

6 Essential Money Moves to Make in Uncertain Times

Chelsea Brennan Contributor

[Personal Finance](#)

Helping you connect with money as a form of self-care so you can afford the life you want.

In times of uncertainty, it's easy to get overwhelmed. And with the outbreak of COVID-19, constantly changing behavior expectations to attempt to contain the virus (when will schools and offices re-open?), and intense market volatility it's no surprise that many of us are feeling that way.

But as many families worry what the ultimate impact of this crisis will be on their employment and finances, things aren't quite as out of control as they seem. There are concrete moves we can make to protect ourselves financially.

If you're feeling the urge to simply lean into whatever feels good right now and pick up the pieces when the crisis blows over, you'll likely find yourself in a more difficult place when that time comes. Finding the courage to show up for yourself and take action now can not only better prepare you for what's to come, but also reduce anxiety by connecting with all the ways you still have agency and power.

Let's get started.

1. Connect With Your Money Mindset

Maybe you're familiar with the concept of money mindset or maybe you're convinced money is all black-and-white, simple math. But even for the most financially-savvy of us, our emotions, self-worth, and sense of safety have a huge impact on how we interact with our money.

Especially in emotionally-charged times like these, when money shame is close to the surface.

When it comes to money, shame is present somewhere in us all, whether it's right at the surface or swept under the rug, prompting big changes or holding us back from even starting our money healing journey.

The first step to making healthy, positive money decisions during this time is to connect with your money thoughts.

Are you beating yourself up for not creating an emergency fund months ago? Are you questioning the big career change you chose to make early this year? Can you hear your parents' voices in your head, telling you that it makes no sense to save money, some crisis always just comes along to wipe out your savings?



Taking a moment to reflect GETTY

Slow your body and your mind down. Literally slow your motions, take 5 minutes to meditate, or practice grounding - feeling your feet on the floor, your body in your chair, counting your breathes.

Then, as you let your money anxieties come to the surface, try to look at them without judgment.

Is spending mental energy berating yourself for past decisions helpful? Could you really have known this crisis was going to happen? What would you tell a friend or your child if they told you they thought they'd never be able to get ahead?

You don't need to bury your feelings. Instead, give them space, honor where they are coming from and remind yourself that you do have the skills and ability to achieve the things you want. And that you're doing the best you can.

Develop [a positive money mantra](#) that can serve you. Then, when you're feeling a little more at peace and ready to move forward, practice taking small steps.

The next five money moves in this article will be examples of those small steps, but when you're feeling overwhelmed, break things down even further. What can you do in the next 5 minutes? Those little bouts of progress will help stave off anxiety.

2. Check In On Your Emergency Fund

Emergency funds are one of those core pieces of money advice that everyone manages to learn. And it's for situations exactly like this one.

Yet, the [Federal Reserve's](#) Report on Economic Well-Being showed a divide in how well Americans have been able to prepare. About half of Americans reported they had three months of expenses in savings for emergencies, in line with a general benchmark for financial health. However, about 40% said they would struggle to cover a \$400 expense in cash.

Whether or not you have savings, now is the time to check in on how far your money can stretch.

If You Currently Have an Emergency Fund

How much do you have saved? How does that compare to your monthly expenses?

Generally, it's good practice to have three to six months of cash saved for emergencies. Job loss, medical issues, major problems around the house. Having money saved up makes things easier.

But how you define three to six months of savings in good times could mean you have more money to stretch when that emergency arises. If that savings was based on a bloated budget, you may have space to cut back for a while and stretch your savings even further.

Get clear on what you have, where it is, and when and how you can tap it if you need it.

If You Don't Have an Emergency Fund

First off, remember to connect with your mindset and give yourself grace. You can't go back and change the past, saving up months or years ago. But you do still have options now.

If your job situation remains stable, even just for now, review ways you can save in the upcoming weeks. Start setting aside any money you can to build even a small emergency fund.

Most importantly, try to be the best employee you can be over the next several weeks. It's understandable to want to take your foot off the gas, especially if you're working at home with kids, but if your company has to make layoffs, it's crucial to put yourself in the best position possible.

If you're already facing job layoffs, first understand your options. The [New York Times](#) is providing an excellent, regularly updated resource on what options are available to individuals and families financially impacted by COVID-19, including how to apply for unemployment, how to pause your Federal student loans, rent and mortgage relief, and more. Many credit card companies and other lenders are providing payment reductions or other relief.

Then, [discover if companies near you are hiring](#) or [research side hustle opportunities](#) to help you through this period. And look for options to reduce your expenses to reduce any debt you have to take on during this period.

3. Review Your Budget & Know Where Cuts Can Be Made

Now more than ever it's important to know where your money is going. How much do you really spend each month? Are there expenses you can cut?

Budgeting, for many people, brings up feelings of scarcity. It seems like the opposite of fun. But it doesn't have to be that way. Being intentional with your spending now can mean you preserve cash for the things that are truly important to you. Instead of overspending on non-essentials now and having to make major changes later.

Review your last two to three months of spending to know exactly what you spend. (Humans are terrible estimators, especially when it comes to calories and spending.) Then, start tracking your expenses so you're mindful of your cash flow and your choices.



Couple reviewing their budget together GETTY

Ways To Reduce Your Spending

- **Create a Ramen Budget:** If you cut your expenses to absolute bare-bones (e.g. you were just eating Ramen noodles every day) how low could your spending be? Then, add back only expenses that are important to you. This exercise makes it easier to strip out what expenses you have today that are only there out of habit or social pressure.
- **Understand Your Spending Triggers:** What makes you spend money? Is it being on your Amazon app at 11 PM, laying in bed? Take your credit card information off the app. Is it heading out and hitting the drive through when you just need to get out of the house? Go for a walk around the block instead.
- **Meal Plan:** Especially a time when we're practicing social distancing and don't want to make multiple trips to the grocery store, meal planning can be key to keeping us healthy and cutting our food budgets. For new meal planners, first take stock of your pantry and freezer. Websites like [Supercook](#) can help you find recipes made with ingredients you already have. Then, plan meals that are simple to make. Expecting to make a gourmet dinner every night will lead to wasted food and extra takeout orders.

We all have ways to cut our spending and preserve cash. It's time to get clear on a budget and get back to basic smart money habits.

4. Be A Steady, Savvy Investor

The two questions I have received more than any other over the past two weeks also happen to be complete opposites.

“Should I stop investing or sell my investments now?”

and

“Is now a good time to invest?”

It has been over 10 years since we saw a true bear market. And volatility of this magnitude is significant, even in the context of historical downturns. But that doesn't mean your strategy needs to change.

Investing requires qualities of temperament way more than it requires qualities of intellect.

Warren Buffett

For most investors who are far from retirement and have decent emergency funds, not much should change. Volatility makes us want to do something, change something. Yet, often, the best thing you can do is stay steady. Investing might be the one place where putting blinders on and doing nothing is the best advice we can give.

Review your goals and understand your risk tolerance. You may want to re-balance your portfolio if your proportion of stocks or bonds has gotten out of whack. But then keep making the same consistent investments as you had been making.

If you are feeling financially stable, have sufficient cash savings, and have the budget to increase your monthly investments a bit, go for it. Prices are lower than they were six-months ago and while no one can tell you where the bottom is, increasing your regular monthly investments is highly unlikely to hurt you long-term.

But don't stop investing. Don't try to be a fortune teller and time the market. And don't make major changes to your investment plan out of panic.

Get back to basics and focus on your long-term goals.

5. Have a Complete Emergency & Estate Plan

This is not a commentary on COVID-19 or what may happen to you personally. Hopefully, you stay healthy. And if you get sick, you'll likely make a full recovery. But emergency and estate planning isn't an optional part of smart financial planning. It's just one many of us put off as too morbid or something to deal with "later."

Unfortunately, many people don't realize it's importance until they've seen a loved one go through a difficult time where someone didn't plan. Or when they see a health crisis like we're facing now.

One of the core things we teach moms in our audience is that thinking about your family's emergency and estate plan is truly an act of love. It's a chance to reduce chaos, stress, expense and uncertainty for your family during a difficult and emotionally charged time, whether you're temporarily separated, incapacitated, or pass away.

This planning is especially crucial if you have kids. Getting these documents organized will allow for the smoothest transition possible for them, if another caregiver needs to step in.

In times like these, we need to take advantage of worst-case-scenarios being top of mind and make sure our affairs are in order for our families.

Effective Emergency & Estate Plan

- **Sufficient Life Insurance:** How much life insurance coverage do you have? What would it cover? Do you just have a policy to cover burial costs and a few months of expenses for your spouse, or do you want to cover childcare or college costs for your kids? Make sure you have enough coverage and your beneficiary knows what it is meant to cover.
- **Long-Term Disability Insurance:** The U.S. Census Bureau estimates you have a 1 in 5 chance of becoming disabled at some point in your career. And the most common causes aren't workplace injury, but health issues. If your company offers long-term disability coverage, make sure you know how much it covers and that you are opted in. Otherwise, get a quote for your own policy or create a plan for how you would handle 6-month or greater periods out of the workforce.
- **Updated Will or Trust:** If you have no kids and minimal assets, you may not need a will. But if you want a say in where your assets - and your children - go after your passing, it's important you have a will. And that it's up to date. If you don't have a will, you can use online services like a free will from [Tomorrow.me](https://tomorrow.me) or more customized, guided services like [Trust & Will](https://trustandwill.com). However, if you have a large estate

(including life insurance), a blended family, or own a business it is important to work with an estate attorney to make sure your will or trust accurately reflects your wishes.

- **Family Emergency Binder:** A life insurance policy and a will can give your loved ones sufficient assets to navigate your loss. But it won't tell your spouse or next-of-kin how to pay your power bill. Or log into your phone. Or who your child's doctor or best friend is. A [complete Family Emergency Binder](#) will organize all the necessary information both to make things easy for you to access day-to-day, but also for your family to handle things without you.

Organizing these documents is often something we say we just don't have time for. We avoid it. Use this opportunity to complete your plans and give yourself the mental peace that things are handled.

6. Get Ready for The Future

This crisis will end. No one can tell you exactly when, but the economy and markets will recover. And we have an opportunity here.

Whether this crisis has given you more time at home or shown you the importance of emergency funds or multiple streams of income, you now know what you need to do to improve your financial health. Don't give up this chance and just let things go back to normal.

Have you dreamed of working from home? Use this as a practice run. Test different schedules and home systems to see if you can find something that works. Or if you even enjoy it.

Want a side hustle or to pursue a passion? Take the extra time, even just 30 minutes a day, to start researching it and taking action.

Maybe this extra time at home is showing you how the clutter impacts your mental health. Get organized and start a new chore routine with your kids.

Have you been afraid to set money goals or talk to your spouse about your budget?
Commit 5 minutes a day to having a conversation or learning something new.

Small progress is still progress.

Everything feels dire right now. It's okay to feel overwhelmed or afraid. But remember the power you do have to take action. With patience, compassion, and mindfulness, you can come out the other side with healthier money habits and ready to grow your wealth.

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