

## PERSONAL FINANCE

# Signs you need help managing money

FOR many Malaysians, financial management skills don't always go in tandem with age or life experience. If you think you still need help with your finances, don't be afraid to ask for advice or seek a professional financial planner.

But what happens if you don't actually know you need help? The first step to fixing a problem is knowing you have one.

Here are a few sure-fire signs to tell you if you need more help managing your money.

## Informed receiver, clueless spender

More often than not, we pay close attention to when and how money comes in — but few keep track of where the money goes.

It doesn't matter if you aren't broke or even if you have a nice small pot of savings — what if you could do much better?

Not knowing where your money is being spent will sooner or later catch up with you. So, if you find you are at the end of the month and cannot account for a portion of your salary despite still being comfortably able to survive — you may need to bring in the professionals.

Or at least pay more attention to your spending.

## The investment newbie

You may have made investments during your 20s or 30s, but your financial goals in the past will differ from your goals and risk tolerance now. Even if you have a good fund manager tending to your investments, always ask questions. Be updated on how your investments are performing.

If you were asked to give a clear explanation of your investments relating to your goals and risks that you face now, can you do so? If you find it difficult, you may need more help or to simply invest more time into keeping tabs on your ventures.

## Understanding insurance policies

Buying a policy is a good first step but it's not enough. It is important for you to understand the financial benefits and constraints of the insurance policies that you own.

Being well-equipped with this knowledge can help you handle unfortunate events better and determine whether you will receive the maximum benefits when you need it most.

Don't wait until the need arises — ask yourself now if you know about the benefits and payout requirements of your policy and if this is sufficient for the kind of protection

you want. If you don't know, find out.

## Unsure about retirement

If you are relying solely on your EPF savings to fund for your retirement or putting random, small amounts of money aside, it will not suffice for when the time comes.

You will have to be realistic and consider the cost of living and other factors that might affect your retirement fund. If you have not added in these factors or feel unsure about your retirement position, seek help to manage your money.

## Unprepared for the worst

Planning for the end isn't the least pleasant task — but it is something most of us have to think about as soon as we have assets and dependants.

If you haven't made arrangements such as a will, contingencies and life insurance to care for your dependants, you may need help. Read up or talk to a financial planner about estate management.

You wouldn't want your property ending up in some decades-long legal tussle or for your dependants to be stranded should anything befall you.

Matthias Sim writes for Ringgit-Plus.com, which believes all Malaysians should have access to free, accurate and independent personal finance information.