

Penny wise, pound foolish



We may make a great effort to save money but waste more money on things that we don't need. Increasing our awareness of financially foolish habits can help, writes JOYCE CHUAH

I KNOW a 'health conscious' friend who usually orders a low-calorie main meal and then follows it up with a caramel-laden double chocolate ice cream dessert. That's ridiculous. But do you realise sometimes this is the exact thing we do in our financial lives?

We take great pains to save a few ringgit here and there, only to waste more money on things that we don't really need.

How many of us would queue at the petrol station with our car engine and air conditioning running the night before a petrol price hike? How about signing up for a two-year gym membership to take advantage of the extra savings but we end up going for a workout only once every month?

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Illustration by HAFIDZ MAHPAR

"If you're going to learn how to save money, I'd rather you watch a financial-based programme instead of The Flintstones."

Do you have a car that costs you more money from frequent repairs and fuel consumption than a newer car with less frustrations?

I am sure some of us have illegally parked to save time or to avoid the expensive parking fees only to find a parking summon on our windscreen!

I know a few frugal friends who haggle for the lowest prices but forget to cash in their cheque, forgo their Tenaga Nasional deposits (after selling off their properties), pay late charges on their credit cards, purchase expensive insurance they don't need or letting infla-

tion eat into all their accumulated savings. I also know of others who spend money and time on market research and yet never really started a meaningful portfolio for themselves.

We are all somewhat guilty of it. Being more aware of when we are penny wise and pound foolish allows us to weigh the cost versus the benefit of a 'financially foolish' habit. You may want to start a list of such habits and review it from time to time as reminders. The more you are aware, the faster you will kick this bad habit of trying to save more money but end up spending more instead.