FINANCE EDUCATION: TIPS FOR SALARIED EMPLOYEES DURING CRISSES

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The novel coronavirus (COVID-19) is a communicable respiratory disease affecting societies to a degree not seen since the flu pandemic of 1968 when about million lives were lost worldwide. Nearly every country has been developing a wide range of policy responses, including fiscal measures to defy this unprecedented crisis. On the study of Park and Maher (2020), suggests that the ability to respond to this pandemic is challenged by each country’s financial management system.

Being financially organized is significant, pandemic or not because being prepared makes all difference. Whether you are business owner, employee, or self-employed, financial planning is usually the bottom of one’s list (dela Buena, 2021). According to her, if a person is financially prepared, he will have better physical and mental well-being, family stability, more opportunities in life, and improves self-discipline.

On the other hand, with economic uncertainty to mount, there are enormously methods to keep your finances in order during pandemic and even after that. As Fausto (2020) believed, life goes on as like expenses go on. According to her, the following tips are helpful on what supposed to do with the money, especially those lucky ones with stable income.

1. Continue to pay your bills on time. Paying on time helps a semblance of normalcy which is something valuable to all, especially during the time of crises, that lots of things are not normal and uncertain.
2. Do not withdraw your long-term investments. Stay calm and don’t sell if your money in stock market is for your retirement or other long-term goals. You only incur the loss on your purpose if you sell it right away.

3. Say no to luxury for the meantime. Times are uncertain and unsure of economic downturn will be recover; it is an emotional and social management as well. Likewise, we do not want to spend on extravagance now when most of the people are suffering tough situation.

4. Be wary of easy-to-get loans. For others who do not afford to pay the loan with its hidden costs and unfavorable terms and conditions, better off not digging this potential “financial grave”.

5. Calculate your savings and invest them. While receiving the same amount of salary and stopped spending for transportation, eating out, shopping, vacation and the like, it would be better if you would add all the extra savings to emergency fund, or you could also invest to your middle- and long-term buckets.

6. Make or update your balance sheet. It will give you a bird’s eye view of your financial condition as to assets, liabilities and equity net worth. Likewise, it drives you to do the essential stuffs to attain the financial aims you set from the start of the year.

7. Work hard and do well in your job. Even the work from home (WFH) setup has given all sorts of challenges, simply go back to the core value of your job so you can serve better.

The uncertainty brings consequences to our well-being and of the community. Being prepared financially is a good defense to it, so do not wait for another crisis before organizing your finances (dela Buena, 2021).
References:


