

3 Start-Small Financial Goals for Every Woman

Getting control of your finances is a big task, but you can always start small. Three mindful steps could get you on the right path.



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During Women's History Month, we celebrated the women who have contributed to society in ways that have changed our world. We also reflected on the advances women have made in the last several decades, which are extraordinary, and acknowledge that we still have a long way to go.

For example, women still fall far behind men on the financial front. Women earn an average of 73 cents for every dollar earned by men, according to the Women's Institute for a Secure Retirement. That means women are earning over 25% less than men.

Discrimination, child-rearing and caring for elderly parents cause women to move in and out of the workforce and, as a result, they lose an average of 11½ years of working time in their lifetime, versus less than 1½ years for men.

This leaves women with much smaller retirement savings accounts, and as women are expected to live six to eight years longer than men, this vastly reduced amount of money must last longer than men's retirement savings. Women of color are affected the most by the gender pay gap. Black, Native American and Latina women earn 58 cents, 50 cents and 49 cents compared to every dollar a white man earns.

After spending more than 20 years advising women on their finances, I continue to find that women, on average, are still less likely to be financially savvy than their male counterparts. After

the COVID-19 pandemic, many women are in even more vulnerable financial positions than they were two years ago.

Getting control of your finances might feel overwhelming, but it is possible if you focus on a few areas, to start. Here are three basic tips to get you closer to a secure financial future that our trailblazing female forebears would be proud of:

Use a budget

The need for a budget is universal. People from all socioeconomic backgrounds are wise to fully understand how much they are spending – and on what – to ensure they know where their hard-earned dollars are going!

If you can find ways to cut some extra expenses (do you really need a latte seven days a week or to subscribe to seven movie channels?) you can put that money toward saving for retirement, building an emergency fund, or buying property.

There are apps for this: Try Mint or You Need a Budget to get started, remembering this is going to be a process; you will need to actively think about what you are spending and what you might need to spend for in the future – including unexpected or unplanned-for expenses. Which brings me to the next “must have”:

Save for an emergency fund

If you do not have any cash savings, this should be the first thing you do.

You can never know if you will have a pause in income, an expensive home repair, or – in a more serious scenario – an environment of domestic violence that you need to escape.

Create a savings plan you can achieve and stick to it. Even if you put away \$100 each month (in \$20 increments) in a savings account, you will be surprised how quickly this can add up. Ideally, try to save at least 5%-10% of your paycheck every month.

The aim is to save three to six months of living expenses in a bank account that you can easily access. I always recommend a high-yield savings account, if you can find one. That way, your money is also earning interest as it sits there. It is critical insurance that will give you significant peace of mind, too.

NYSUT NOTE: Start saving for your emergency fund with the help of the NYSUT Member Benefits Corporation-endorsed Synchrony Bank Savings Program. This program offers online savings accounts with competitive interest rates and 24/7 online and mobile banking. [Click here](#) for more information and to get special discounted member rates.

Do not let ‘perfect’ be the enemy of ‘good’

In many issues related to finances, women sometimes wait to understand the issues fully before making choices or taking action. In the case of saving or investing, waiting can cost you money.

Some people delay focusing on their finances, even saving, because they haven’t figured out how much they need to save yet. Or, if they are a little farther along the financial comfort spectrum, people make the mistake of doing nothing by sitting on the investing sidelines or investing too conservatively. The Simple Dollar explains that women often wait to invest, or

don't invest at all, thinking that they need to know more to make any investment. However, you don't need to be an expert, and can always ask for help.

If you put a little time and energy into focusing on your finances, taking one simple step at a time, you will soon find that this financially savvy mindset becomes a natural part of how you think about work and life. And I am sure of this: You will be glad you did!

NYSUT NOTE: Did you know NYSUT members have access to the NYSUT Member Benefits Corporation-endorsed Financial Counseling Program? This program provides access to a team of Certified Financial Planners® and Registered Investment Advisors to provide you with fee-based financial counseling services. You can get unbiased advice that is customized specifically for you and your financial situation. Visit [the website](#) for more information or to enroll.

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