

MENTAL BANDWIDTH WAS CHALLENGED DURING 2020

- Not only did 2020 entail health and life risks, but national lockdowns reduced many freedoms such as the freedom of movement and to purchase goods. It also caused many companies to close down, negatively affecting workers' right to work and earn an income.
- A strong focus on the shortage or problem can **limit the ability** of a household to direct its efforts towards being financially successful or prevent them from accelerating their financial success.
- When a **problem or need** captures our attention, it **changes our way of thinking** – what we notice and don't notice, how we decide and deliberate, and ultimately what we decide as well as how we behave. When we function under conditions of possessing 'less mind', we represent, manage and deal with issues differently.
- This finding of '**less mind**' or **less mental bandwidth**, explains why many households struggle to follow the advice they know they need to follow. When confronted with a problem, they '**tunnel**' so much on solving it – many times on a temporary basis – that it causes them to neglect or disregard the financial advice and activities such as budgeting, financial planning, saving as well as the long-term implications of the 'short-term solution'.

How can you increase your mental bandwidth?

- **Recognise the problem** and decide to do something about it as fast as possible
- **Share the problem** with someone – preferably a trustworthy and knowledgeable person
- Create **time to focus** on a problem by automating **financial matters** where possible
- **Attend education programmes** teaching financial literacy and soft skills

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