



Financial Management for Women

A Critical Need in America Today

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Women in America represent an ever-increasing percentage in the workforce. But as they make gains in value and importance, relative to purchasing power and the control of assets they seem to be more vulnerable than ever before. According to the Department of Health and Human Resources, 75% of the elderly poor are women. The fastest growing age group, percentage wise, is age 85 and over. This means that the number of poor women is multiplying more rapidly than ever. At the same time, the Social Security Administration indicates that over 30% of all women must continue to work past age 65.

It's ironic but sad: While women control more assets than men, as a group they need much more guidance in the area of financial literacy.

It is essential that women know how to invest and protect their assets. And we know that many women are motivated to learn how to do just that. According to a survey completed by the Allianz Life Insurance Company, 90% of women admit that they are nervous about their finances. They feel that they are somewhat or not at all financially secure, largely because of a lack of financial education. And yet, women are willing to be responsible for themselves.

According to the survey, women rarely seek a husband based on financial stability. Still, only one third said that they considered themselves to be self reliant investors. As women evolve into a new roll of economic influence, it is more important than ever that they embrace financial education. While that statement may be easier said than done, understanding how women think and act can provide clues to solving this dilemma. Let's take a quick snapshot of the last 5 generations of women in America, and see how they make financial decisions.

THE GI GENERATION

Let's begin with the GI generation, which includes women approximately 85 – 100+ years old. They were represented by Rosie the Riveter. They jumped into the workforce, managed families and joined the war effort and waited – waited, that is, for their husbands and sons to come home from the war. They are just as active today as they can be. From a financial standpoint, they are more comfortable when they are buying from an established institution. They require time to

make a decision, fearing isolation and loneliness. They are a more literate generation in America, feeling more comfortable with written information. It is important to package things and put it all together for them. The GI Generation invented Readers Digest, Disney World, Sun City and vacation bus tours. Financial literacy means guiding them carefully with solid support material and a step-by-step process.

THE SILENT GENERATION

The next generation of 65 – 85 year old women is called the silent generation. This is the group that started the Women's Rights movement and helped the Civil Rights movement. Now they are considered pioneers again, redefining aging as they go. They want to learn but they do not want to talk about their age. It is important to talk lifestyle at this stage, as they see themselves 15 years younger than their chronological age. They are vital and active but do not want to be stereotyped by their age. They will learn through financial literacy by “seeing” products and methods that support their lifestyle and that offer a soft adventure, without a lot of risks. These women are afraid that life is passing them by and so they are likely to take action if they can “see” a workable solution. They look for a financial support system and they respect expertise.

THE BABY BOOM GENERATION

The Baby-Boomers represent the next generation between about age 46 and 65. They are fast-trackers at work and they find personal fulfillment while helping to handle their aging parents and working with their children. They lead the good life, but they are overloaded, overworked and have high expectations. This is a busy group of women with a sense of entitlement. They like to be treated special and yet they resent authority. Bringing financial literacy to them must be done with expertise, while at the same time becoming part of their team. Baby-Boomer women like to be in control. And yet they have a love of learning. Combining financial services with education is very appealing to them. They want quality of life as they age, so the key is helping them to understand how they can manage their money in a hands-on manner which will help them to achieve their dream. Keep in mind, they are busy so keep it short.

GENERATION X

The X Generation represents those women 25-45 years old. They are equal to men. They pick out wedding china together. The guys cook and the women take karate. They don't care if the boss is a man or a woman, they just want to make sure the boss is a good boss. These women have a sense of family and belonging and they need to be treated like family. When it comes to financial education they demand trust and if their financial counselors don't follow through, they shouldn't bother to come back. And these women see the hype coming. They are honest and straight forward and they like the same in return. Since they are computer literate, they are going to check on the Web before they buy. They are very practical and they will accept financial guidance, but they need to have pragmatic reasons for making decision to buy and move forward. It is important for these women to be able to “see” the benefit.

GENERATION Y

The last generation we will refer to is the generation Y which includes ages 7-25. The new image here is sexy, savvy and physically strong. This generation is the epitome of loyalty – they bond

early (and often for life). They react to real-life examples and so when it comes to financial education, helping them understand what has and has not worked in the past is important to them. They need to relate their lives to “real-life” examples. In addition they want to be treated as perceptive consumers, not as kids. And the Internet is more important than ever for this group of young ladies.

CREATING A SPECIAL CONNECTION WITH WOMEN

Women of all generations need to hear things several times to explore them. They appreciate having some sort of relationship before they do business. When a woman says she wants to think about it – she really does. She wants to be 100% satisfied. She is willing to understand and to learn in order to properly apply solutions to her life. Of course, all generations are molded by world events during their formative years.

Women really do represent the ultimate survivors, living approximately 7 years longer than their male counterparts of the same age. Eventually, nine in ten women will be solely responsible for managing household finances at some point in their lives. As current and future leaders in America, women need and want financial education more than ever before.

The Heartland Institute is proud to rise to this challenge by offering courses on financial management for women. Through proper education and action this can literally change the face of America when it comes to economics and our financial future.

Marcie Gappinger is Director of Education for the Heartland Institute of Financial Education. She has been involved in the field of financial services since 1987. She earned the right to use the CFP® mark of distinction in 1992, having completed her studies through the College for Financial Planning in Denver, Colorado and met the certification requirements as set forth by the CFP Board of Standards. Marcie also holds the CFE Certified Financial Educator® (CFEd™) designation, having successfully completed the course of study and examination offered through the Heartland Institute of Financial Education.

While Marcie worked as an advisor with clients until the mid-90s, she discovered that helping people achieve their goals through financial education was her real passion. Financial literacy is an essential component for people to empower themselves, not just financially but in all areas of personal health and well being.

As Director of Education for the Heartland Institute, Marcie is committed to bringing this kind of education to as many people as possible. She works with HR professionals, associations and corporations to facilitate the development of teaching relationships with local CFEd™ professionals who provide financial wellness classes. She is also involved in monitoring the Continuing Education Program for human resource professionals.

Marcie holds a degree in Music from the University of Denver and is a member of Women Impacting Public Policy (WIPP) and the Society of Human Resource Professionals (SHRM).

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