

Women and Money: Taking Charge of Your Financial Future - Video Transcript

Women have more opportunities today to achieve financial success than ever before.

Yet on their path to financial security, women often face obstacles that their male counterparts don't. Let's look at some of these challenges.

First, women generally live longer than men.

While that doesn't sound like a problem, a longer life expectancy presents several financial challenges.

It means women are likely to spend more years in retirement, so their retirement dollars will need to stretch further. A longer life expectancy also means women are more likely to need long-term care in their later years.

And women who are married are likely to outlive their spouse, which means they'll be responsible for all financial decisions, and ultimately responsible for the disposition of all marital assets.

Yet while women need their savings to last longer, they may face other challenges that can make it more difficult to accumulate sufficient savings.

For example, women generally earn less than men over the course of their working lives, for a variety of reasons.

This can affect the amount of their overall savings, Social Security retirement benefits, and pensions.

Women are also much more likely to take time out of the workforce to raise children, or to care for elderly parents, which can have several financial consequences.

In the short-term, women lose a steady source of income, and possibly other valuable employee benefits like health and disability insurance. There's also the opportunity cost that comes with taking time out of the workforce, which can affect career advancement.

In the long-term, many years out of the workforce can result in lower overall savings, and possibly lower Social Security retirement benefits. It also means women are more financially vulnerable in the event of an emergency or when facing an unexpected obstacle such as an illness, unplanned pregnancy, divorce, or loss of a spouse.

So as a woman, what can you do? Here are a few things.

Start by taking control of your money—create a budget, establish a positive cash flow, and limit debt.

Become a knowledgeable investor—familiarize yourself with investment concepts and terminology, and set clear financial goals.

Advocate for yourself in the workplace—have confidence in your abilities, highlight your accomplishments, and ask for job flexibility if you want to stay in the workforce while raising a family.

And finally, save for retirement—set up automatic monthly contributions to a retirement account, keep track of your progress, and learn how to estimate your future Social Security retirement benefit by using the Social Security Administration’s online tool.

You don’t have to do it alone. In many cases you may benefit from working with a financial professional.

There’s no one-size-fits-all when it comes to women’s lives. A financial professional can help you chart a *personal* course to financial security.