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Seven Things Your Mother Never Told You About Money

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Growing up the oldest of 9 children, I learned most of what I know about life from my mother. She taught me through example the importance of living a life of purpose and of measuring success by the depth of our relationships. She was an exceptional woman but her focus was never on money issues. Over the years I realized that although money is not the most important thing, if it is not addressed properly it becomes important. If our financial lives are in order, we are able to then focus on the *real* things in life, which are really not things.

Women face unique challenges simply because we are women. While we face some of the same financial planning issues as men, our priorities and the way we approach decisions are usually very different. Although my mother could squeeze more out of her household allowance than anyone I know, her advice to us never went beyond, "Learn to be happy with what you have." Today's complexities require that we examine our relationship to money and abide by some basic rules:

1. **What you don't know can hurt you.**
   People don't reach goals like "a comfortable retirement" by accident. You can't change what happened in the past, but you can decide today to set realistic financial goals and enlist the help you need to manage your money and achieve your goals going forward. If it's difficult to live within your income and to save, get some help setting up and following through on a budget. Once you know where the money is going, you can make educated decisions about where you want it to go.

2. **Odds are, you'll outlast Prince Charming.**
   Even if Prince Charming does (or has) come into your life, women's longer life expectancies mean the odds are high that we will outlive our husbands.
   The goal, then, is to be sure our money lasts as long as we do. That includes being informed on your husband's life insurance and retirement plans, as well as your own. Help him ensure that each of you would be OK financially if you lost the other. (Even more important if you still have minor children or other family members you're responsible for.)

3. **"Mother" your money.**
   Would you expect a child to grow up to be a mature adult without nurturing? It won't happen with your money, either. Putting off decisions because you don't know what to do eventually results in growing old without a nest egg. If you don't have the interest or aptitude to budget or invest on your own, but you do want to be sure that your kids can

go to college and that you can retire some day, find a good financial advisor who will coach you. Ask your advisor to help you understand at least the basics. Then meet with him/her regularly to be sure you're on track to meet the goals you've set. Remember, the sooner you begin disciplining your child, the better your chances of success. The same applies to your money.

4. **Be sure your money and your kids go where you want if you were to die suddenly.**
   Did you know that, without a will, the court decides where your money goes? You may think all of it would automatically go to your husband (if you are married), but that's not necessarily so. If you're single with minor children, the court decides who will raise your children. It could be your ex, your mother, or someone you don't even know. And the money and the children may go in different directions. Is that what you want for the people you love the most? Ask people you trust for a referral to a good attorney in your state (state laws differ). Don't take a chance on trying to prepare a will on your own; it may not hold up in court.

5. **Invest for the long haul.**
   Jumping back and forth between investments usually results in anxiety. Choosing a strong, well-balanced portfolio and sticking with an investment plan gives more solid results than a market timing strategy. Other than their home, for many people their largest financial asset is their company retirement plan. Get help in investing in yours, and follow your strategy for the long term, making small adjustments as needed.

6. **Give when it feels good.**
   One of our greatest joys is giving to help others, whether it is our children, our church, or other people or organizations important to us. And it's the most fun while we are still alive. When we are managing our money well, we have the opportunity to give, and there are many creative ways to do that. One example would be owning a life insurance policy naming your favorite charity as beneficiary, allowing you to give a sizable amount without depleting your assets while you are alive.

7. **Choose a financial advisor as carefully as you would choose your spouse.**
   We're talking about a long-term relationship and you want someone who will be your personal financial coach, who cares about your success as much as you do. Ask the people you trust most for their referrals. Check out the advisor's experience and credentials. Interview the advisor to be sure that you feel comfortable with him/her and that you have similar values. Keep in mind that your relationship with your financial advisor may last even longer than the life of your spouse. Why wait until you are struggling to deal with the death or divorce of your spouse to chose an advisor? By then, your options may be severely limited. So start taking an active role in your finances. Take responsibility now to be sure that you and your family will be adequately provided for, whether you live a long life or it is cut short. Enlist help. Experience the joy of giving. And experience the peace that comes from knowing you are on the path to financial freedom. Your mother would want that for you.