

*Practically applying the character quality of*

# thriftiness

vs. Extravagance

*"Allowing myself and others to spend only what it necessary"*

**By: Jim Peters**

Thriftiness and stinginess are often aligned in our minds. We can each probably recall several clichés used to refer to “those people”. Seldom do we apply those terms to ourselves. In our society thriftiness is often considered something other than a positive character quality. However, if we are to be in a position to exercise generosity, benevolence and compassion, a degree of thriftiness is a prerequisite. In this light, the bulletin quotes John Wesley in demonstrating the necessary balance: “Gain all you can, save all you can, give all you can.” Balance is the first challenge in exercising thriftiness.

Thriftiness is defined as allowing yourself and others to spend only what is necessary. This leads one to the question, “For what purpose?” Should we spend for pleasure today or defer spending in order to save for future needs? Are we spending today (investing) with the promise of future gain to allow even greater generosity later? I am nearly six months into a new business venture. Each day I am faced with spending/investing decisions. How do I best commit precious resources to build a dependable and consistent flow of income to meet my present and future needs? It

is tempting to justify and rationalize frivolous and unnecessary spending as investment. Previously, as a commercial bank credit manager, I assisted the lending department with liquidation of assets to satisfy defaulted loans. A common thread with these failed businesses was a propensity for “toys” unrelated to the business efforts - luxury vehicles, multimedia centers not used for business purposes, extravagant participation in professional sporting events. Many of these things could have been justified as legitimate business expenditures in certain circumstances, but in these cases, the individuals had crossed the line and committed business resources for personal gain and pleasure. Establishing purpose is a challenge in practicing thriftiness.

“Only what is necessary” also causes me to ask, “necessary from whose standpoint?” If you are managing a company you are accountable to its owners. If you manage staff you are responsible to consider their well-being. Committing business resources should be done with those constituents’ interests in mind. If you are an employee, your family’s interests should be the focus of your spending decisions. Further, “allowing your-

self and others to spend...” denotes a requirement to guide the development of the quality of thriftiness in those around us - employees and/or family members - as well. Perspective is an additional challenge to applying the character quality of thriftiness.

Balance, Purpose and Perspective can all be challenges as we attempt to practice thriftiness. As we deal with these challenges we will find that thriftiness is actually complementary to generosity, benevolence and compassion, not in conflict with them.

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Commitment to Thriftiness

- I will save more and spend less
- I will not confuse what I need with what I want.
- I will make good use of what I already have
- I will budget my money, time, and energy

How THRIFTY are you?

- Do you keep detailed records of your resources so you know how they are being spent?
- Are you using your energies and resources primarily for yourself or for the needs of others?
- Do you study procedures to see how they can be more efficient and less costly?
- When your income increases, do you keep the same standard of living so you have more to give?