How to Stop Letting Past Money Decisions Run the Present

7 MIN READ

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Regretting your financial choices? You’re not alone. Here’s how to take control for better mental, physical, and financial health.

Money is so much more than the numbers in your bank account. It’s loaded with **emotion and can impact your self-worth**, confidence, security, and stability. Over a lifetime of experiences, you might make a financial decision or two that you regret. If so, you’re in good company. A recent **Bankrate survey** found that three quarters of Americans admit to harboring some kind of financial remorse.

Maybe you made a bad investment or didn’t invest at all. Overspent and fell into credit card debt. Missed a tax deadline or have unresolved tax debt. If things snowballed, you may have experienced wage garnishment, bankruptcy, or foreclosure.

The regret you feel from these missteps and missed opportunities can then be internalized and transformed into shame, taking a **toll on your wellbeing**. A heavy burden on your mental and physical health, this can also subtly sabotage your financial progress.

Dealing with financial regret and shame head-on can have a profound impact. Not only can it help you break free from the past and move forward with clarity and peace. It can also help you right the budgetary ship, setting you up for a brighter financial future.

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Financial Regret vs. Financial Shame

While financial regret and financial shame are closely related, they're two distinct emotions. Financial regret focuses on actions: the things you did or didn't do. Financial shame typically goes much deeper, shaping how you see yourself.

A Closer Look at Financial Regret

When it comes to financial regret, the reasons behind it can run the gamut. "Some of those regrets come from buyer's remorse. I bought something or put money into this investment, and it didn't pan out," said Nathan Astle, founder and financial therapist at the **Financial Therapy Clinical Institute**. "But sometimes regret comes more from what we lost with the money, like I lost my time, or I lost relationships."

John Hankins, a **certified financial therapist** and licensed social worker, notes that regret can also be a function of age. As we get older, we have decades behind us and can look back and think about how we would do things differently.

Hankins also notes that since money is quantitative and measurable, it's easy to consider alternative decisions which could have led to better financial outcomes. From there, he says, things tend to snowball, spilling into bigger picture regrets: "If I'd have made that much money, I would have had a nicer house, and my kids would have been happier."

How Financial Shame Can Shape Your Identity

Shame of any kind can be deeply painful and uncomfortable. Unlike regret, which

focuses more on external decisions, shame is more internal and can shape your identity and how you feel about yourself. Financial shame can influence **how you relate and behave with money**.

“It’s not that I did a bad thing, it’s that I am a bad thing. It’s not that I’ve made money mistakes that I feel regret about, it’s that I’m bad with money,” said Astle.

Common Reasons for Financial Regret and Shame

We work hard to earn money and aim to spend it wisely. In an ideal situation, money is a tool to help build the life you want and **support your health and wellness.** But we’re human and can make mistakes that can trigger financial regret and shame.

Some may be short-lived and more of an inconvenience. For example, going over-budget during the holidays. Other decisions can have a real impact on your life and change your financial trajectory. For example, defaulting on a loan, which could stay on your **credit report for seven years**, or raiding your investments and needing to work longer than expected.

One common culprit for shame is debt. “The top of the list is credit card debt, and the next step is student loan debt, but credit card debt really outweighs that,” said Hankins.

These feelings can be isolating, making you feel like you’re the only one experiencing them. But that’s simply not true. It’s just that money is still relatively taboo, and people don’t talk about it in public, but might with a financial therapist.

“It’s not unusual for somebody to come to me, and I say, ‘Well, tell me about your debt situation,’ and they’re listing five different major debts,” said Hankins.

Some common financial regrets can include:

- Failing to negotiate a raise

- Waiting to pay off high-interest debt
- Not saving or investing earlier
- Taking out student loans for a career that didn't pan out
- Overspending to impress others
- Cosigning a loan that you were responsible for
- Losing assets in a divorce or other event

Some common causes of financial shame can include:

- Getting laid off
- Hiding debt from loved ones
- Feeling like you can't support yourself
- Thinking you should be further along financially
- Filing for bankruptcy
- Falling for a scam
- Not knowing your numbers (income, savings, investments, debt)
- Avoiding your finances

"The tricky thing about avoiding looking at your money or dealing with your money is that, psychologically speaking, it works," said Lindsay Bryan-Podvin, licensed master social worker and financial therapist at **Mind Money Balance**. "If I am worried about looking at my money, or if I'm anxious about looking at my money, and I don't look at it, I get an immediate reward of the relief of not looking at it. The problem with it is that relief is very short-lived."

How to Deal with Financial Regret and Shame

The weight of financial regret and shame can be heavy. It also keeps you rooted in the past, which can affect your mindfulness, or ability to live in the present. Here are some ways to process these emotions.

Step 1: Identify the Emotion

First, understand what you're really feeling. Is it financial regret, shame, or a mix of both? Write down the feeling and any specific events or causes that make you feel that way.

Step 2: Do a Reality Check

Shame in particular can **distort your thinking**. You make a money mistake and then believe as a fact that you're bad with money. Is there evidence to the contrary? If so, write down other situations where you've managed your money well.

Though it may not feel like it, Astle notes that "Shame isn't truth." If you've felt money shame for a long time, it may be challenging to let go of that feeling. But the shame you feel around money isn't serving you.

"We can't shame ourselves into a better financial behavior, and we can't shame ourselves into a better financial situation," said Astle.

If you can't find evidence to the contrary, give yourself compassion. You might be expected to do things that you were never taught to do. Being a beginner can be tough, especially if you're successful in other areas of your life, like your career or health journey.

Step 3: Reframe Your Thoughts

Financial regret and shame can keep you in a loop. It's like a song on repeat, playing over and over again. After a while, that thought pattern is so ingrained that it can be tough to break away. **Reframing your thoughts** can help you see them from a

different vantage point.

For example:

- I made a money mistake, but I didn’t know better at the time
- I’m not bad with money, I’m a beginner, and learning
- [Financial event] happened, but it doesn’t define who I am, my character, values, or abilities

If a past event had a significant impact on your financial life, learn what you can from the situation and lean on your community.

“Building out your community in addition to reframing your thoughts, I think, is paramount… so that it doesn’t have to feel like you are going it alone,” said Bryan-Podvin. “Some thought reframes could be: It’s not ideal that I have to work more years, and I’m grateful that I have an income source or I’m grateful that my work is on a bus line and I don’t have to drive there, or whatever the little piece of personal gratitude may be.”

Step 4: Find Acceptance

When dealing with financial regret in particular, you want to get to a place of acceptance. Hankins suggests Acceptance and Commitment Therapy (ACT).

“My life’s not always going to be happy, it’s not always going to be great. I’m not always going to be doing the very best, but I’m accepting who I am in this context,” said Hankins. This may involve some mourning — of old chapters of your life, aspects of your life that never came to be, or old versions of yourself. Remember that this is part of acceptance, and therefore a productive part of moving forward, however unpleasant it may feel.

Step 5: Get Support

When we feel regret and shame, it's easy to turn inward and isolate ourselves. This impulse can quickly make things worse. Instead, seek support from trusted friends, family members, or support groups.

Those who have identified specific financial patterns can also benefit from groups that address those issues. For instance, if you've been in a cycle of debt, you can check out **Debtors Anonymous**. If compulsive spending is an issue, you can look into **Spenders Anonymous**.

A financial therapist — you can find a provider on the **Financial Therapy Association** website — can also provide broader support. When does it make sense to seek out professional help?

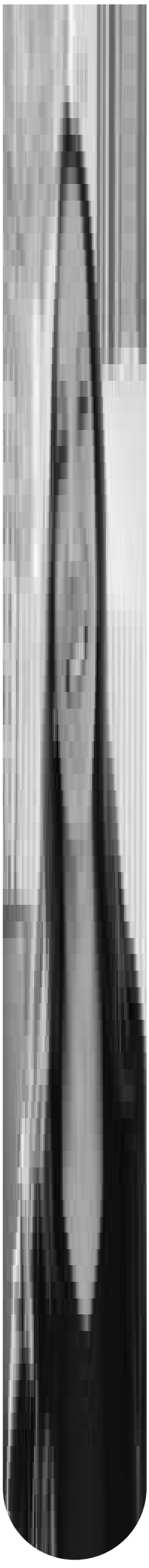
"If they have tried doing things on their own, and that stressor is impacting their ability to function," said Bryan-Podvin.

Most importantly, if you're experiencing financial regret and shame, remember that you're not alone, and you don't always have to feel that way. Making a conscious effort to let go of those feelings can be a gift to yourself and your future — one that finally allows you to make space for your health, relationships, **longevity**, and better finances moving forward.

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