

Different strokes for different folks – Australians and money

AMP's 2022 Financial Wellness report highlights seven different personal finance profiles. So which one are you?

When it comes to our personal finances, we're all different.

Some of us like to spend as little time as possible worrying about our finances, while others enjoy nothing better on a Sunday night than getting to grips with the weekly budgeting spreadsheet over a cheeky glass of pinot or two.

From daily stock traders to hands-off high flyers—and all points in between—AMP's 2022 Financial Wellness report says that most Australians fit one of seven different personal finance profiles.

So are you a stressed survivor, cautious spender or guilty risk taker?

Let's find out!

1. Disinterested bliss

These working Australians tend to have an 'out of sight, out of mind' attitude to their finances. They don't have a budget, they don't like reading letters from the bank and they don't really trust financial advisers or accountants.

And while they're vaguely dissatisfied with their finances, they're not too anxious. Sure, it would be lovely to have more money, but they lack the confidence to do much about it.

They know the cost of living is rising, but they don't have a plan or a budget. And as for retirement? Gosh, that's the last thing on their minds...it's such a long way away.

They tend to bring this sense of apathy into the workplace—they're not particularly energised by their job and find it hard to get motivated.

Top tip to get on top of your finances | Start with the basics and think about how to manage your money better

2. Overconfident and financially focused

These working Australians are financially secure, confident and literate. While they're heavily involved in investing, they are also focused on traditional goals like saving for retirement and safeguarding their children's future.

They don't let setbacks get them down—past losses and debt merely serve as an incentive to get it right next time. No risk, no gain...that's their motto.

They're always looking to learn more and tend to own a lot of assets—investment property loans, term deposits, personal loans, bank overdrafts, car loans—you name it, they've got it.

They see financial diversity as a way of protecting their way of life and providing for the future—if one investment doesn't come through with the goods, another one will.

But this does mean they spend a lot of time organising their finances, almost to the detriment of their work as they can get tunnel vision.

Top tip to improve financial health | Get on top of your debt to avoid paying too much in interest

3. Guilty risk takers

Oh dear...now we come to the naughty step. These working Australians don't really have healthy financial habits.

Guilty risk takers are less likely follow a budget or plan for the future. And they're more likely to make late payments on bills, rent and debts.

They tend to take risks when investing and overspend. This makes them feel slightly guilty about their finances and worried about their debt, which is usually higher than they'd like.

Despite losses, they remain optimistic about the sharemarket and feel their investments will come good in the end.

At work, they are a bit disengaged but they are realists...they know the steady income helps to manage their debt.

Top tip to improve financial health | Get planning – follow these 6 steps to building good financial habits

4. Stressed survivors

These working Australians are struggling to make ends meet and make frequent late payments as they run out of cash before the end of the month.

Stressed survivors struggle to find space to work on practical solutions. They know they should get help but it's just all too hard. The enormity of their financial situation can make them feel exhausted and wiped out.

And as for owning investments or even term deposits? Forget about it...their focus is very much on the day-to-day challenge of making ends meet. They feel as though it's a struggle just getting through the day, let alone thinking more long-term about saving or retirement planning.

In the workplace, they are absolute troupers, despite all the stress, and they continue to be productive, putting in extra effort to get the job done. But they tend to feel underappreciated and many of them are actively looking for a new job.

Top tip to improve financial health | Start with a budget – work out what's coming in, what's going out and go from there.

5. Cautious spenders

These working Australians are definitely—and defiantly—happy in their comfort zone.

Cautious spenders tend not to be burdened by too much debt, they can manage their bills on time and they have a little put aside for a rainy day.

At work, they tend to be a bit 'meh'. They might not be super motivated but hey, it's just a job. Not worth stressing over.

They spend very little time worrying about finances and they are less focused on the basics of saving and investing—like buying a house, leaving a legacy and investing in shares.

Only one thing tend to concern them—that's retirement. They know they need to save more but they lack confidence to take meaningful action, even to the extent of sticking to their default repayments instead of paying off their home loan more quickly.

Top tip to improve financial health | Create a retirement checklist – [here's a starting point](#)

6. Security strivers

Probably the most balanced of the seven types, these working Australians are pretty satisfied with their finances, both now and in the future.

Security strivers have strong financial habits, with clear budgets, timely payments and forward planning.

They tend to be focused on 'big rock' goals, such as purchasing a home, paying off a mortgage and creating a legacy for their kids.

At work they feel inspired by their job and motivated to go into the office—or open the laptop—each morning.

They're always striving to improve and find new ways of doing things, and they put in extra effort to get the job done.

They spend very little time worrying and are open to taking risks. They are more likely to own insurance and they enjoy taking advice wherever they can—from financial newsletters to professionals like mortgage brokers.

Top tip to improve financial health | Pass on your good habits to your kids by [teaching them how to spend wisely](#)

7. Confidently affluent

If this sounds like you, congratulations!

The confidently affluent are highly satisfied with their current finances and future security. They highly value their savings as they've built them over time, through patient and dedicated effort.

They never make late payments and usually follow a budget. They've planned ahead for their financial future and put money away for their retirement by paying extra on loans and mortgages.

They tend to be savers rather than investors and are more likely to lock their money away for high-interest returns.

At work they feel immersed, dedicated and appreciated—they love what they do and wouldn't dream of quitting.

They tend to rely on their own financial knowledge and are very unlikely to seek advice.

Top tip to improve financial health | Think about whether your money could be working harder by [investing as well as saving](#)

It starts with super...

So it just goes to show...we are all different. But one thing every working Australian has in common is superannuation—since compulsory super was introduced just over 30 years ago, it's become the cornerstone of our retirement planning.

They say good financial habits start with the big rocks—and they don't come much bigger than super. Did you know 10% of Australians have no idea what their current super balance is? If you're an AMP customer it's a good idea to start taking control and check your super balance by logging in or [registering for My AMP](#).

AMP is our super provider, to join the AMP Plan please speak to payroll/HR.

To find out more about AMP call 131 267 or email askamp@amp.com.au

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¹ Source: Finder Consumer Sentiment Tracker, March 2021

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