



# Get Unstrapped!

6 Tips for Improving  
Your Personal Finances

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## Tips for Improving Your Personal Finances

Is it really possible to just *stop being poor*? Not always.

There are places in this world where there are no opportunities to pursue, no jobs to work, and no resources to multiply. Generational poverty is sometimes caused by a lack of natural resources, corrupt governments, oppression, and injustice.

So this isn't a post designed to shame people who have lacked the chance to climb. In fact, I need to be clear about something right up front:

**Life is not about you.**

If you wind up wealthy, healthy, and happy, that's great. But why?

Hint: It's for *others*.

It's so that you can grow from being a *consumer* to being a *contributor* in a variety of ways – giving, serving, employing people, paying taxes, supporting nonprofits, etc.

Let me also say that it's sometimes the most honorable and purposeful thing you can do to bypass wealth and opportunity to choose a higher calling.

Take [William Borden](#), for example. He entered Yale as heir to the Borden family fortune (think [Borden milk and dairy](#)). While at Yale, he surrendered his life to a missionary calling and began traveling the world to help, to serve, and to teach people in other parts of the world. At age 25, he contracted spinal meningitis and died.

Some called his death a *premature* event or even a "waste." But William Borden *chose to become poor* in this life so that he could enjoy a kind of *wealth* most people will never know.

So, *wealth is not a virtue*. It's never the goal. Financial wealth is **not** always God's will and sometimes a financial safety net is a distraction from living a life of risk-taking faith.

Having established that *wealth* isn't everything, let me get to the real point of this post.

Sometimes, we do **dumb things** that cause us to **stay poor**. For example...

### **10 Common Mistakes That Keep Us Poor**

1. Quitting jobs before we have a plan for what's next.
2. Not understanding where our income will be generated.
3. Not tracking where our money is being spent.
4. Failing to plan and be intentional with our spending.
5. Using credit with little guarantee of being able to pay it back.
6. Never saving anything for a rainy day.
7. Forgetting to pay things on time and racking up late fees.
8. Paying easily avoidable interest and penalties on debt.
9. Assuming our circumstances (job, expenses, health, economy) will never change.
10. Paying premium prices for everything we buy.

And the list could go on, of course.

Angie and I have learned a lot about personal finances – some of it the hard way – and we're still learning daily. Somewhere along the way,

- We committed to living within our means.
- We stopped using credit to consume things we couldn't afford with cash.\*
- We started taking debt seriously and paying it off.
- We kept giving a tenth of our income away.
- We began to save and prepare for the future.

When we went through Dave Ramsey's [Financial Peace University](#), it was a game changer. Ramsey is well-known for teaching some pretty simple truth in some pretty profound ways. Such as...

- How to live on a budget.
- Snowballing debt to get rid of it faster.
- What kind of insurance is really needed.
- Talking about finances with your spouse.
- How credit *really* works.
- How to negotiate pricing.
- Getting ready for retirement.

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If you've never gone through FPU, do it as soon as possible! Ramsey isn't always right about everything, but you can't possibly get any worse off by following his advice until you actually *have* financial peace.

*Then*, you can do your own research and disagree with him.

A great place to start is his [Total Money Makeover](#) book (get it here).

### **Get a Grip on Your Financial Reality**

Start a spreadsheet and put *everything* in it.

Every account. Every balance. Every interest rate. Every bill and due date. Every income source.

Put it all on **one single page** so that you can see a complete but panoramic view of where you are financially.

If you've lost track of where all of your debt is and what bills you're paying, you're already behind.

[Check your credit and monitor it regularly.](#)

### **Set Some Reasonable Financial Goals**

Assuming you can go all gangbusters and spend zero dollars for the next six months on food and fuel is *not* aggressive action. It's just unrealistic. And being unrealistic leads to frustration and to quitting early.

At the same time, this should *hurt* a little. It should be uncomfortable. It requires sacrificing some of what you've enjoyed until now so that you can enjoy peace a little later.

### Stop Borrowing Money You Don't Currently Have

Dave Ramsey would disagree with the last four words of that. But not all debt is created equal.

Nonetheless, if you're not currently paying all of your credit cards off every single month, stop using them. Completely. Cold turkey.

Once you've done some research, you'll start to understand why making small purchases with a credit card and it's revolving debt interest can ultimately mean paying \$5 for a \$1 candy bar. Multiply that by thousands.

So *if* you're going to use credit cards, here's the #1 rule... Never. **Never. NEVER** carry a balance. Ever.

If you pay a dime of interest to a credit card company, you've lost to the house.

### Generate Some Extra Income

Cutting your expenses might be enough, but often, it's not. Sometimes a second job fits into your picture and sometimes it doesn't. At the very least, I would highly recommend [turning your hobbies and interests into a means of making money online](#).

When you jump into it, **bootstrap** it. In other words, don't spend thousands of dollars hoping to make millions. Spend as little as possible on your extra income idea so that it at least pays for itself until it starts returning even more income.

### Have Some Hard, Honest Conversations

This is the toughest part of all. Why? Because it isn't about the money. It's about the heart. Money is an extremely emotional thing to talk about.

We feel shame over our financial mistakes. We feel anger when someone takes more of our money than we think they should. We feel sad when something goes wrong and we don't know what to do next. Let's face it, we get downright *depressed* about our money woes!

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But when it comes to money, *most* of the people we interact with on a daily basis are *also* making the same mistakes. We're all so quiet about it that we all stay trapped in the secrecy.

Talking to an advisor, getting direction from a mentor, and *especially* being honest with our spouse is all part of the healing and recovery process.

### Do Some Thorough Research on Personal Finances

I'm *not* an expert and I don't give official financial advice. But I've learned a lot by reading, listening, and taking courses here and there. And we're way better off than we used to be because of that newly acquired knowledge. So,

- Take this Udeemy Course on [Personal Finance: Thinking Like the Rich and Acting Now](#), or
- Read [Rich Dad, Poor Dad](#) by Robert Kiyosaki, or
- Read [The Money Class](#) by Suze Orman, or
- The [Complete Debt Relief Manual](#), or
- Read great blogs like [Get Rich Slowly](#) or [Man vs. Debt](#).

My favorite thing about Dave Ramsey is the way he casts a vision for financial peace. He says to people who take his course, "we're going to get out of debt so we can save more money so we can give a bunch of it away!"

