



WOMEN AND MONEY

Overcoming The Unique Challenges
That Women Face In Finance



1-800-210-3481

www.ConsolidatedCredit.org

5701 West Sunrise Boulevard | Fort Lauderdale, FL 33313

Congratulations on taking this first important step to understand the unique financial challenges that women face, so you're better equipped to overcome them. Consolidated Credit has been helping Americans across the country solve their debt and credit problems for over 25 years.

Our educational team has created over forty publications to help you improve your finances. Visit ConsolidatedCredit.org to access all our publications free of charge. You'll also find a range of financial education resources, including interactive courses, instructional videos, webinars, infographics, and more. Our mission is to provide all the tools you need to become debt-free and use money wisely, so you can plan for the future and build wealth.

If you're feeling overwhelmed by high-interest rate credit card debt, I encourage you to call **1-800-210-3481** to receive a free evaluation from a certified credit counselor. Together, you can find the best solution to pay off your debt and achieve financial stability.

I also invite you to share these resources with others you know who want to improve their finances. Consolidated Credit provides partnership programs, which can help groups, businesses and communities learn and grow together. If you're interested in learning more, please call us and we'll be happy to help you customize a program for your organization.

Sincerely,

A handwritten signature in black ink that reads "Gary S. Herman". The signature is fluid and cursive, with a long horizontal flourish at the end.

Gary S. Herman
President
Consolidated Credit

Women mean business

When it comes to finance, women have traditionally faced an uphill battle. The gender wage gap, roles as caregivers and motherhood greatly affect a woman's savings and retirement. However, women have seen many advancements in the areas of leadership, entrepreneurship, wealth, and work.

In fact, here are some recent stats about the forward movement of women in the world of business:

- In 2019, women made up 25% of C-level suite executives at the top 1,000 U.S. companies (by revenue), up slightly from 23% in 2018
- 26 of Forbes' 50 Most Influential CMOs in 2018 were women
- In 2019, the number of female CMOs at the top 1,000 revenue-generating companies in the U.S. rose from 32% to 36%, from 2018
- 40% of businesses in the United States are owned by women.
- Since 2007, the number of women-owned businesses has grown 58%
- 78% of new women-owned businesses are owned by women of color
- In 2018, women of color owned 47% of all women-owned businesses and generated \$386.6 billion in revenues

Despite these advancements, there is still a lot of room for growth when it comes to women achieving financial success and independence.

If you are on this journey yourself, you must set clear short- and long-term financial goals. First, you need to know where your money is going and track your spending with a budget. You can find helpful booklets for budgeting and spending at [ConsolidatedCredit.org](https://www.ConsolidatedCredit.org). If you have family, involve them in the process because it will be easier to achieve your goals if the whole household is working together.

The Golden Rules of Money Management

The above-mentioned booklets have plenty of helpful information on basic personal finance, but here are ten golden rules that women should follow as they manage their money:

1. **Saving should be your top priority.** If you're just starting out, consider your first job your first opportunity to create an emergency fund and start saving for retirement.
2. **Don't be afraid to use coupons.** The less you spend, the more you have available to save and invest.
3. **Avoid store credit cards.** They carry much higher APR that typically outstrips any discounts or rewards they offer.
4. **Be mindful of the temptation to "keep up with the Joneses."** This is an easy way to overspend and live beyond your means.
5. **Don't ignore mechanics that need fixing or regular maintenance.** If you act promptly, you can keep repair costs low.
6. **Avoid the pressure to provide for everyone.** You're only one person, so get your family to do their fair share.
7. **Never be comfortable carrying credit card debt.** Pay off your balances as soon as you can.
8. **Educate yourself.** Whether it's learning how interest rates work or learning how to invest, knowledge is the key to financial success.
9. **Be mindful of your credit score.** Even if you're married, you should have a good score independent of your spouse.
10. **Teach your kids about finance early.** It will help you avoid the pressure of a constant stream of "buy me."

Know Your Worth

Women are the most powerful consumers in the world.

Here are some facts that you might not know about your economic worth:

- By 2028, women will own 75% of discretionary spending
- Women drive 70-80% of all consumer purchasing decisions
- Women represent multiple markets in one because they buy on behalf of the people in their households, as well as for their extended family
- 25% is the average return on equity for companies with diverse corporate boards, as opposed to only 9% for a uniform board
- The top homebuyers after married couples are single women, who make up 18% of homebuyers (that's double the percentage for single men at 9%)



Earn Your Worth

Although an earnings gap persists between genders, with women earning 80.5 cents to every dollar earned by their male counterparts, it has improved from women earning 74 cents to every dollar earned by their male counterparts. By race, however, the prognosis is much worse. Black women only earn 65 cents for every dollar a white male earns, and Hispanic women earn just 58 cents for every on the dollar compared to white males. (Asian women earn just about the same as white women, at 82 cents.)

If you are going to work for someone else, it's important that you research pay rates for the type of work you do, negotiate your starting salary, and develop the skills you need to ask for

– and get – a raise. You can plan to successfully negotiate pay by keeping a career diary with testimonials and facts about your work experience. Also, make it a point to thoroughly research every position you apply for and talk to those in your field. Start your salary research at Salary.com and sign up for a free “Work Smart & Start Smart: Salary Negotiation” workshop at AAUW.org.

Know that everything is negotiable — from benefits to PTO and flexible hours. And negotiated outcomes are beneficial to both parties.

If you’re a mom looking to balance career and family, check out Working Mother Magazine’s list of Best Companies for Working Moms (www.workingmother.com). If you’re looking for a great work environment with benefits or the opportunity for advancement, Fortune magazine publishes an annual list of the 100 Best Companies to Work For (www.fortune.com), and Glassdoor.com is a great site to visit for insights into a company’s culture. Finally, if your company offers tuition reimbursement, take advantage of it and take classes to increase your salary and marketability.

If you can’t seem to find a job that gives you the flexibility or opportunity you want, starting your own business may be your ticket to financial independence. It isn’t always easy, but you can often test the waters by starting a small business part-time or from home and growing at your own pace. A terrific resource for small business advice is SCORE, which provides free business planning and consulting advice. Visit www.SCORE.org for more information.

Understand the Worth of a Business Venture

Beware of business opportunities that promise to make you money just by selling a product but emphasize recruiting new distributors from your sales network as the real way to make money.

The Federal Trade Commission gives the following advice on

businesses that encourage you to buy a certain amount of product at regular intervals, even if you already have more inventory than you can use or sell:

- **Research the company.** Search online for the name of the company and words like review, scam, or complaint. You may also want to look for articles about the company in newspapers, magazines, or online. Does the company have a good reputation for customer satisfaction? Check with your state Attorney General for complaints. A lack of complaints doesn't guarantee that a company is legitimate, but complaints can tip you off to possible problems.
- **Understand the costs.** Many multi-level marketing companies make you buy training materials or pay for seminars. You may need to book and pay for travel expenses, so make sure you know what you must pay for, and how much it will cost over time. If the company says some of these things are optional, find out if you'll become ineligible for bonuses or rewards if you opt out of them.
- **Read the paperwork and have a friend or advisor review it.** Read the company's sales literature, business plan, disclosure documents, and any contracts or agreements you'll need to sign. Ask an accountant, a lawyer, or someone else you trust – and who is not affiliated with the company – to help you review the materials. Ask them to look at your possible earnings and whether the company can back up its claims about how much money you can make. Ask for their honest opinion about whether they think the company is legitimate and a good fit for you.
- **Don't be afraid to ask tough questions and dig for details.** A good businessperson needs those answers, so don't consider it nosy or intrusive to ask questions if you're thinking about starting a small business. Call a time out if your intuition

raises a red flag, and don't let someone's emergency become your priority. Be skeptical of people that tell you an opportunity may not last.

Protect Your Worth

To reach your financial goals, you'll need to have a plan for things like student loan debt, emergencies, and family caregiving. These factors contribute to the wage gap because women are more likely to pursue and obtain higher education, and they are more likely to assume caregiving roles.

Get organized

To protect your wealth, start by organizing your finances. You should have separate accounts for things like your bills, savings, college funds, businesses, and retirement.



You should also prioritize debts for repayment. A good method is to start with your highest interest rate debts first or you can start by knocking out the smallest balances first. Whichever method you choose, know the balances, APR, due dates, and payoff dates, so you can manage your debt in the most effective way possible.

Make sure you're covered

It's also important for you to have adequate insurance for your needs.

If you're a working mom and your family would need to replace your income if something were to happen to you, you need life insurance and disability insurance. Even if you don't work outside the home, consider obtaining life insurance to offset

any costs your family might incur if you were to pass away. Life insurance may be much more inexpensive than you realize. If your employer does not provide a disability insurance policy, shop for your own disability policy through an insurance agent.

Create a will

What would happen to your family, your property, or your children if you died? Widowed or single, nine out of ten women manage their own finances at some point in their lives. Keep all documents for your active accounts and obligations in one, safe place and, make sure your lawyer can access them in the case of your absence. Don't leave it to chance. Make a will!

If you cannot afford an attorney, then at least visit [Nolo.com](https://www.nolo.com) for inexpensive templates that will allow you to prepare your own will. Wills do not have to be prepared by an attorney to be legally binding. Simply writing (or dictating to a competent writer) your wishes in the presence of a witness will suffice in an urgent situation. Independent paralegal services can also assist in will preparation.

Share responsibilities for care

When it comes to caregiving, know that caregiving arrangements are not one-sided. Nearly one-third (31%) of women are or have been caregivers, and nearly all of them made some work-related adjustments as a result of caregiving, such as using vacation or sick days (38%) or missing work (36%). Plan with the rest of your family to hash out how each of you will contribute – through financial or time commitments – to care for a family member who requires care.

Take the lead to get out of debt

If your family is digging itself into debt, don't be shy about asking for help. Even if your spouse isn't willing to

acknowledge the problem, it's important to obtain advice before the situation becomes so bad that you have no choice but to file bankruptcy. You can get a free, confidential consultation on your debt situation by calling Consolidated Credit at **1-800-210-3481** or visit www.ConsolidatedCredit.org.

Don't sacrifice your credit for your family

It is also important to maintain your own credit history and keep it strong. Too often, women want to help their loved ones (including spouses) by cosigning loans, lending them money, or taking over the bills. But the truth is, debt and money troubles are cited as one of the major reasons for divorce. Do not cosign loans for a partner or spouse with a bad credit history. You could end up with debt that lasts longer than the relationship. Even if you stay together, it is important to have one spouse with a strong credit history and a low debt ratio – especially in case of emergencies.

Check your credit history at least once every year at annualcreditreport.com. If it is less than perfect, start the process of correcting errors and rebuilding your credit. Visit ConsolidatedCredit.org for free publications about credit reports and scores.

Don't leave the finances to your spouse

No one wants to think their marriage won't make it, but 50% of divorced women say that financial planning seems an impossible task in their lives. For women who've divorced or lost a spouse, this was a particularly powerful realization. 48% of women said their divorce created a financial crisis, and 64% say that it made them realize how important it is to be financially aware and independent.

The Future Is Female

- Only 12% of women are “very confident” that they will be able to retire with a comfortable lifestyle
- Only 15% of women have a written retirement strategy, and 42% have an unwritten strategy
- 32% of women expect Social Security to be their primary source of retirement income
- The average annual Social Security benefit collected by a 65-year-old woman is 20% less than the annual benefit collected by a 65-year-old man
- Among women who plan to work past age 65 and/or in retirement, more cite doing so for financial reasons (84%) than healthy-aging-related reasons (69%)



Although retirement is different for women, saving for retirement is still not optional. You can overcome the gender-specific obstacles to a secure retirement, and it’s never too late to start saving!

Don’t feel you have to plan for retirement alone. Talk about money with your friends and family and consult a financial advisor. You don’t have to be perfect or know everything before you begin investing.

Studies show that women are less likely to make risky investments and more likely to stay the course when investing. Women are also more likely to ask for financial help and seek expert advice when investing.

Use these tendencies to your advantage and take the time to learn about the stock market.

Join or start an investment club with other women. Many women-only clubs have excellent track records, and it is inexpensive to get started. Visit www.betterinvesting.org for information on investment clubs.

Additional Reading

For more inspiration and advice, visit your local library or bookstore for some of these helpful books:

- *Secrets of Six-Figure Women: Surprising Strategies to Up Your Earnings and Change Your Life* by Barbara Stanney
- *Prince Charming Isn't Coming* by Barbara Stanney
- *Broke Millennial: Stop Scraping By And Get Your Financial Life Together* by Erin Lowry
- *You Are a Badass at Making Money: Master the Mindset of Wealth* by Jen Sincero
- *Clever Girl Finance* by Bola Sokunbi
- *Nice Girls Don't Get Rich* by Lois P. Frankel
- *Worth It* by Amanda Steinberg



About Consolidated Credit

Consolidated Credit is a consumer oriented, public education organization. We are an industry leader in providing credit counseling and debt management services throughout the United States.

Our mission is to assist individuals and families end financial crises and help them solve money management problems through education, motivation, and professional counseling.

We are dedicated to empowering consumers through educational programs that will influence them to refrain from overspending and abusing credit cards, as well as to encourage them to save and invest. We sponsor local free seminars that are also available to any group or organization that requests our educational services.

Our professionally trained counselors have assisted thousands of families across the United States. Regardless of whether your financial problems are due to the purchase of a new home, birth of a child, major illness, or any other circumstance, we can help.

Our organization is funded primarily through voluntary contributions from participating creditors. Our programs are designed to save our clients money and liquidate debts at an excellent rate.

Consolidated Credit is a member of the Better Business Bureau, the National Association of Credit Union, United Way of Broward County and Financial Counseling Association of America.

NOW YOU CAN FIND FREEDOM FROM DEBT!

Consolidated Credit, a nationally recognized organization, will provide you with professional financial education, counseling and resources. In addition, you can benefit from customized Debt Management Programs, which incorporate a bill consolidation plan to help you regain your financial freedom.

Our Certified Financial Counselors can:

- Reduce or even eliminate interest rates!
- Eliminate late charges and over-limit fees.
- Consolidate debts into one lower payment.
- Help you pay off debt faster.
- Rebuild your credit rating.
- Save you thousands of dollars.
- Get you on a plan to be debt free!



Call today, and take your first step toward financial freedom!

1-800-210-3481

or visit www.ConsolidatedCredit.org



5701 West Sunrise Blvd., Fort Lauderdale, Florida 33313

YOU CAN BE DEBT FREE



THERE IS HELP WAITING FOR YOU NOW.

- Reduce or eliminate interest charges.
- Consolidate credit card bills into one lower monthly payment.
- Pay off your debt in half the time.
- Save thousands of dollars.



1-800-210-3481

5701 West Sunrise Boulevard • Fort Lauderdale, FL 33313
www.ConsolidatedCredit.org • Email: counselor@ConsolidatedCredit.org