

Essential Tips For Helping Someone With Financial Problems

Reading Time: 8 minutes

Financial troubles can hit the people around you at any time.

It's often difficult to know the best ways to help out a friend or family member who needs help with their financial problems.

You want to be helpful, but not enabling. There may be added layers of awkwardness, shame, and guilt.

How To Help Someone In Financial Crisis:

Money creates a minefield of relationship issues that can be hard to navigate. The following suggestions help friends and family who are having financial troubles but also protect what's best for you.

Give Cash Gifts

The most straightforward way is to give money to friends in need. This is a great option if you have the means and know it will be a one-time occurrence.

Don't try to word it as a loan to make them feel better about the situation. The last thing you want is for your friend to feel indebted to you.

Loans given to friends and family make life awkward. The giver starts to resent the person they gave the loan to if they're taking too long to pay it back.

What if the loan recipient decides to go on a vacation before repaying your money? Someone who gives the loan has no authority over how the recipient spends their money.

These types of situations will kill a friendship. Is your friendship worth losing if they aren't EVER able to pay the loan back? [Give a cash gift](#) instead.

Help Them Create A Budget

If your friend or family member is new to managing money, offer to help them setup a budget. This will allow them to [keep a handle on future months' income](#).

If you have a family member who is constantly asking you for money, you can make a rule that you'll only give money one more time AFTER you sit down to [make a budget](#) with them.

These [budget planners](#) and [cash envelope wallets](#) are helpful for budgeting and managing finances.

Setting this budgeting rule will either do one of two things: anger them or they'll agree.

