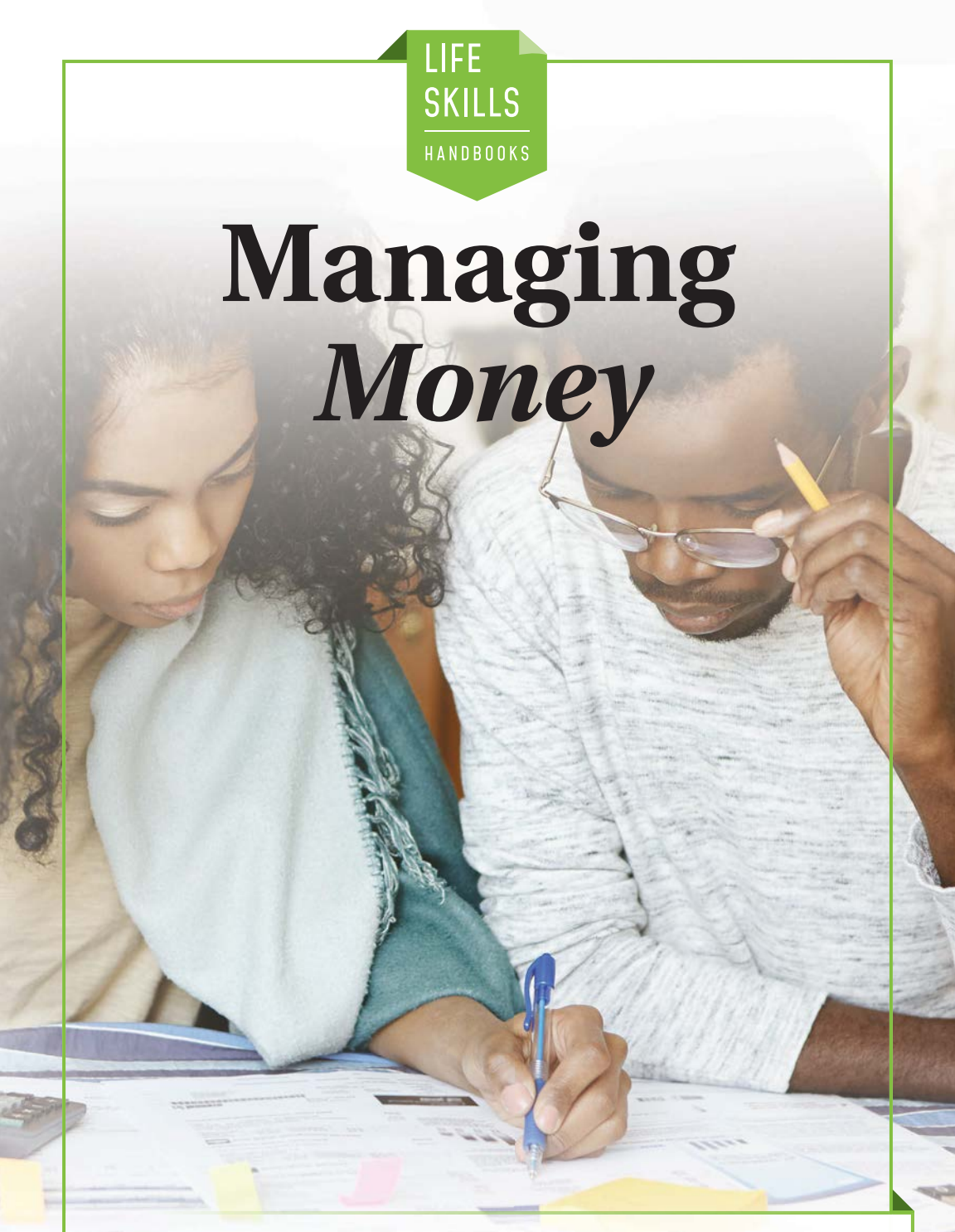
LIFE SKILLS
HANDBOOKS

Managing *Money*



Controlling Your Spending | Banking Basics
Buy Now, Pay Later | Improving Your Budgeting Skills

SECTION 1

Controlling Your Spending

Controlling spending can be a challenge. Some people make poor spending choices over and over. As a result, they never seem to have enough money for the things they need. Others try to be careful. But they don't understand some basic ideas about smart money management. You can take control of your spending by correcting bad **habits** and learning how to avoid costly mistakes.

It All Adds Up!

Erin was glad to get home. She'd had classes all morning. Then she had worked an eight-hour shift at the store. Now it was time to relax. Her roommate, Cassie, was working tonight. That meant Erin had the apartment all to herself.

But when Erin walked through the door, she immediately tensed up. Lights were on throughout the apartment. In the living room, the TV blared. A nearly full can of soda sat on the kitchen counter. Next to it was an open container of takeout food from the deli.

"Cassie . . ." Erin muttered to herself. Then she tossed the container into the trash.

This wasn't the first time Erin had come home to a situation like this. Erin thought Cassie was wasteful. Her roommate didn't worry about what things cost. She never planned how to spend what she earned either. Last summer, Cassie had even bought a new car without giving it much thought.





Now Cassie was having trouble keeping up with her car payments. She also had some credit card bills to pay. More and more, she struggled to pay her share of the rent and utilities. Erin worried about her roommate. What if Cassie ran out of money? Then Erin would have to find a new roommate.

Erin didn't consider herself a financial expert. But she had common sense about spending money. She realized it was easy to form bad habits. The costs of even small purchases added up fast. Right now, Erin knew she couldn't have everything she wanted.

She wished Cassie had learned some of the same lessons.

Chapter 1

Developing Thrifty Habits



A habit is something you do all the time without thinking about it. Some habits are good. Others are bad.

What are your bad habits when it comes to money? Do you ever waste money? If so, think about ways to correct your poor spending habits. You might be surprised at how much you could save.

Let's say you spend $3 a day on soda. To be **thrifty**, you could start drinking water instead. In five days, you'd have an extra $15. After a year, you'd be $1,095 richer.



Making Simple Changes

Having thrifty habits clearly saves money. Making even simple changes can add up to big savings. One example is turning off the lights when you leave a room. Once you get started, it becomes easy to think of new ways to save. But resisting the **temptation** to spend can be hard.

In today's world, we're repeatedly hit with clever and attractive marketing schemes. They're designed to convince us to spend our money on things we don't need and maybe can't even afford. How many **advertisements** have you seen lately that suggest you go into **debt** to purchase something?

Sometimes, your friends encourage your bad spending habits. Do you ever feel like you must buy things to keep up with them? If so, you're feeling peer pressure. Giving in can be very expensive.





Learning to Be Frugal

It isn't easy to resist peer pressure. Most people want to do what everyone else does. Many want to have what everyone else has. But it's important to be frugal. This means you're careful about spending your money. Think twice when considering a big purchase.

There are many reasons people tighten their spending. Some want to save money for something special. It might be a big gift or college **tuition**. Others develop thrifty habits to avoid going into debt. They also know it's important to have some extra money set aside. This can cover the cost of emergencies and help you take advantage of unexpected opportunities.

What could convince you to save money and stop buying things you don't need? Think of a few reasons. Also think of what you could live without. These are good places to start making changes.

Tips for Resisting Peer Pressure

- **Choose friends who influence you in good ways, not bad ways.** True friends will respect your values and decisions.
- **Avoid activities that you don't want to do.** Think in advance about what might be involved. Decide whether you want to participate.
- **Make decisions that fit your values.** Then follow through with them. Don't make decisions or change your mind based on other people's values and expectations.
- **Consider the possible consequences of your behavior.** Will you get in trouble? Could you get hurt or harm your health?
- **Practice ways to say no.** Tell the truth. If that's difficult, make up an excuse for not getting involved in something.



Tips for Saving Money

Some wasteful habits are easy to change. Others are harder to correct. They may take more time and effort.

Read the following money-saving tips. Which ones might help you become thriftier?

- Turn off lights, TVs, and other electronics whenever you leave home.
- Avoid buying snacks and drinks from vending machines. Pack your own and carry them with you.
- Stop spending money on candy and junk food.
- Walk or ride a bike instead of paying for gas or bus fares.
- Pack a lunch instead of buying one.
- When you shop, take just enough cash to buy the things you need. Leave your debit and credit cards at home.





Average Living Expenses

There are certain things in life we *have* to pay for. They include food, housing, clothing, and transportation. These costs are often called living expenses. The average American's living expenses total $41,473 a year. Here's the breakdown:

1. **Food:** $8,169
2. **Housing:** $20,679
3. **Clothing:** $1,883
4. **Transportation:** $10,742

LIFE SKILLS HANDBOOKS

Workplace *Readiness*



Entering the Workforce | Occupational Training

Applying for a Job | The Job Interview

SECTION 1

Entering the Workforce

Getting your first job is a big deal. It's a huge step toward becoming independent. But how do you know what job is right for you? First, it's important to ask yourself certain questions. What kind of work are you interested in? How much money do you need to make? What employee **benefits** are you looking for? Knowing where you stand on these topics will help you find a job you love.



Planning for a Bright Future

Maura isn't surprised when her high school **guidance counselor** suggests she consider becoming a veterinarian. That was the career recommended by a test she'd taken. The test was about personal interests and possible careers. But Maura knew long before taking the test that she would enjoy working with animals.

Becoming a veterinarian will mean going to college for about eight years. Maura discovered the educational requirements by searching online. She also read about where vets can work and what kinds of tasks they do. To learn more, Maura visited several area animal clinics. Talking to real vets gave her even more insight.

Eight years is a long time. But Maura has a plan for how to become a vet. She gets a job in one of the animal clinics she visited. Working there the summer after high school will give her valuable experience. When college starts, she'll go to the local university and continue working at the clinic.

When it comes time to attend veterinary school, Maura will need to move out of state. There are no vet programs in her area. Getting good grades in her early college years should help her get into an excellent veterinary school. The experience she will gain working at the animal clinic may come in handy too. It might help her get another part-time job after she moves.

Maura's plan covers both her education and work experience. She is sure that following it will help her reach her goal of becoming a veterinarian.



Chapter 1

Figuring Out Your Future

In the world of work, you have many different choices. But what kind of job is a good fit for you? Which **trade** or **profession** will give you the most satisfaction? What occupation best matches your skills and interests?

Learning About Your Skills and Interests

You can learn the answers to these questions by taking two kinds of tests:

- **Aptitude tests:** The word *aptitude* means "skill" or "ability." An aptitude test helps determine what you're good at. This kind of test isn't like a math or history exam. It's often taken on a website or a computer using special software. Aptitude test questions are devised to reveal your natural abilities. They're also designed to show how quickly or easily you solve problems or learn new information.

- **Interest inventories:** An inventory is a survey or checklist. On an interest inventory, you might be asked to read a list of activities and check the ones you'd like to do. After you go through all the items, you'll get an evaluation of your answers. Types of jobs that seem right for you will be suggested. For instance, the report might tell you that you should work outdoors or in a job where you can care for other people.

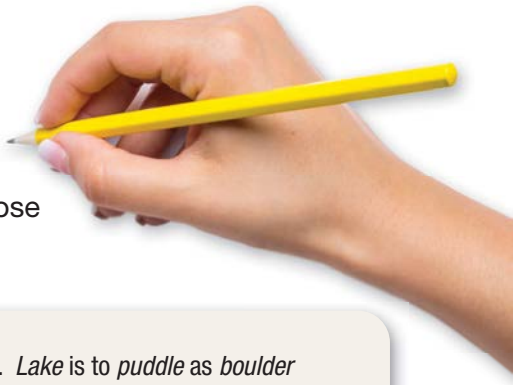


Types of Aptitude Tests

As many as 5,000 different aptitude tests are available. All of them evaluate one or more of the following areas:

- **Verbal ability:** how well you communicate
- **Numeric ability:** how well you do basic math
- **Abstract reasoning:** how well you understand complex concepts and solve problems
- **Spatial ability:** how well you mentally work with shapes
- **Mechanical ability:** how well you understand mechanics and engineering
- **Data checking:** how well you find errors in numbers and other detailed information
- **Concentration/clerical ability:** how well you can concentrate as well as your speed and level of accuracy





Sample Questions

Here are some questions similar to those you might find on an aptitude test.

1. DeShawn is shorter than Dan. Devon is shorter than DeShawn. Who is the shortest of the three?
   a. Devon
   b. Dan
   c. DeShawn
   d. none of the above

2. What number should come next in this series: 1 1 2 3 5 ?
   a. 7
   b. 9
   c. 10
   d. 8

3. *Lake* is to *puddle* as *boulder* is to _____.
   a. pebble
   b. mountain
   c. dirt
   d. island

4. Which of the following words comes first alphabetically?
   a. bland
   b. blame
   c. bran
   d. blank

Here are some questions like those you might find on an interest inventory.

1. Which would you rather do?
   __ work with people
   __ work with machines

2. Where would you prefer to work?
   __ indoors
   __ outdoors

3. Which of the following do you most enjoy?
   __ watching sports on TV
   __ reading a book

4. When you are feeling sad, what would you rather do?
   __ be alone
   __ be with other people



Taking Aptitude Tests and Interest Inventories

School guidance counselors can usually give various kinds of aptitude tests and interest inventories. Your counselor can **interpret** your answers. Then they can help you decide which careers to look into.

Also check the library for books about aptitude tests and interest inventories. Look for explanations of how they work. You can also find these tests and inventories online. If you want, you can test yourself. Then you can match your results with different career categories and job types.

No matter how you go about it, exploring your aptitudes and interests is an important first step in a job search.

Uses of Aptitude Tests

According to the American Management Association, 70% of U.S. employers use some kind of skills test. These are used to review job applicants. For many jobs, employers test applicants' basic math and language skills. Depending on the job, specific skills tests may also be given. Suppose you're applying for a job in engineering or electronics. You would likely be given a test of mechanical ability.

Preparing for an Aptitude Test



It would be difficult to prepare for an aptitude test by studying all the material it might cover. You can prepare, though, by understanding what the test will be like.

- **Multiple-choice questions:** Most aptitude tests ask multiple-choice questions. To get credit for a question, you must select the correct answer from several choices.
- **Time limits:** Most aptitude tests have specific time requirements. A typical test might require you to complete 30 questions within 30 minutes.
- **Exam conditions:** Some aptitude tests must be taken on paper at a testing center. Others can be taken online from home or work.