

Learn the skill of



and excel in life

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An Introduction to Saving

Saving is a skill, just like anything else. It may seem difficult at first; you may even fail a few times. However, with time, practice and persistence, it can be learned, understood and mastered.

It's important to understand that the act of saving is not strictly financial. Saving simply refers to a reduction in the excessive consumption of any resource and this booklet will help you understand how and why

- **Water**
- **Electricity**
- **Fuel**
- **Environment**
- **Telephone**
- **Health**
- **Food**
- **Time**
- **Money**



can contribute towards the saving of money, for you and your country.

The creation of good saving habits, especially financial, is also crucial to the emotional wellbeing of your family, with statistics indicating that finances are among the leading causes of distress in most families and relationships.

Did you know?

The truth is it really isn't difficult to start saving. It's only a matter of instilling a simple set of habits into your daily life. This booklet will guide you towards understanding the key steps that can shape your saving habits, including

1

Creating the mindset

2

Learning the skill

3

Setting goals and tracking progress

4

Mastering the skill

5

Passing it on



1

Creating the Mindset

Many of us know what we're supposed to do when it comes to basic money management. However, establishing good habits is always easier said than done. Money management, like many important things in life, requires discipline. And fortunately, there are some relatively simple steps you can take to move from a lack of discipline to a positive money mindset and great habits.

01 Remember why saving is important to you

Take a moment to understand your financial goals. Concentrate on your end goal and shift your attitude to focus on what you have to gain from saving. Acknowledge your progress each time you reach a savings milestone and keep yourself motivated.

Eg. If you aim to buy a car, plan to save Rs. 10,000 a month and track your progress.

02 Hold yourself accountable

Make a reasonable monthly budget for yourself and ensure you never stray from it.

03 When you get a raise, don't increase your spending

It might seem natural to start spending a little more after a raise. However, a more expensive lifestyle could easily jeopardize your saving behavior. Therefore, think of a pay raise as an effortless way to speed up your savings and keep living modestly.

04 Separate needs from wants

Understand the difference between your essentials and other frivolous purchases. It is alright to treat yourself to your wants occasionally, but it is important to evaluate your purchases and decide whether it is an impulse buy or something you really need.

05 Make a game out of saving

Saving money doesn't have to be a chore. Make a game out of it, so you can stay motivated. Pair up with your friends and challenge yourselves to save a certain amount of money each week during the year.

The 52 week challenge

Pair up with a friend and start saving throughout the year!

How it works:

Start by saving Rs. 100 the first week of the year. Increase your savings by any amount you can until the end of the year. You can even attempt the game for 3 or 6 months.



Weeks	You	Your friend	Weeks	You	Your friend

Add any tips you may have on improving your money mindset before passing this book on to a friend!



2

Learning the Skill

Tips to Save Electricity

Tips to Save Water

Tips to Save Fuel

Tips to Save the Environment

Tips to Reduce Telephone Costs

Tips for Better Health

Tips to Avoid Food Wastage

Tips to Save Time

Tips to Save Money

Tips to Save Electricity



Did you know?

Everyone unknowingly wastes between 5-10% electricity every month.

- Make the best out of daylight whenever possible. It has health benefits and helps save electricity.
- Use brighter bulbs in areas where you do close up work such as reading. Use less bright bulbs in other areas.

- Set the temperature of your refrigerator at 3 or 4 degrees and the freezer at minus 15-10 degrees (keep in mind that refrigerators are sometimes the biggest expense in your electricity bill)
- Apart from your refrigerator, cut off the electricity supply completely on all other appliances which are not in use (including your TV) by switching them off at the plug point
- Every time you leave a room, ensure you turn off the fans and lights
- Use LED bulbs wherever possible and save up to 30% of electricity
- Clean your bulbs periodically to ensure you get the best from them; this eliminates the necessity for multiple bulbs
- Enjoy long term savings by ensuring electrical appliances older than 10 years are repaired or replaced
- Consider switching to solar energy. The initial investment doesn't compare to the massive savings it amounts to in the long run
- Avoid opening the refrigerator several times
- Before leaving cooked dishes in the refrigerator, allow them to cool down in room temperature
- Instead of ironing a few pieces of clothing everyday, iron your clothes in bulk every week. Ensure your clothes are totally dry before ironing. Wet clothes consume more energy.
- Ceiling fans consume more energy than table fans or stand fans
- If your rooms are air-conditioned, ensure they are sealed tight
- Avoid using electrical appliances that emit heat in air-conditioned rooms (eg. irons, electric ovens and photocopy machines)
- Ensure boiled water is stored in a flask. This helps save water as well as electricity.
- Leave your air-conditioning at 26c. Every celsius below this temperature consumes 4% of electricity each.

Tips to Save Water



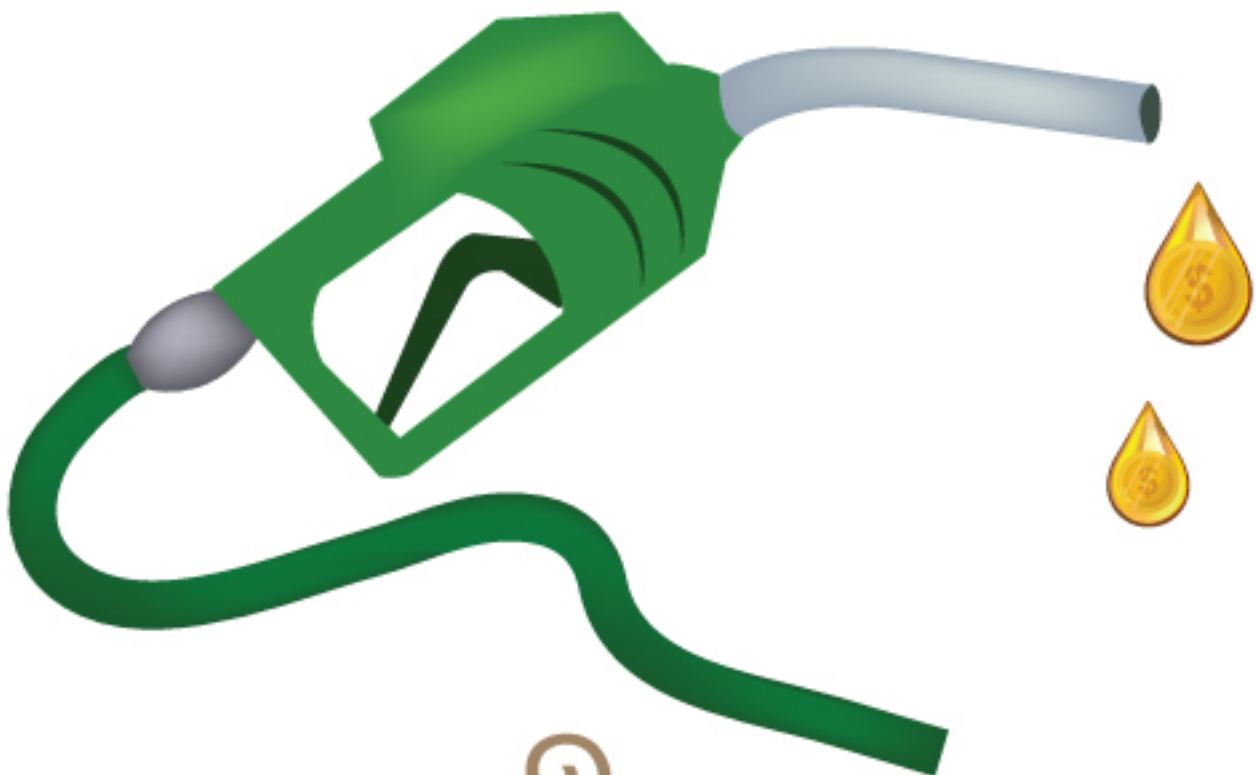
Did you know?

If water leaks at one drop a second, it amounts to 10,220 litres a year.

- Leaking taps and pipes are responsible for a majority of water wastage. Repair them immediately.
- Avoid leaving the tap open when shaving or brushing your teeth
- Use water from a bucket instead of a hose when watering your plants
- Use a bowl or bucket of water to wash vegetables and fruits, as opposed to a tap
- Leave a 1litre water bottle in the tank of your toilet commode. This helps reduce 1litre of water usage per flush.

- Collect rainwater with a bucket and use it for gardening purposes
- Wash your clothes in bulk to reduce water and electricity wastage
- Most showers waste upto 5 litres of water a day. Repair yours if this is the case
- Recycle the water you use for washing clothes to wash your bathroom
- Whenever you come across a running tap, don't hesitate to close it

Tips to Save Fuel



Did you know?

If the consumption of fuel continues at this rate, fossil fuels will become obsolete by 2050.

- Organize yourself to travel less & reduce fuel usage
- Avoid the rush hour whenever possible
- Switch off your engine during long waiting periods
- Remove unnecessary items in your vehicle. Every additional 90kg in your vehicle consumes an additional 1km of fuel.
- Ensure your tyre pressure is at its recommended value. When the tyre pressure reduces by 4-5 PSI, it increases fuel consumption by 10%.
- Maintain an average of 55km/h during drives to save up-to 10-15% of fuel consumption.
- For short trips of 2-3 km, consider walking. You could additionally experience health benefits (Walk whenever you can, don't limit yourself to 2-3 km). For longer trips of 5-10 km, consider using public transport.
- Record your monthly fuel expenses and consider how you can cut costs in the following month.

Tips to Save the Environment

Did you know?

Every year, 3 million kids under the age of 5 die because of environmental pollution.



- Do not allow unclean water from your home, toilet or drains to flow into rivers and lakes
- Minimize the use of polythene and try to recycle whenever possible. Clean out your home and garden at least once a week. Dispose of any object that may collect water and provide breeding grounds for mosquitoes.
- Reduce the use of plastic bottles. Carry a durable water bottle with you instead.
- Switch to durable, reusable cloth bags in place of shopping bags
- Use biodegradable lunch sheets over polythene sheets
- Volunteer at and organize environmental cleanups
- Try to maintain digital records than carry physical bills (eg. E-statements)
- Avoid littering, even at the smallest scale. Dispose waste by composting whenever possible.
- Recognize how your own behaviour contributes towards pollution and change your habits
- Segregate your waste to facilitate recycling
- Before disposing of something, consider if it has alternative uses
- Use your belongings carefully to prolong their lifespan
- Use Singapore's garbage landfill as a lesson that proper garbage disposal not only has personal but also national benefits
- Before disposing of paper, consider every possible alternative use.
- Consider alternative/ creative uses for all forms of waste. For eg. old tyres make good flower beds

Reducing Air Pollution

92% of the world's population live in extremely polluted conditions.

- Repair your engines periodically to reduce excess emission of smoke
- Avoid burning plastic, rubber and polythene
- Repair your refrigerators and air-conditioners to make them CFC free. Consider CFC when purchasing these appliances.
- Plant more trees for better oxygen emission
- When purchasing a new vehicle, consider hybrid or electric options to reduce air pollution
- Avoid smoking. This is beneficial for you and the environment.

Reducing Water Pollution

- Stop disposing of waste in clean water
- Avoid disposing of polythene and other forms of waste in the sea. They destroy the marine ecosystem
- Avoid destroying forests around fresh bodies of water as they help filter the water source
- Avoid washing clothes or vehicles in fresh bodies of water to avoid contamination
- Preserve mangroves as their destruction may threaten the ecosystem around them and cause sea water to enter the bay and mix with the freshwater

Tips to Reduce Telephone Costs



Did you know?

49% of times mobile phones are used to play games and 30% of times, they are used for social media.

- When subscribing to a mobile service provider, browse through for packages that cost you the least and fit you the best
- Use social networks like Whatsapp and viber for calls as opposed to standard phone calls
- Set a credit limit for yourself to avoid excessive phone bills
- Make phone calls during off-peak hours unless they are urgent
- Use wifi whenever possible

- If system updates or app upgrades happen automatically, change your settings to reduce data consumption
- Use a data package to access the internet
- Use family or office packages whenever possible. This reduces your phone charges amongst your regular callers.

Tips for better Health



Did you know ?

A genuine smile helps fight depression & mental anxieties while also burning 10-40 calories. Walking, running, sports and frequent exercise are beneficial to good health. They also reduce medical expenses.

- Short naps of 10-15 mins between 1-4pm everyday is beneficial to your health
- Abstain from alcohol
- Maintain your daily wake up and sleep routines / times even during weekends
- Drink 2 glasses of water as soon as you wake up in the morning. This will help your internal bodily functions. Drinking 3 litres of water a day (on average) is recommended.
- Get used to having a balanced meal, including at least one ounce of fruit juice
- A health watch would motivate you to walk more and help you monitor the number of calories you burn
- Mental health is as important as physical fitness. Therefore, allocate a certain number of hours to listen to music and other forms of mental relaxation.

Tips to avoid food wastage

Did you know?

1.3 billion tonnes of food is wasted globally each year.



- Only buy what you need to avoid wastage
- Calculate the amount of food you need per person in your family every month to avoid wastage
- Store your food properly
- Try out new ways of preserving food
- Always try to buy fresh vegetable and fruit. Buy food with a longer expiry date as it is more beneficial for you and would also reduce wastage.
- Store leftovers properly. Store food in your refrigerator according to their expiry date with the ones that expire first at the front, to avoid unnecessary wastage.
- Plant fruit and vegetable seeds. This is a long term saving
- Get creative when cooking. Eg. Use leftover fruits and vegetables for salads to avoid wastage
- Give unwanted food to a person or animal who needs it rather than throwing it away

Tips to Save Time



Did you know ?

$\frac{1}{3}$ of a person's life is spent sleeping.

- Think about how you spend your time. Identify the ways in which time gets wasted and correct it.
- Working to a timetable can help you manage your time
- Maintaining a diary will help you keep track of prior activities as well as those in the future
- Keep things in place to avoid wasting time looking for them
- According to a survey, multitasking can help you save up to 40% of your time. Finish every task you assign yourself quickly and waste no time moving on to the next.

- Finish your work on time and avoid procrastinating
- Develop a daily routine which will help you finish your tasks faster and manage your time better
- Develop a habit of reading (on the phone or carry a book with you) so you can read during instances where you are required to wait
- Developing a 5-6 hour sleep regime will enable you to have time to do the things you need to do
- Regretting time you've already lost only amounts to more time wasted
- Time is money. Don't waste it.

Tips to Save Money



Did you know?

46% of millennials have no savings.

- Make a list of your expenses to reduce unnecessary expenditure
- Listing out and buying the things you need for your household every month will help you save. Eg. Take advantage of discounts and wholesale offers
- Deposit a certain portion of your earnings in the bank every month
- Pay your bills on time before they accrue interest
- Go for quality over quantity; quality goods last longer
- Design and create your own gifts instead of buying them. This will not only help you save money but also add value to the gift you give.
- Save at least a small amount each day. This will result in a substantial saving over the course of the month.
- Wait 48 hours before making online orders to decide whether or not you really need it
- Installing a money management app on your phone will not only help you manage your income and expenditure but will also help you keep track of how you spend your money
- Separate your needs from your wants to cut down on expenditure
- Act in a manner that will help you balance your income and expenditure

Savings does not only involve money. It is, however, essential for us to save for ourselves, our future, as well as future generations. This is both a personal and national responsibility. What most of us do not realize is when we practice saving, we unknowingly contribute to the growth of our entire nation. Also remember that all forms of savings discussed in this book will directly or indirectly contribute towards financial savings. It is something that will bring about great short and long term benefits. So remember to save whenever and wherever you can.

Every little thing you save today will eventually culminate into a greater reward than you may imagine and is certainly something worth bearing in mind.



Add any additional saving tips you have before passing this book on to a friend!

3

Set Goals and Track Progress

Now that you understand how you can exercise saving in all aspects of your life, it's time to understand how you can monitor your progress.

SMART goal setting is an effective process that lets you clearly define your goals and track your progress towards achieving them. To make your goal SMART, it needs to conform to the following criteria: Specific, Measurable, Attainable, Relevant and Timely.

Measurable

Ensuring your goal is measurable allows you to track your progress. This way, you know when you've reached a certain milestone or you're able to reevaluate when you haven't.

Eg. Decide how much you have to save every month over a specific duration of time to be able to purchase the car

Specific

Define your goals clearly and concisely. The more specific, the better.

Eg. You need a car. Focus on getting a second-hand car that can accommodate the number of people in your family



SPECIFIC
MEASURABLE
ATTAINABLE
RELEVANT
TIME BOUND

Attainable

Don't fall into the trap of setting unrealistic goals you may not be able to accomplish. Before you set a goal, make sure that you can actually envision yourself achieving it.

Eg. It's more realistic to aim for a second-hand car first as opposed to a luxury car

Relevant

Make sure your goal is relevant to the bigger vision you're trying to accomplish. In the case of saving money, make sure your saving goals align with your long term plan.

Eg. If your bigger goal is to buy a car, your savings goal should accommodate that. This could mean investing your savings in a Fixed Deposit.

Time Bound

Good goals need to have a target time attached to them.

Eg. Rather than saying "I want to own a car someday" you could say "I want to be able to buy my first car by the end of next year". This gives you a timeline to work within.



From Saving to Investing

Now that you have a basic skill, it is beneficial to know how you can use part of your savings to invest.



Investment has been key in the creation of wealth to some of the most successful people. As you've mastered the skill of Saving, this is a good time to start investing.

Investing may feel like an expense in the short run, but with enough time and effort will reap more benefits than you imagine.

There are several ways to invest. Fixed Deposits in banks and Savings Planners are some of them. Similarly, investing in Stocks, Bonds, Mutual Funds, ETFs, Real Estate or even starting your own business are smart investment options.

Everything you need to know to start Saving can be learned via the internet.

Although investing has its risks, learning to do it the smart way can easily make you wealthy.

Always make sure that you invest with a Central Bank-approved financial institute.



5

Pass it on

Teaching is the best way to learn. So make sure you pass this knowledge on at every opportunity.

Here's what you can do

1. Pass this book onto a friend, colleague or anyone who needs help with saving.
2. Share the download link to the e-book (you will also be minimizing the use of paper when you do this).
3. Share stories of how this book has enabled you to save more; financially or otherwise. Get your story heard by all our fans!
4. Talk about savings whenever you have an opportunity.
5. Leave your own tips at the end of every chapter to help whoever you may pass this book onto.



Add any additional tips you have on Saving before passing this book on to a friend!

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A+ (lka) Fitch Rating - National Development Bank PLC (PQ.27) is a licensed commercial bank supervised by the Central Bank of Sri Lanka.