how emotions can have a negative connotation and why you might feel your emotions need to be put secondary or be ignored, as many people see them as inferior to our more grand and important logical abilities. I have definitely over the course of my - especially work life - heard enough of the argument that women cry so easily if they are upset, and whether that is true or not, comments like this keep the idea that emotions are negative alive. So let's move away from that, and look at emotions at a deeper level.

So now that we have the neuroscientific background out of the way, let's have a closer look at some of the most common emotions, you might feel when it comes to money management and financial harmony. As I said if you are able to become more aware of your emotions, then you can harness the power of those emotions and turn them into more constructive contributors to your journey, instead of allowing them to sabotage your efforts.

There are some different opinions amongst scientists in terms of the classification of emotions, but most would agree that there are 4 or 5 so called basic emotions that we human beings experience. These emotions are the most pure and strong ones that we can feel and are at the base of pretty much all other emotions. These basic emotions are anger, happiness, fear, sadness and those that add a fifth one also name disgust. So anger, happiness, fear, sadness and then disgust. All the other emotions that we experience, such as surprise, terror, excitement, envy, grief, apprehension or shame, to name just a few are all derived from these basic emotions in some shape of form.

Again you don't need to remember so much of this, but just to give you some context in terms of our emotions. So let's have a look at the emotions that are most commonly associated with personal finance and that can seriously impede our progress.

The first one of this is fear. Fear is often associated with worry and I am sure that we've all had or still have probably times that we worry about our finances or about our future. Fear is often a reaction to a threat, whether that is a real threat or an imagined one. And that is why worrying can have such a devastating effect, as we often worry about things that aren't actually real or haven't yet happened.



Let's look at some common fears when it comes to money.

- There is fear you will lose something. Your savings, your income. Having to declare bankruptcy.
- Fear you won't be able to achieve your goals or being a failure. Maybe that's why you're not setting yourself big goals or allowing yourself to dream. But it might also be a driving force behind not investing in your retirement or not setting aside money for your child's education. Fear stops you from trying and failing.
- Fear of the unknown, and this can stop you from pursuing your dreams or trying new things such as starting a business, investing in the stock market or pursuing a promotion.
- There's fear of what others might say. For example if you don't have the latest gadget. Or if you choose to set up your own business or if you decide not to be a stay at home mum. Or the other way around.
- Then there's fear of success. And this can actually be a really powerful one. What if you did become successful? Pursued your dream or made a 6 figure income? How would that change your relationships with your closest friends and family? And how would it change your life beyond what you had envisioned?

Now what to do when you experience fear? Fear is one of the most powerful emotions. If you remember, it is one of the basic 4 emotions. That's because it does such a good job at protecting us. But it also does a brilliant job at stopping us moving forwards. In fact, several studies have shown humans experience loss aversion, meaning that we prefer to avoid the risk of losing something we already possess over the option to gain something of the same value that we don't yet have. So fear holds us back when it comes to moving forward.

Fears are often based on something, but when unaddressed and unexamined, they have a tendency to become bigger and more powerful with time. Leading to even more inaction from our side. So the best thing you can do if you experience fear, is first of all examine your fears and analyse them. Find out what is at the base of them. Logic and planning can take a big part of the fears away, even if not altogether, they will likely reduce in power. A little bit of fear is okay as it can motivate, but too much stops bringing out the full potential in our life or in us. So tackle the fears by taking small steps to address whatever lies underneath.

And that takes us to the second emotion that people often feel when it comes to money: which is envy. I spoke rather openly about this topic in [episode 7](#) of this podcast, where I mentioned how I started off on my own personal finance journey in part because I felt envy towards some of my friends in terms of their financial situation. Envy can turn into an ugly emotion if left unchanneled. And it is certainly a hard process to admit if you feel envy, as it's not a very flattering emotion, especially if this is towards people you love and care about. As most of the time, it's not that you begrudge them for their situation or their money, it is just that you also want to have what they have. Envy can also lead you to make decisions that are against your better judgement which can have big consequences with regards to your financial health and future. This can happen when you see your neighbour with a flashy new car, and you feel you want one



too. Or when you log in to your social media and see your friend's holiday photos in an exotic place, then you want a luxurious holiday too. You end up spending on things to keep up with others, when in reality you might know you should be investing in your retirement fund or enjoy working on making your side hustle more successful. In fact, you have no idea what your neighbours' financial situation looks like, most likely. They might or they might not have any savings put aside for when adversity hits. So don't try and keep up with the external, superficial things that you can see, but make sure you gain clarity on your own priorities and goals that you want to spend on.

Let's again have a quick look at some common examples of envy when it comes to money management:

- So you can feel jealous of other people's financial situation and feel you deserve at least the same or even more than them. Maybe because you've worked harder or had a more challenging time or some other reason.
- Or you try and keep up with people around you by buying things you don't really need or even want. Or you try and outdo them by buying bigger, more or more expensive.

So what can you do when you feel envy? If you're brave enough to admit that you feel envious towards other people, then you've taken a big step already. As I said before, envy is not an emotion we like to admit we feel as it's not considered a very positive one. A powerful thing to remind yourself of is that while you are envious of other people, there are likely others who are envious of your situation. If you don't think there are people who envy you, then start practicing gratitude for all the things you do have. You might have less money than your neighbour, but you have money. Have a look around you, either close to where you are, or further afield, as the world is full of people who'd love to have a fraction of the money that you have. Do you have a house, clothes, food, an education, access to health care? Any idea how many people don't? Extend your gratitude to not just the physical possessions, but think about other things you are blessed with too. A partner, your family, your pets, love, friendships, living in a war-free zone.

Now I also think that just like any other emotion, envy isn't just negative. I myself felt jealous of some of my friends' career progress and promotions, with of course the accompanying pay rise, but once I was finally able to admit those feelings, I used that to have a good think about what I wanted and how I wanted to progress. And thanks to that, I started working on a new project, which has given me more joy and satisfaction than I ever expected, and which with time I know will provide me with the money I want. So if you feel some envy, then try and put that energy into working towards your goals. And that may well be something else than that new fancy car, but something you truly care about.

Okay moving on to the third emotion, which is shame. I think this is a huge one. We feel shame when we are embarrassed about something that we have or haven't done in the past, and when we look back on it now, we judge our behaviour very negatively and we can feel inferior or worthless. When it comes to money, shame is often to do with mistakes that we feel we made. We feel others



will judge us on these mistakes and we'd rather not talk about them and hope nobody ever finds out about them.

Again I have shared some of this before, but I had no idea how my mortgage really worked, how much interest we were paying and why I had a life insurance, until after I had had my mortgage and that insurance for about 7 or 8 years, when I decided to actually go and find out the details and what this meant for my finances. So I felt shame, because I had committed to a huge financial agreement, which was my 30 year mortgage, without me fully understanding what it all entailed. On top of that I now feel ashamed as well, as a personal finance author and coach to even admit this. As supposedly I know these things! Well I do now, and luckily I now know a whole lot more about personal finances too, but there was a time when I didn't. And I know what that feels like and I know what shame feels like.

But we can also feel shame when it comes to money out of insecurity when it comes to money. Something as "simple" in quotation marks as money, shouldn't be such a problem after all, right? Why else did we never learn anything about personal finances in school or are we able to get a mortgage for big amounts of money, if it weren't for the fact that surely money is just easy? Well managing your money isn't all that easy if you don't know what to do or if you have never been taught. So it's kind of normal if you feel insecure about that side of your personal life.

So here's some common topics you might feel ashamed of:

- Having raked up too much debt
- Not saving, not saving enough money or not having started saving earlier
- Not earning more money
- Spending more money than you know you should on something
- Not understanding something
- Being the only one in your group of friends who isn't investing in the stock market, or in bitcoins
- Not being able to negotiate better conditions at work

I think this list can go for a long while probably, but you get the idea I am sure.

Not knowing something or not being honest about a specific situation you are in, can really hinder your progress when it comes to taking action. But, just like with the other emotions, admitting is the first step. Work towards forgiving yourself for your mistakes made in the past. That was then, now is a new time, and you won't achieve anything by dwelling on the past. Begin to let go of your shame and the negative thoughts you feel towards yourself. And use what you've learned to avoid making the same mistakes in the future. Stop shame from stopping you becoming better.

Moving on to the fourth emotion on our list we find anger. Again if you remember this is one of the 4 basic emotions I talked about at the very beginning of this episode. Now why would anyone



be angry when it comes to money. Anger is in a way you blaming others for your situation. You feel you deserve something, which you were denied or don't have because something is stopping you from reaching it.

Here are some common things you might be angry about:

- Your parents for not teaching you about money
- Your boss for not giving you that promotion or declining your request for a pay rise
- Covid 19 for destroying your company or your job
- Your partner for not making more money
- Yourself for being irresponsible with money
- Your government for the high taxes that you're paying
- The world in general for the situation you're in
- Or your clients, for cancelling their agreement with you

Anger as said is a really powerful emotion and can turn to destructive and violent behaviour. But anger is often a consequence of feeling upset, because you were hoping to get something, that you didn't get, or feeling annoyed or frustrated with a situation. If you can dig under your anger and find out exactly why you are angry, then that can provide a starting point towards a new approach. And blaming others or a certain development, won't result in anything but a continued feeling of frustration or anger. Instead of focussing on the outside world, see what you can do to improve your situation.

I also know from personal experience, that this is easier said than done. After 10 long years of working really hard, the company me and husband had set up and which finally turned a corner in 2019 / 2020, was - unfortunately like so many other businesses - hit incredibly hard by the covid crisis, when suddenly 80% of our monthly income was wiped out from one month to the next and we were no longer able to offer our service. Of course I felt, and - as at the time of recording this we are almost a year later and still in pretty much the same situation - I still feel, anger at the virus, anger at the way we were hit so badly, anger that as an entrepreneur in Spain I got almost 0 help from the Spanish government and help was only available to employees or big companies, anger at other people who felt the need to heavily socialize over Christmas whilst me and my husband kept our little bubble and now infections again are soaring and we're looking at new restrictions again. Sometimes this anger is understandable, and sometimes it is totally out of context, based on poor information or just based on my own frustration. Of course it's nobody's fault that I am in the situation that I am in. It's just an unlucky mix of circumstances. The anger won't help me, if anything it paralyses me to take action. The days that I feel anger, I don't do much, I'm unproductive and unhappy. The days that I try to redirect my anger and channel it in a more productive way, I feel inspired to do things, excited about a different future than I had originally envisioned and grateful for the 1,000s of things that Covid hasn't taken away from me.

Is that hard to do? Yes, for sure. Some days I really struggle. But some days I manage to flip my negative energy around and it becomes a drive to fuel my passion and work towards being in



control of my life again.

Okay so these were the 4 emotions most commonly associated with money that can stop you from moving forwards, from achieving your dreams and from feeling confident about your financial future. I don't want to say that these emotions are all negative, as I also think they can, if recognised, and channeled and expressed in the right way, also lead to positive things. But if undetected they can certainly have a negative effect on you and your finances.

So the 4 more common money emotions are:

- Fear
- Envy
- Shame
- Anger

Now going back to the very beginning again when I described the 4 or 5 basic emotions, you might remember there was 1 emotion that was let's say positive. And that was happiness. Happiness can come in many different forms. Joy, excitement, optimism, anticipation, love. When I described the 4 most common money related emotions, I gave you some specific ideas on how to address these emotions. But knowing that happiness is also one of the basic 4 or 5 emotions, I can really say that trying to channel your emotions towards a positive outcome, can be a super important strategy to help you turn your emotions into your secret power. But you have to be very careful that you don't go and suppress the original emotion. So your aim isn't to replace your anger with joy, but to accept your anger, and start redirecting all that energy or emotion that you feel towards a more positive cause or outcome.

I described how I can feel real anger with the whole covid situation. Other times I also feel sadness for all the worry and destruction it has done to other people. And sometimes I just feel dejected. Anyway there are lots of things that we all feel I am sure. But the anger I feel was eating me and my positivity away. And it slowly started to destroy more than just my company, but also me and my outlook on things. I have, with quite some time and effort and energy, been able to, most of the time, channel this into a more positive outcome, which is firstly this podcast, which 100% is a direct result of the covid situation, as well as my really exciting plans for my business. So I still feel anger of course, and I can't always instantly get out of that, but I am now much better and quicker at turning that anger into a more positive outcome and channel it into something that makes me feel excited, joyful and optimistic.

If you ever feel any of the emotions above, with regards to your money, then I would like to encourage you to think about this all a little more. Find some time to really uncover some feelings and then use these tips to try and stop those emotions hindering your goals and your journey to financial harmony.

I hope this all makes sense. And I think that was all I wanted to talk about today, remember to



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check out ingenataliehol.com/episode10 for your free download with this episode which has a quick recap of these emotions and the simple strategies to counter their effect..

So that was it, the end of this episode of the Financial Harmony Podcast: How these 4 emotions can stop you from achieving your goals. I hope you enjoyed it, make sure to subscribe and I'll see you next time.



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