

Five ways to improve your financial literacy

Blog

01.11.23



Introduction:

Mastering the skill of financial literacy is something every individual should set as a personal goal. Being [financially literate](#) means you can handle your cash like a pro, budget wisely, save up, and even invest with confidence if you want to. With the right financial know-how, you'll tackle significant life decisions with more certainty and be well equipped to navigate the ups and downs of your financial journey. You'll also know how to avoid and deal with financial hiccups effectively.

In this article we share five things you can do to improve your financial literacy.

Engage in educational programs

Ensure you take advantage of the wealth of online learning opportunities out there which are designed to enhance your financial literacy. Platforms such as [Coursera](#), [Khan Academy](#) and [Udemy](#) offer a diverse range of courses covering topics such as budgeting, investing, debt management and retirement planning. Enrolling in these online courses provides you with the flexibility to learn at your own pace and on your schedule. By taking an online course, you remain in control of how long and how often you attend, by having this flexibility it can strengthen the chances to stay on track and finish the course.

You can also consider enrolling in an in personal finance class to bolster your financial know-how and gain insights into effective money management. Group settings encourage more active learning, offering opportunities to ask questions and engage in discussions. These courses deliver structured, hands-on learning experiences that can significantly elevate your financial literacy.

Establish and stick to a financial plan:

Though creating a budget may not sound like the most exciting activity, don't let your initial reservations hold you back. Think of a budget as your reliable roadmap to financial success and security; its significance cannot be overstated. With a budget in place, you can shape your spending habits to ensure that you can afford both short-term and long-term financial goals every month.

To prevent straying from your budget, strike a balance between flexibility and restriction so you won't find yourself living paycheck to paycheck. Making use of budgeting apps can streamline this process, and there's an array of options available. These apps can link to your cards and digital wallet, automating much of the budget tracking work in the background.

Consider apps like [Snoop](#), [Emma](#), and [Mint](#), which provide features for automatic budget tracking and expense categorisation. Alternatively, a simple spreadsheet can also serve the purpose. A well structured budget has the potential to boost your monthly earnings. Keep an eye on outstanding debts and work on clearing them as early as possible, create a diverse financial plan and limit your expenses and financial obligations.

Utilise financial apps and tools:

Boosting your financial literacy is made easier by using financial management tools that, through open banking, can link to your individual accounts, including savings accounts, credit cards, current accounts and more.

Financial planning aids such as:

Retirement estimators: An interactive tool that allows you to compare different retirement options

Investment analysers: Putting in research to evaluate if a property or industry's future performance is suitable for investing

Debt repayment calculators: A way to find the repayment amount and/or length of debts that can be from credit cards, auto loans, mortgages and personal loans

The above tools prove valuable in financial management. Various websites and applications like [SmartAsset](#), [Vanguard](#), and [Bankrate](#) provide access to these tools, catering to your unique financial objectives. They empower you to assess diverse financial scenarios, grasp the consequences of your financial choices and make informed decisions aligned with both your present circumstances and future aspirations.

Stay informed on financial news and trends:

A wealth of financial news and trends is readily available to keep you well informed, additionally staying in the know offers numerous advantages. Being up to date equips you to anticipate and adapt to any financial changes and instils the confidence needed to make informed decisions when they arise.

Leverage your preferred social media platforms to track financial experts, access compelling articles and view informative videos on financial subjects. While the abundance of information may appear overwhelming, it's vital to ensure that the information source is credible and trustworthy.

Join financial communities and forums:

Consider becoming part of a financial group or online forum that facilitates discussions and the exchange of resources within a community of peers. Sometimes, we find ourselves making excuses

and postponing our financial aspirations to a later date. In such instances, having a network of individuals who share your mindset can serve as a source of motivation and accountability.

This network can provide valuable support from individuals facing similar challenges while also introducing fresh ideas that might not have occurred to you otherwise. The more you engage with individuals who share your interests, the more you can expand your knowledge and proficiency in areas that ignite your passion.

Conclusion:

Developing financial literacy is an ongoing journey that demands dedication, self-control and a hunger for knowledge. Regardless of your current financial knowledge, it's crucial to continually expand your understanding.

Embrace a lifelong learning mindset and consistently hunt for fresh insights and tactics that can enhance your financial health. Every stride you make in grasping your financial circumstances takes you closer to financial empowerment. Knowledge serves as a potent force, enabling you to make wiser, more assured financial choices throughout life's phases.

This article is for information only and does not constitute advice or a personal recommendation. When it comes to online activity it is important to be cautious and seek appropriate professional advice.

Capital is at risk. Property values can go down as well as up. Borrowers may default and investments may not perform as expected. Interest and income are not guaranteed. Returns may vary. You should not invest more than you can afford to lose. TAB is not authorised by the Financial Conduct Authority. Investments are not regulated and you will have no access to the Financial Services Compensation Scheme (FSCS) or the Financial Ombudsman Service (FOS). Past performance and forecasts are not reliable indicators of future results and should not be relied on. Forecasts are based on TAB's own internal calculations and opinions and may change. Investments are illiquid. Once invested, you are committed for the full term. Tax treatment depends on individual circumstances and may change.

You are advised to obtain appropriate tax or investment advice where necessary. Understand more about the key risks [here](#).

TAB is a trading name of TAB London Limited. Registered in England and Wales with registration number: 11225821 and whose registered office is at 101 New Cavendish Street, London W1W 6XH.