

Stressed Out America

Special Edition: Resiliency During Tough Economic Times



Your family, your friends, your coworkers - probably everyone around you is experiencing some level of stress related to the economic troubles in our country. You might be concerned about your retirement fund and your dwindling savings account or your increasing headaches and lost sleep, and we understand. Education and information are the keys to becoming resilient. With that in mind, we've compiled this special newsletter with information to help you understand how to better manage your stress and your debt during these trying times. As your Employee Assistance Program, CONCERN is here to help. Please feel free to contact us at any time for additional assistance, (800) 344-4222.

Financial stress is extremely common. A recently released poll by the Associated Press shows that financial related stress is resulting in physical health problems for millions of Americans.

We all know that stress is not a good thing and can do harm to both our bodies and minds. Financial stress is extremely common right now and for many people, knowing how to manage stress is nearly as important as knowing how to manage their finances. Much like personal finance, the key is to have a game plan so that that you stay in control.

Your stress game plan can be broken down into three options. Each option offers you a way to stay in control. You may not be able to use each option each time, but you can rely on at least one of the three for any given situation.

Three step plan for dealing with stress

1. Change the situation
 2. Change thoughts about the situation
 3. Change body's response to the situation
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1. Changing the situation is a huge undertaking because there are so many things to deal with. To make this less overwhelming, prioritize. First, list out the stressful situations. Then ask yourself, which can you change to reduce the stress and which can you do nothing about. Those that you can change do, those that you can't, don't waste your time trying. Move on to your other options.
 2. Change your thoughts. When many life events are going on, people often become overwhelmed and the thoughts get larger than the situations themselves. They go from "I can't deal with my financial problems" to "I can't deal with my

Continued on next page.

Featured Articles

- ▶ Your Family's Mental Health During an Economic Downturn
Developing Resilience in Tough Times
- ▶ Healthy Habits Tips- Couples Talking About Finance
- ▶ Establishing a Successful Spending Plan
- ▶ Negotiating with Creditors





Continued from previous page.

life.” Don’t let the stress thoughts take over-again, you need to prioritize. What are the situations? Which ones are most stressful? What are the thoughts associated with those situations? Write down the situations and what your thoughts are about them. Look at what you wrote- are there other explanations that are less stressful and less negative?

3. Change your body’s response to the stress. When there are many stressors, it can put your body into a perpetual stress response. Learning how to keep your stress levels in check is essential. Progressive muscle relaxation, meditation, and other forms of relaxation exercises are important. The simplest thing you can do is to pay attention to your stress levels throughout the day- every hour if possible. Take a minute to breathe slowly and deeply. This will prevent the stress response from getting out of control.

You also need to pay attention to your health. You need to eat right, exercise, and sleep. This may be hard, but by not doing it, all you are doing is weakening your body’s ability to respond to the stress.

When things get crazy and life seems to be out of control, you need to take control back: Stop, prioritize, and focus on your stress game plan. Which situations can I change? Which thoughts can I change? How can I modify my body’s response to the stressful situations? Hang in there. If you take control of your stress response, you will see that you have more physical and emotional strength to deal with your other life situations.

This article is derived from:

<http://www.drjoshk.com/>

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Your Family’s Mental Health During an Economic Downturn

Developing Resilience in Tough Times

Everywhere we look these days, there is more stress-inducing news about the state of the economy. Many families are facing lay-offs, reduced hours, or loss of overtime, while some are losing their homes. This is a time of increased anxiety for some, grief and hardship for others. We are all looking for how to ‘cut-back’ to weather the economic storm. This article is written to provide information about how to protect your mental (and thereby physical) health during our economic downturn.

First: Take the Best Care of Yourself That You Can

This sounds obvious; of course all of us want to make our health a priority. However, recent data indicate that people are postponing or avoiding important medical and psychological care. It can be tempting to cut mental health care from the family budget, yet this can be a mistake with serious consequences. It is critical to consider your mental health as much a priority as your physical health. We often underestimate the impact of our mental health on our day-to-day functioning. People are often surprised to learn that according to the World Health Organization, the second greatest cause of missed work days across the world is depression*. The impact of mental health disorders on work exceeds that of many diseases and chronic conditions we typically associate with missed days, such as arthritis

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or asthma. Additionally, many physical problems have mental health components. Conditions such as fibromyalgia, migraines, back pain, obesity, and diabetes can respond well to combining psychological treatment and medical care.

Even without physical problems, the anxiety brought on by economic woes can be toxic. In times of increased stress, people are more likely to argue with spouses, physically abuse children, and turn to illicit substances or other destructive behaviors in an attempt to manage anxiety. Anxiety can bring out the worst in us. When we are overwhelmed, we may lack the resilience to meet the demands of bad economic times, such as working extra hours or caring for an aging parent at home. Anxiety and depression interfere with our sleep, leading us to be tired and irritable. When we are sleep deprived, we are more likely to do and say things that we would not if we were feeling better (e.g. lashing out at our little ones or driving aggressively). Such maladaptive behaviors only make our problems worse, which in times of economic depression can make the difference between being able to 'sink' or 'swim.' Anxiety and depression are conditions that respond best to a combined approach of psychotherapy and medication for most individuals.

We must not consider psychological care a luxury. It is far from selfish to make our own mental health care a priority, especially for those of us who have families. Our spouses and children are counting on us to function. Trying to ignore our own need for mental health care (or couples treatment) may save money in the short term, yet it will hurt everyone in our family if we are angry, depressed, anxious, or hopeless. I often use the analogy of the air masks on a plane. Remember how the flight attendant tells us to put our own mask on first before helping others? We cannot help our loved ones if we do not take care of ourselves as well. Our children will benefit most from having parents who can cope, far more than they ever will from having expensive toys and outfits.

Second: Help Your Children Become Resilient

Your children are hearing the same media messages you are, yet they have limited understanding of what the information means. Children tend to have very concrete concerns in times of crisis. For example,

they may see their parents fighting about money, and worry that they are going to get a divorce. A 'tween' girl may sulk about not being able to shop at the expensive, trendy store even after you explain that you cannot afford it. Children may ask if they will have to move out of their house, or worry that they will not be able to keep the family dog. When you talk to your children about economic matters, remember to address their very practical concerns using simple language. If you do not know how to answer a question (ones such as "Why are you and Mommy always fighting?" or "Why doesn't daddy go to work anymore?"), ask your child what he or she thinks the answer is before you respond. You may find that your child knows what is going on, and just wants reassurance. You may also find that your child has come to a completely illogical conclusion about events, such as believing that the problems are his or her fault. Reassure your child about irrational fears, and give very simple, basic answers about what is going to change or happen. Kids usually need more reassurance than they do details. Your child may need you to explain things again and again before they understand, so do not be afraid to repeat yourself often. Make sure to give extra affection to comfort your children.



If your child is over five, he is likely to respond well to being able to do something to help. Kids will develop a sense of pride about pitching in to help the family. Children can perform helpful tasks such as clipping coupons, looking out for sales, or helping you make choices about what to buy in the grocery

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store. Children can do an excellent job playing detective by identifying wasted energy or water. Your children may surprise you with their tolerance for changing spending habits if they feel a part of the decision making process. For example, let older children determine how to spend money allotted for treats or entertainment. Instead of “No! I told you ten times that we can’t afford those cookies anymore!” try “Well, we can get that brand if we decide to go without chips. What do you think of that?” Children can help you select clothing or toys to consign and give to families in need. They can plan garage sales. They can help you fix things around the house. Older children can earn extra money by helping neighbors with pet care or lawn work. Ask your librarian for books about families going through tough times (the *Ramona* books by Beverly Cleary are terrific; those of us who were girls in the early 80’s remember *Ramona* ‘scrimping and pinching to make ends meet’). With the help of books and movies, you can help your children to develop an attitude of teamwork.

Finally, Acknowledge That Your Children’s Feelings About Having Less Are OK

A child may not be happy about not getting an iPod, but that does not mean your child is spoiled, just human. Nobody likes to do without. Let the kids do a little venting here and there while you listen without being judgmental. Encourage daydreaming. It can be fun to play the ‘what if we won the lottery tomorrow . . .’ game. You, the parent, will set the tone for turning their attention away from material things and towards what is important in life, like play, friends, and family time. Many people who live through difficult times emerge with a sense of achievement, because they met and mastered a challenge. Tough economic times can force us to teach our children important lessons about their own abilities.

[*http://www.who.int/mental_health/management/depression/definition/en/](http://www.who.int/mental_health/management/depression/definition/en/)

Please Note: It’s important to remember that counseling and work/life services are offered through CONCERN: EAP at no cost to you. You pay nothing for an opportunity to speak with a professional and work through the challenges that impact your work and personal life. Call us at

1-800-344-4222 to request information about the services available to you and your family. Remember CONCERN: EAP is available to help you through tough economic times.



Healthy Habits Tips - Couples Talking About Finances

With the current financial crisis, Americans are feeling the stress and strain of an economy whose future is uncertain. Financial worries are one of the most common topics of arguments among couples and very often, financial disagreements can be the pre-cursors of divorce. Given the current economic environment, couples more than ever need to make financial discussions and arguments productive. Here are some simple strategies to make the most out of your financial discussions. These tips are drawn from the work of Dr. John Gottman (www.gottman.com).

- 1. Keep your cool - One of the most important things to remember is that when your emotions are flying, be it anger, sadness, frustration- you can’t think as clearly. Take a minute or 2 or 10 to calm down. Then start to talk.

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2. Soften your "start up." Arguments often "start up" because someone makes a critical remark or talks in an angry tone. Try to bring up problems gently and without blame.

3. Don't be a mind reader. Talk about your feelings- not what you think your partner is feeling. Start your sentence with the word "I" and focus on identifying what you're feeling and why.

4. Think - then speak. It's common sense- but remember, once the words are out- YOU CAN'T TAKE THEM BACK. Remember the goal of the conversation is to solve the problem not to "win".

5. Repair before exiting. Bottom line here is don't let the argument get out of control. Do something to end on a positive or at least neutral note. (So doing things like changing the topic to something completely unrelated, using humor or offering a positive comment, let your partner know you are on the same team. Finally, back down if it is needed- yes, sometimes it is much better to back off than to stand your ground.)

Dealing with the financial crisis requires the patience of all of us as individuals. Healthy discussions and arguments will help couples navigate these difficult times.

Article courtesy of:

<http://www.drjoshk.com/>

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Establishing a Successful Spending Plan

Financial planning and financial stability begins with a well-prepared spending plan. Your spending plan measures how your *actual* expenses match your *desired* expenses, and is also a guide to future spending, promptly paying your bills, and maintaining your good credit.

A Family Spending Plan Is Critical

- 80% of all divorces in the U.S. are related to financial disagreements or difficulties.
- Americans have accumulated \$400 billion in consumer debt. The average household has in excess of \$20,000 of non-mortgage debt. (25% of all consumer purchases are by impulse.)
- Only 3% of Americans have a plan for retirement.

How To Establish a Spending Plan

The following suggestions are helpful in preparing your spending worksheet and establishing a successful spending plan:

1. Use your *actual current income*, not income from overtime, bonuses, or other sources.
2. Identify debts vs. expenses.

A *debt* is a bill that can be permanently paid off: car

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payment, credit cards, boat loan, dentist bills, and club fees. *Expenses* include payments for rent, gas, electricity, phone bill, car insurance, and groceries. These are on-going expenses that will likely be with you the rest of your life.

3. Use a separate budget for each month.

Monthly expenses can fluctuate. To anticipate future monthly expenses:

- Review pay-stubs, tax returns, credit card bills, check books, and other financial records.
- Keep accurate records; plan for the entire year.
- Review your total spending each month and compare it to your yearly plan.

This will give you an idea of where you are headed and how well you are following your overall financial plan, especially during the first year when you are trying to develop a workable spending plan. It is OK to make adjustments in your plan as long as you do not lose sight of your personal financial goals and objectives.

Most families use a 12-month budget but you need not start your budget in January. You can start any time during the year. If this is your first budget, do a trial run using a shorter time frame to start. For a yearly budget, divide your income and expenses by the number of your pay periods. Most people are paid weekly or bi-weekly. Most bills are paid monthly and not all are due at the same time of the month. Estimate the due date of the bills and allocate your paychecks accordingly. Also allocate part of each paycheck towards new future expenses that you may foresee.

4. List all expenses, and all uses of cash. Account for all cash and credit spending in your plan. You may be surprised at the amount of cash you are unable to account for. Cash includes ATM cash, grocery store cash back, bank deposit cash back, and credit card charges. Categorize all expenditures, i.e., how much was spent on food, entertainment, restaurants, etc.

5. Discuss your spending plan with family members.

How will money be spent? Who is responsible for bill paying and record keeping? One or both family members need to become responsible for financial planning. Families often encounter problems when *no one* assumes responsibility for the overall plan. Develop a personal spending plan during this time. Limits of spending for each category must be agreed to and a commitment made to stay within these limits.

Determine your family's most important goals. Set aside money to those items that will help you achieve your goals, the family's welfare, and the family's overall happiness. Shared family goals provide a greater incentive. It's much easier to forego a dinner and show or new clothes, when you know another more important dream moves closer to realization.

6. Pay yourself first.

Allocate a portion of your income for savings: five to ten percent of your income is a good place to start. Savings can include a savings account, 401k plans, IRA's, etc. Begin with a small amount and always pay this amount **first** each month. Increase the amount as much as your spending plan will allow. Use unexpected income such as overtime or bonus money to reduce credit card or other debt or to increase savings. Do not use this money for impulse spending.

7. Start/continue an emergency fund.

- Once you begin to pay your debts, your accumulated extra cash can become your savings.
- Use your budget to prevent overspending, but allow yourself the freedom to reasonably spend more as your debts fall further behind.

Maintain at least a three-month, but preferably six-months salary, for an emergency cushion, just in case.

8. Judging your spending plan.

Compare your income with your expenses for the current month. Any money left for emergencies? If expenses exceed income, review your plan again. What expenses can you eliminate? Review flexible expenses when you want to trim expenditures. For example:

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- Can you cancel book club memberships or magazine subscriptions?
- Can you reduce the number of restaurant visits?
- Can you survive without a house cleaning service?
- Must all your laundry go to the dry cleaners?

9. Once flexible expenses are trimmed, reduce your fixed expenses:

- Can you move to a more affordable residence?
- Are you driving more car than you can afford?
- Cheaper transportation means lower premium. Have you reviewed your insurance lately? There is usually big savings there.
- Why not move to more affordable housing until you are debt-free?

10. Consider other ways to increase your income:

- Can you take a higher paying job or a second job? Can the spouse be employed?
- Children can supplement their allowance by mowing grass/baby-sitting.

11. Reviewing your spending plan.

- Review and revise your spending plan at least annually, as well as when a significant financial event occurs.
- Your expenditures should never exceed 90% of your take home pay. The remaining 10% should be allocated to pay debts.

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for seeking advice specific to your situation from a tax, legal or financial professional. If tax, legal or financial advice is required, contact a tax specialist, attorney or financial advisor.



Negotiating With Creditors

Are you having trouble paying your bills and not sure what to do? Whenever possible, pay your mortgage or rent, car payment(s), and utilities first. Next, contact your creditors to set up a repayment plan for credit cards and personal loans.

If contacted by a collection agency, try contacting the original creditor first, since they are often more flexible in working out a payment plan. A collection agency will usually try to collect as much as they can, as quickly as they can, since they receive a percentage of what they collect. However, the original creditor may not want to work with you either, once the account is in collections. If the collection agency refuses to negotiate, it may be time to talk to a collections attorney for further advice.

Consider these suggestions when negotiating with creditors and collection agencies:

- Make a list of income and expenses to know what you can offer to pay. Send a copy of your budget (leaving out account numbers) to the creditor to verify your current financial situation.

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- Follow up any Creditor agreement with a letter to confirm your conversation. Send it certified (return receipt) Mail. You may want an attorney to review the agreement first. Request that the creditor agree to change the account status on your credit report to “paid as agreed,” upon receipt of final payment.
- Keep the account open while you pay it off. Having a long-standing account that is paid off will have a positive affect on your credit score.
- Once the debt is paid, wait 30 days and check your credit report to make sure that the creditor has reported the account as “paid in full.”

If you’re not sure how to approach your creditors, you’re not alone. It is vitally important for you to request a financial consultation through your Employee Assistance Plan if you are experiencing difficulty now or anticipate problems meeting your expenses in the near future. Getting a financial consultation can help you identify areas in your budget where you can reduce expenses, make trade-offs that can prevent problems later, and make informed decisions regarding the options available.

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We hope you’ve found the information in this newsletter helpful. To further help you build resiliency and reduce the stress in your life, we would like to invite you to visit CONCERN’s Life Adviser (log in at <http://www.concern-eap.com/>) to take our 30 minute Managing Stress skill builder course.

Managing Stress Skill builder short course

When you finish this module, you’ll have a practical working knowledge of how to:

Understand Stress

- Diagnose the Stress in Your Life
- Consider Underlying Factors
- Assess Your Readiness to Make Changes

Develop a Systematic Approach

- Eliminate or Minimize Stressors
- Use Short-Term Coping Mechanisms
- Reframe the Situation
- Build Long-Term Protective Responses

Implement a Plan of Action

- Identify a Specific Situation
- Write Down One Stress Management Technique
- Assess Your Progress