Financial Red Flags That Might Be Hurting Your Relationship

Talking about money to your partner and spouse is never an easy conversation to have, especially if you're unsure what they think about it, or if you have limited knowledge of how to work with money.

Not all of us share the same philosophy about money, how we earn and spend it, or how we invest it. Unfortunately, the friction surrounding the topic of money and finances can lead to greater relationship issues such as so-called financial infidelity, where people hide their purchases from their partners.

Putting off this conversation can often do more harm than it does good, and research shows that roughly 64% of couples admit to being "financially incompatible" with their partners according to Bread Financial.

Interestingly enough, the same research survey from Bread Financial found that 45% of coupled adults admit to committing some form of financial infidelity in their relationships.

Allowing money troubles to interfere with your relationship and love life can have lasting effects on both you and your partner. It's not always possible to immediately understand how everyone you meet works with money, and before pulling the cart in front of the horse, it's always best to get a clear judgment before jumping to any conclusions.

Yet, oftentimes there are financial red flags that start to

reveal themselves over time as the relationship progresses. And while you don’t want to feel like you’re telling another person what they can and shouldn’t do with their money, it’s often better to recognize these issues and share an open dialogue with your partner before it transforms into bigger problems.

Financial Red Flags

Here is a brief look at some of the financial red flags that might be hurting your relationship without you knowing it.

Your partner has ongoing financial troubles

Let’s face it, we all have financial troubles, and often these are carried with us for extended periods, only to be resolved when we seek advice or guidance.

Although money troubles can look different for everyone, from large amounts of debt to low credit scores, or even overspending, having money troubles are financial problems that can be resolved with the right help or talking to someone who has more knowledge on the subject matter.

> *On average, around two-thirds of all Americans use credit cards, with the average person having at least three credit cards according to CreditNinja.*

Jumping from one financial pitfall to the next, without learning from past mistakes can no longer be seen as a coincidence, but rather an active decision to ignore what other people are saying, or find ways to address the issues.

Unfortunately, having money problems, and not being willing to do something to address these issues, or improve the situation can be an issue that can hurt you and your partner, and

potentially others that may be involved.

A lack of financial prosperity

There’s no denying that not all of us are on the same life stage in our careers and financial prosperity. Often you’ll meet someone who recently started a new career, or who just got back into the job market after being laid off. Perhaps your spouse decides to go back to school and relies heavily on your income to sustain the household.

At some other time, there will be a point where you or your partner will reach a point where you can create healthy financial habits such as saving for a specific goal, putting some cash aside for retirement, or looking to travel or even start a business.

If you notice your partner is at a point in their life and career where they can save and invest their earnings, but lack the financial capability, consider talking about how they can save some of their money for retirement, or even put it into a savings account.

Be considerate of where they may be in their life, and seek guidance yourself, so that once you have the conversation, you are informed and can deliver actionable practices you both can use.

They tend to be irresponsible with money

Overspending isn’t hard these days, and a lot of the time we see ourselves spending more money than what we budgeted for. There are a lot of instances where we might have purchased something on the whim, without giving it much thought, or have used some of our savings to pay for other expenses – these do tend to happen to the majority of us.

Yet, there comes a point when you will need to address irresponsible spending with your partner, especially if it

starts to have an impact on you or the household.

Ask yourself, does your partner spend their income on luxuries before paying for more important things such as rent, groceries, or utilities? Do they purchase items without thinking about the short-term financial repercussions they can have? Are they prone to run out of money early or during the month? Do they take out loans from you, and forget to pay you back?

Perhaps you notice them hiding their purchases from you after you've confronted them, or lack the ability to tell you about the purchases they have made.

These and other valuable questions will be a key indicator of how your partner works with their money, and whether they are simply being irresponsible and ignoring their financial responsibilities for their own greater good.

Ignoring their financial responsibilities

A lot of us have a financial responsibility of some kind, whether it's paying off student loan debt, or even making monthly car installment payments. Every month we budget according to our financial needs, and ensure that our cash can last us until we receive our next paycheck.

In some instances, people tend to neglect their financial responsibilities, often relying on their significant others or partners to pay for their mistakes, or help them pay for things such as rent, utilities, and other important expenses.

Setting up a budget for your partner, or even for your household can help you see where your money is going and what it's being spent on. If your partner deliberately ignores these efforts, and rather uses their money on less important purchases, it shows that they are unwilling to financially commit or improve on their actions.

Bringing up irresponsible financial behavior with your partner or spouse is never easy, and it can be an uncomfortable situation at first, but for the long-term well-being of your relationship, it’s important to voice your concerns and share guidance where possible.

Your partner is drowning in debt

Although we all wish to be debt free, a lot of partnered couples, even those that are married carry some form of debt. Research shows that 7 out of 10 Americans get married with some amount of debt, whether it’s a credit card or student loan debt.

Balancing your debt is not an easy task, and it requires you to be delicate with your income and spending habits. Making sure you don’t miss payments, and that you’re able to pay off your debt is a financial priority for many of us.

Yes, some of us may have more debt than others, and often we see our partners carrying debt into a relationship, but ignoring the importance of paying it off in time. Being in a debt-riddled relationship or marriage is more common than we may think, and some individuals may disregard their debt responsibilities, hoping their partners will help them repay it.

Understanding how your partner has accumulated their debt over time, and what they are doing to repay it will give you a clear indication of their financial responsibilities, and money know-how. Unfortunately, this isn’t always the case, and often many people will hide their debt from their partners, or take out more debt due to irresponsible spending or money habits.

Ignores the importance of talking about

money

Another red flag to look out for is whether your partner deliberately ignores having a conversation about money.

Often they might feel intimidated, even scared or unwilling to share money matters because they might be afraid of the outcomes, but if they're not open to working through their financial troubles, you might find yourself having to deal with bigger issues down the line.

The "money talk" is never easy, and it can be an uncomfortable confrontation to have with your partner or spouse. If you're unsure where they stand with money, then it's best to ask or question them about it when you feel the time is right to do so.

If you notice they're putting off the idea of setting up a budget for your household, or if you're in a marriage where one person is unwilling to make financial compromises, you might want to address these issues sooner than later.

Not everyone might be open to discussing their money values, or even their income, so be patient with your partner and see how you can make the conversation less uncomfortable or awkward for them.

It's best to think about how short-term solutions can help your relationship in the long term, but also ensure you help you build a financial future with someone else.

Parting thoughts

Being with someone committed to someone who is irresponsible with their money, or lacking the willingness to improve their financial situation can have a detrimental effect on your relationship, and your well-being.

Addressing money matters in a relationship isn't easy, but the

sooner you’re able to get on the same page about how you can make your money work for both of you, the more likely you are to share the same values and philosophy regarding your household finances.

When confronting your partner or spouse about their finances, ensure that they feel comfortable enough to share their opinions, and ask where you can assist them, if they require guidance. Instead of ignoring these issues, see how you can work together to overcome financial hardships and build a prosperous relationship.

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