

If you are educated, employed, or run a business, exposed and articulate, should your financial life automatically be in order? It is assumed that every smart individual understands the importance of saving and investing, practices responsible borrowing, and maintains a portfolio that supports their current and future lifestyle. If you hold a certain place in society, money management should not be an issue.

That is the assumption I have heard being voiced repeatedly. But does it hold water? From the numerous interactions I have had with high-flying individuals, behind the title, the reasonable income, and the confidence, many smart professionals are financially unsettled.

In some cases, smart people fail to manage their finances because their prowess in other areas does not translate to money management.

Even though they are quite knowledgeable, this behaviour becomes a barrier because of analysis paralysis. So, check yourself. If you are good at analysing options, comparing investments, reading opinions, asking questions, and are eternally waiting for the perfect moment, you suffer from this delay 'disease'. There is no problem with doing your due diligence, but if you end up



PERSONAL FINANCE SYLVIA JUUKO

paralysed by inaction, you have a problem. Money rewards action taken early and reviewed consistently. This may sound familiar: you delay building an emergency fund because you want to first clear all your debts. You delay investing because you want to understand every product fully. In addition, you avoid writing a will because you feel too young. At the same time, you put off planning because there are school fees, rent, and other immediate needs.

Another reason financial planning fails is that smart people often overestimate future income.

They assume that promotions, business growth, consultancy opportunities, or better-paying roles will eventually solve the pressure they feel today. Because they believe future income will be higher, they tolerate weak financial habits in the present.

Unfortunately, this is risky because future income is not guaranteed. Even when it increases, obligations usually grow with it. In most cases, a bigger salary can easily meet higher school fees, increased

rent and family expectations, as well as a more expensive lifestyle. Remember, if you do not build structure now, future income may simply finance a larger version of today's disorder.

More to that, many professionals also normalise financial chaos because they function well under pressure. They are used to last-minute problem-solving. They can negotiate with lenders, move money between accounts, borrow briefly, repay quickly, and keep things appearing normal. Over time, this becomes a way of life. Sadly, this survival begins to look like competence.

Notably, if every month requires financial gymnastics, then something is wrong. If school fees always require emergency calls, rent depends on money expected at the last minute, or business cash is constantly borrowed for personal use, then your system is fragile. Being smart may help you manage financial chaos, but it should also help you question why this chaos exists.

The most difficult reason, however, is avoidance. Smart people avoid uncomfortable

Why do smart people sometimes make poor money decisions?

truths with sophisticated language. Financial planning requires a kind of honesty that some people do not apply to their professions.

There is also a common confusion between earning and strategy.

For example, a reasonable income can keep you comfortable while hiding weak foundations. When you earn a good salary, it can cover mistakes, postpone consequences, and make your disorganisation appear harmless.

When you think strategically, you ask different questions. For instance, what is your net worth? How long can you survive without income if you cease active work? What assets are

growing quietly? What debts are slowing you down? What number would allow you to retire comfortably? What happens to your dependents if you are no longer here?

For professionals and small business owners, your answer is not to collect more information endlessly. Start with a written financial plan. List your current position honestly. Set three clear goals with timelines. Decide how much to allocate to emergencies, debt reduction, investment, and long-term security. Review this plan every quarter.

Moreover, if your financial situation is complex, I advise you to get a mentor or financial advisor. This is not because you are incapable, but because your blind spots are easier to see from the outside.

It is okay to claim that you know all there is about money. But it is more useful when your financial decisions reflect what you know.

If your financial life is still chaotic despite your knowledge, I advise you to pause and ask yourself a harder question. Are you planning your finances, or are you simply explaining why you have not started?

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