

A Financial Lifeline for Women

Stacy Francis is CEO of Francis Financial, in New York City, and founder of Savvy Ladies (www.savvyladies.org), which educates women on how to take control of their finances. Savvy Ladies also offers a financial helpline that matches women who have money-related questions with an adviser for a one-hour consultation free of charge.

How did you get the inspiration to start Savvy Ladies? My grandmother felt financially trapped in an abusive marriage and ended up passing away because of it. That rocked my world. I took my frustration, anger and guilt and channeled it into becoming financially savvy. I changed my major in college, became a financial planner and started Savvy Ladies about 21 years ago to help women financially so no woman finds herself boxed into a corner. We added the helpline a few years ago.

What has been the response? The helpline has really grown since the pandemic, and thus far this year we have served more than 1,500 women. More than half of them make \$49,000 a year or less, and the majority are single moms. They tend not to reach out to us till they are in a financial crisis, and nearly 60% say they are anxious about money.

What are their major concerns? Their top concern is dealing with debt and cash-flow issues. The second-most-important concern is how to start saving and preparing for retirement, and this applies to women

of all ages. The third biggest group are women thinking about or going through a divorce, so they need advice about financial settlements and how to set themselves up for financial security (see "Money Smart Women," July).

How do you respond? In all three cases, the most important thing is to know how much you have, both in assets and in debt. Then you need to understand what your income is and what your expenses are, which is always the most painful. It helps to use a service like Mint.com that categorizes your expenses. Finally, take your income minus taxes and expenses and make sure you have something left over. That's what you use to pay off credit

card debt or fund a retirement plan or rebuild your emergency fund after a divorce.

Suppose there's nothing left over? First try to bring your expenses down. The second thing you can do is increase your income by asking for a raise or starting a side gig. Asking for a raise is the easiest thing to do—and the most neglected, because women don't ask.

Where do investing and retirement fit in? Investing is a must for women, not a "nice to have." That's the engine that will make our money last for the rest of our lives and bridge the gap when our income goes down. Unfortunately, it can sometimes take years for women to get interested in investing because they're more concerned about how to pay the rent. They don't identify as investors, and they also tend to lack confidence.

What do you recommend? Start slowly and keep on going. Read one financial article a week and keep it up over time, like taking a class. Your knowledge grows, and so does your faith in yourself.

Any advice about retirement? The biggest thing you have in your control is how much you save. Use your retirement plan at work and take advantage of the full match or set up an IRA. No one has control over the stock market, but we do have control over how much we save. ■

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