The Complete Guide to Being a *Financially Savvy Female*

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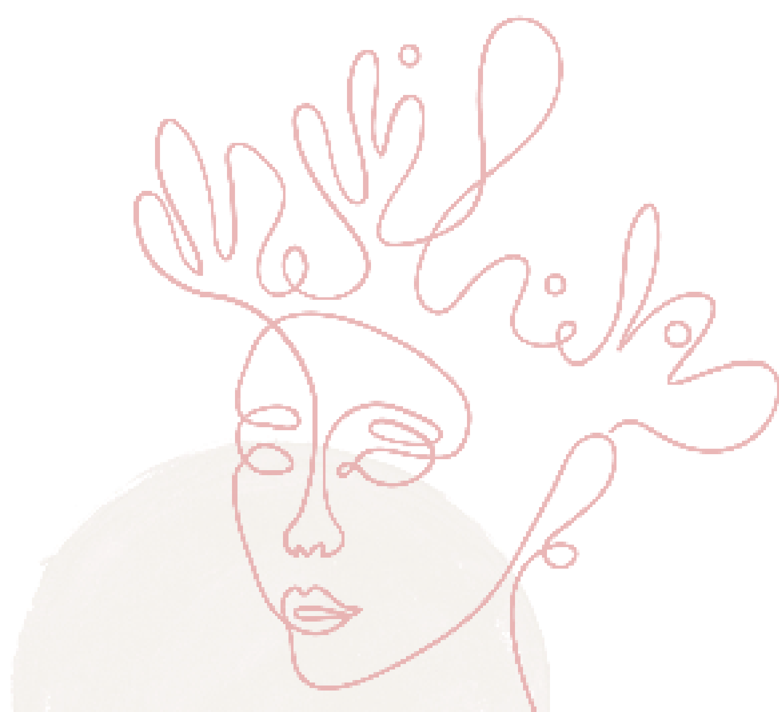

GOBankingRates wants to empower women to take control of their finances.

According to the latest stats, women hold $72 billion in private wealth — but fewer women than men consider themselves to be in “good” or “excellent” financial shape. Women are less likely to be investing and are more likely to have debt, and women are still being paid less than men overall. Our Financially Savvy Female guide explores the reasons behind these inequities and provides solutions to change them.

We believe financial equality begins with financial literacy, so we’re providing tools and tips for women, by women to take control of their money and help them live a richer life.

getting started

3 Money Moves Every Woman Must Make according to Rachel Cruze

When you're just getting started in your journey to financial savviness, it can be tough to know where to actually begin. To help you out, we talked to the best – Rachel Cruze, personal finance expert, author of "Know Yourself, Know Your Money" and host of "The Rachel Cruze Show." She shared her own financial obstacles, the best financial advice she received and the money moves every woman must make.

What is the biggest obstacle you have faced when it comes to financial success?

Comparison is probably the biggest struggle for me. It's so hard to avoid these days because you don't have to live next door to the Joneses to see their new car — we carry them around in our back pockets. But we're comparing our real lives to someone else's highlight reel. Comparison will steal your joy and your paycheck.

One of the best ways to overcome this is to unfollow accounts on social media that tempt you to shop. Out of sight, out of mind — you need to put some blinders on and focus on your own goals in life. Money is the tool to help you achieve them, and it's hard to win with money when you're spending it based on someone else's values.

What is the best piece of advice you received along your financial journey?

Don't do debt. Period! Debt will keep you paying for your past when you should be focused on your present and future. Our culture has normalized debt, but 78% of Americans live paycheck to paycheck. Not to mention that 40% of people can't cover a $400 emergency with cash. Being "normal" is not setting you up for financial freedom. Look, money flows two ways. If you're spending more than you make, you'll continue to repeat the cycle of debt. Start living below your means and cut down on expenses. It's a simple concept, but it's not the norm these days. Start budgeting your money and saving up for purchases that you would normally swipe a credit card to purchase. Practice delayed gratification!

If you had to boil your financial advice down to the three money moves every woman must make, what would they be?

1. Create a monthly zero-based budget. This is where your income minus expenses equals zero. You're telling every dollar where to go. A budget is your plan for your money. If you don't tell your money where to go, you'll wonder where it went. I love the free budgeting app EveryDollar because it helps me stay on track.

2. Quit comparison. Comparison is a dead-end road that leads to debt. Stop shopping swipe-up links and trying to keep up with people you follow on Instagram. This leads to you living a life they might enjoy instead of a life that you love! If this is a struggle for you, consider taking a break from social media for a while or setting time limits.

3. If you have debt, work the debt snowball. We are all multi-taskers these days, and the same is often true with money. You're trying to save for a home, invest into your 401(k) and work your way out of debt. You're doing too many things with your money. If you have debt, it's time to get rid of it. Start by building a $1,000 starter emergency fund and pause investing and saving beyond that. Once you have that established, list your debts smallest to largest, regardless of interest rate. Attack the smallest debt, and then once that one is paid, attack the next one. Repeat this process until you're debt-free. Then it's time to build a fully-funded three- to six-month emergency fund. Imagine what life would be like to be debt-free and have cash in the bank for the unexpected! Then you're free to invest 15% of your income into retirement. Once you get focused and intentional with your money, you'll see progress!

6 Ways Every Woman Should Be Investing in Herself

No matter what your financial circumstances are, there are a few ways you can improve your money outlook by investing your time and funds wisely. And while, yes, investing in the market is one of the ways to do this, it's not the only way. We chatted with Carly Hensley, CFS, a financial advisor with Merit Financial Advisors in Charlotte, North Carolina, about a few of the ways every woman should be investing in herself.

Before you invest in anything else, invest in an emergency fund — money you have set aside "just in case."

"Something I think is a good starting point, just from personal experience, [is] an emergency fund," Hensley said. "When you don't have one and then you have an emergency arise, you're stuck dealing with credit. That can really be an issue, especially going into retirement. You don't want your emergency fund to be your credit card."

Ideally, you should set aside three to six months worth of living expenses in a cash account. "We know cash doesn't make anything today — that is OK," Hensley said. "It is OK to have three to six months in cash that doesn't make anything because that [emergency fund] is important to have. You probably don't want to have more than that because of the fee you're paying in inflation, but you definitely want to slowly build that three to six months [fund]. Even $1,000 is a good starting point."

If three to six months worth of expenses seems daunting, Hensley suggests starting small. "At the beginning, put $25 to $50 per paycheck into cash so that you can access it in an emergency," she said. "Just building up that first $1,000 is the first key place to get started."

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Get Started Saving

Invest in your earning potential.

Invest your time in ways that can up your earning potential, whether that's through acquiring new skills on your own, taking online courses or obtaining additional certifications. Not only will this pay off in the short term when you get that higher paycheck, but it will help your future self as well.

"If you think about saving a percentage of your pay into your 401(k), that pay [amount] makes up a huge piece of that puzzle," Hensley said. "That income makes a huge difference because the higher the income, the more dollars that is. You think about somebody that makes $40,000 versus $80,000 a year — that's double what you're putting in."

Invest In Your Retirement

Even if you're still decades away from retirement — and especially if you're nearing retirement — investing funds into a retirement savings account is a must. The easiest way to do this is to set up automatic payments into an employer-sponsored retirement plan, such as a 401(k) or 403(b).

"You've got to get this autopilot on," Hensley said. "Give the allocations and get it going. Once you get it set up, it's on autopilot — it's slow and steady wins the race. It's amazing to see how much it can grow, and see how much it empowers you to see that you're doing something about your future."

Hensley also recommends setting up your plan to automatically increase your contribution percentage each year. She also emphasizes the importance of rolling over your 401(k) if you switch jobs.

"If you change jobs, make sure you move it to the next plan," she said. "You don't have to start over every time."

Invest In an IRA or Brokerage Account

In addition to your employer-sponsored retirement account, you may want to invest additional funds into an outside account. "A lot of times with a 401(k), there are only so many choices," Hensley said. "You can't normally buy individual stocks, so a lot of times you're going to do that outside of the plan. If you're on a short time horizon, you would do a brokerage, but if it's something that's for retirement that you want to do outside of your 401(k), then you would probably do a Roth IRA. Both of those buckets can hold individual stocks."

When it comes to picking individual stocks, Hensley recommends "buying things that you know, like and use, and things that you think are long-term growth opportunities."

"It's fun to see what it can do as far as growing a separate account that's really your thing," she said. "[It can be] a way of feeling more engaged and involved."

Invest In Professional Help

Building a team of financial professionals can be a worthwhile investment. Hensley recommends having a financial advisor, tax professional and estate planning attorney who you can rely on.

"These are the three professionals in our world that we believe it's good to have," she said. "Those are the three professionals that would really be able to help you with anything that came up in any financial area of your life."

Invest In Your Financial Knowledge

Investing in an individual account often sparks a desire to learn more about finances, Hensley said. "I find that women start asking me, 'What are some books I can read about investing?' Then they're really wanting to learn more about what they can do." But you don't have to take that step to start investing your time into increasing your financial knowledge.

"There are books, there are a lot of good podcasts today, there are blogs," Hensley said. "LPL has a research page that anyone can access, and they put a new blog up every day about what's going on in the market. There's a lot out there — you just don't always know it's there."

climb the career ladder

How To Ask For a Raise — and Get It

According to research by Mintel, women are 50% less confident about asking for a raise compared to men — 42% of men feel confident about asking for a pay increase compared to just 22% of women. And this lack of confidence may, unfortunately, be warranted. A separate study conducted by Harvard Business Review found that women are just as likely to ask for a raise; however, they are much less likely to receive one. Only 15% of the women who asked for more money received the raise compared to 20% of men. This failure to receive raises on the same level as male counterparts is one of the reasons for the existing gender pay gap. On average, women working full time in the U.S. are still paid just 83 cents to every dollar earned by men, according to the American Association of University Women.

Despite these stats, there are things women can do to increase their chances of getting a pay increase. Here, we chat with Ashley Stahl, career expert at SoFi, about how women can build their confidence to ask for a raise — and actually get one when they ask.

Many women are apprehensive about asking for raises. What steps can they take to build up confidence before approaching their manager about getting a raise?

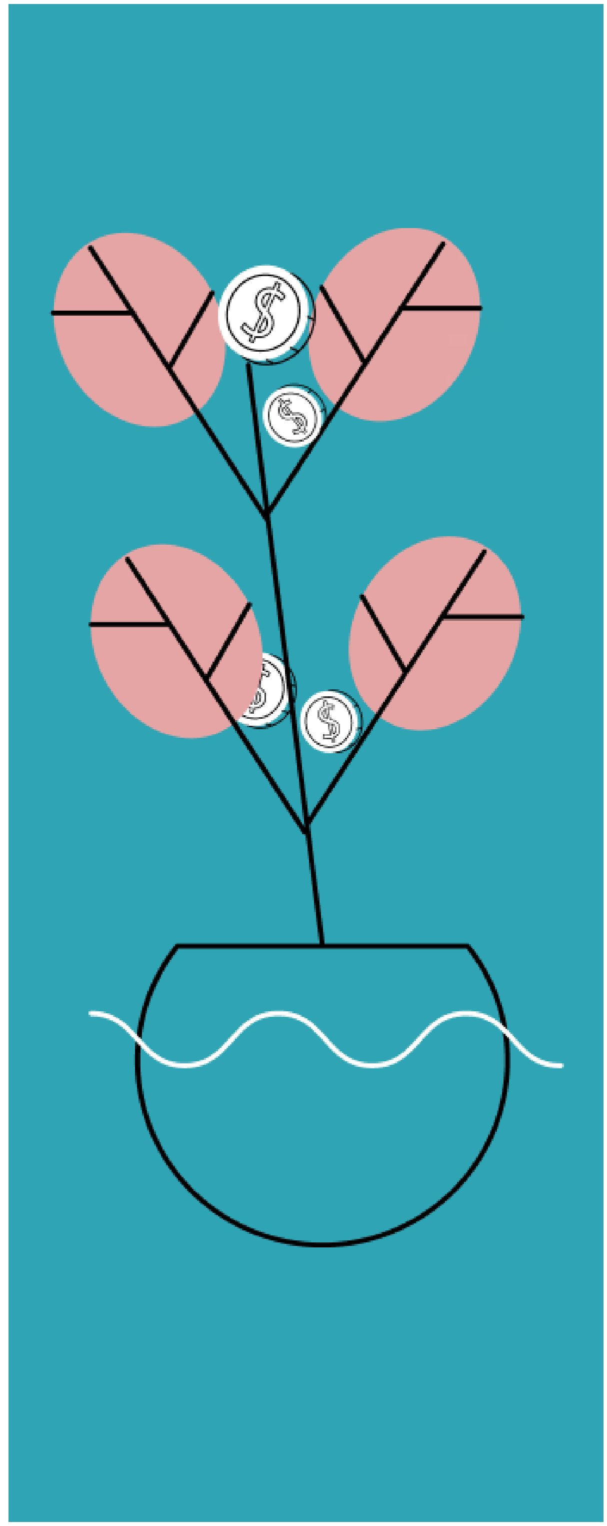
1. **Aim for transparency amongst friends.** Interview your peers to learn what they are making, if you're comfortable doing so. Depending on the nature of your relationship with them, consider asking them to be transparent about their salary, job description, title and responsibilities. Compare their salary to yours, but do make sure you're comparing your salary to those who have a similar role and level of responsibility to you. Be sure to consider their unique experience that factors into their salary, as well as what you've accomplished versus what your peers have accomplished, including increased company profits (or losses). Keep in mind it is more about job responsibilities and achievements over job title and description. A manager at one company likely has an entirely different role than a manager at another company. Seek out men and women to interview.

2. **Make a list of your achievements.** How have you contributed to the company? Be specific. For example: "Under my leadership, our team increased profitability by 25% over the first and second quarter" or "Using an innovative approach to reducing our carbon footprint, I was able to save the company x dollars over the preceding year and the company is on target to do the same or better this year."

3. **Practice asking for a raise** in front of the mirror, with a friend, or the dog! According to Harvard Business Review, practice not only builds confidence but improves quality. Be objective. Anticipate objections and find solutions. Come up with as many scenarios as needed to gain the confidence you need.

How can a woman know that it's the appropriate time to ask for a raise?

Timing is everything. Let your supervisor know that you would like to discuss your performance. Give them notice and ask for an appointment or meeting within the next two weeks. It is best to schedule a meeting, otherwise, a "future date" will get lost in the day-to-day grind, and a casual stop-by conversation will be treated ... casually. You don't want your raise to be a casual matter, do you? Ask before your performance review pops up! If it has been a year since your last performance review and you're doing excellent work, it's time to ask for a raise. The key is to make this request at least a couple of months before your review because once you've walked into your review, your boss tends to already have a compensation increase (if any) both in mind and prepared for you. Raises should not be expected for mediocre work. But if you're doing great work, increasing profitability, client retention, employee morale or exceeding in your role, asking for a raise is appropriate.



Work around the budget cycles of the company. For example, if you know that the first quarter is always slow, ask for a raise after the second quarter picks up. Avoid asking for a raise during the middle of company deadlines. However, just after the deadline passed — especially if you contributed to its success — might be a great time to ask.

What should you discuss to improve your chances of getting a raise?

Stick to the facts

Do not discuss the personal reasons you need a raise, such as the cost of babysitting, transportation costs, etc. Be objective with your accomplishments and how you've helped the company. Be prepared to answer questions about your work.

Have a specific number in mind

Research shows that having a very specific number, such as $132,400, implies that you've done your homework and know your value as opposed to the more general $130,000.

It is okay to negotiate

If you're offered a lower number, ask your boss what steps you can take — and goals you can exceed — to earn the amount you want. Write those down, set a timeline and schedule a follow-up meeting.

Be prepared to hear "no"

In the event you do not get a raise, keep your cool. If you truly enjoy working for the company, ask if you can revisit the discussion and set a timeline. Develop a plan with your supervisor so that you can achieve the raise you deserve by asking, "What can I do or what value can I add in my job to set myself up for a raise in the future?" On the other hand, a "no" might be the kick in the pants you need to move on. A lot of my clients are stuck in their jobs because they're either too afraid to ask for a raise or were told "no," so they think they're not worth more money. That's not true. If you truly do the work and provide value but the company you work for doesn't see it, it's time to move on. Don't slack off at your current job, but begin your search for something better.

Breaking the Glass Ceiling:

How To Land a Leadership Position

One of the best ways to improve your financial circumstances is to climb the career ladder – but that's easier said than done. To get some insights into how to actually do this, we spoke with Kim Harding, co-founder of Harding Financial and Insurance and chair of the board of directors for Life Happens. When Harding started out her career as a financial advisor, she was one of 10 women in an office of more than 200 people, but worked her way up the corporate ladder and eventually started her own business. Here, she's sharing the valuable lessons she's learned along the way and her best advice for women to break the glass ceiling and land in leadership positions — even in male-dominated industries.

Tap Into Your Unique Strengths

Becoming a leader requires you to lean into your strengths, whatever they may be, Harding said. "I believe that everyone, male or female, has unique qualities that enable them to overcome challenges in their careers and find success in the industry," she said. "In my career, I personally tapped into my own strengths that differevntiated me from my peers — being a good listener, patience, reliability, asking great questions, living a life of integrity and curiosity — to build strong relationships with my clients, which are the foundation for success in our industry. Women should tap into their own unique strengths to break through these barriers and climb the corporate ladder."

Always Seek To Learn and Grow

Women should also be taking proactive steps to continually improve their skillsets, making them more appealing candidates for leadership positions.

“Some key steps for career advancement include always maintaining a growth mindset, seeking out mentors, continuously furthering your education, strengthening your leadership skills and getting involved with industry associations to learn from others who have been successful and can help you grow,” Harding said.

Find Motivation in the Inequality You See

It can be disheartening to work at a company where females are in the minority, or where there’s a lack of female leaders. Instead of being discouraged by this, use this as a motivation to be the best employee you can be.

“When I first started my career in financial services, there were about 225 agents in my office, and only 10 were women,” Harding said. “As one of only a few women, I had to prove myself. Financial services can be a competitive environment, require long hours, and for many women, they can feel the pressure of advancing their career while having children. I saw the imbalance of men and women as an opportunity for me to inspire other women to join the industry and help show them that these barriers can be overcome. **There is so much that men and women can learn from each other, which is exactly why the industry needs both — not one gender dominating the field.** I encourage women to look at these barriers as opportunities for them to become the best they can be by learning from every experience, focusing on doing the best job they can and building solid, long-term relationships with their clients.”

Rising in the ranks will also enable you to help other women land leadership positions. “It’s critical to have female leaders in every industry,” Harding said. “This way, women can serve as an example of what’s achievable to other women, passing on their knowledge and support to other women and peers through mentoring.”

How Every Woman Can (and Should) Become a Confident Investor

Many women are intimidated by the idea of investing. Some think it's too risky, or believe they don't have enough money to get started. But these mental blocks could be holding you back from achieving wealth.

To help you build confidence around the practice of investing, we chatted with Shinobu Hindert, CFP and author of the book "Investing Is Your Superpower." Hindert spent the first half of her career managing portfolios of up to $10 million for the likes of Smith Barney and Fidelity Investments, and she is now passionate about empowering all women to take control of their financial future as an investing and wealth coach with Empowered Planning LLC. Here, we chat with her about how to take the intimidation out of investing, how any woman can fit investing into her budget and why simply opening up an account is half the battle when it comes to gaining investing confidence.

I think a lot of women don't invest because they're intimidated by it. What would you say to women who are wary of investing?

I would say to start talking about it more and take it one step at a time. If they're looking at a completely fully invested portfolio and they're talking about stocks, that's really intimidating. But just look at the first step: What's a life goal that you have in the next five years? What finances [do you need] to back up that goal? I think high-level planning is the first step to get people excited about finding a solution, rather than looking at it from a math standpoint where you're just looking at stocks or charts. That's not exciting, that's intimidating.

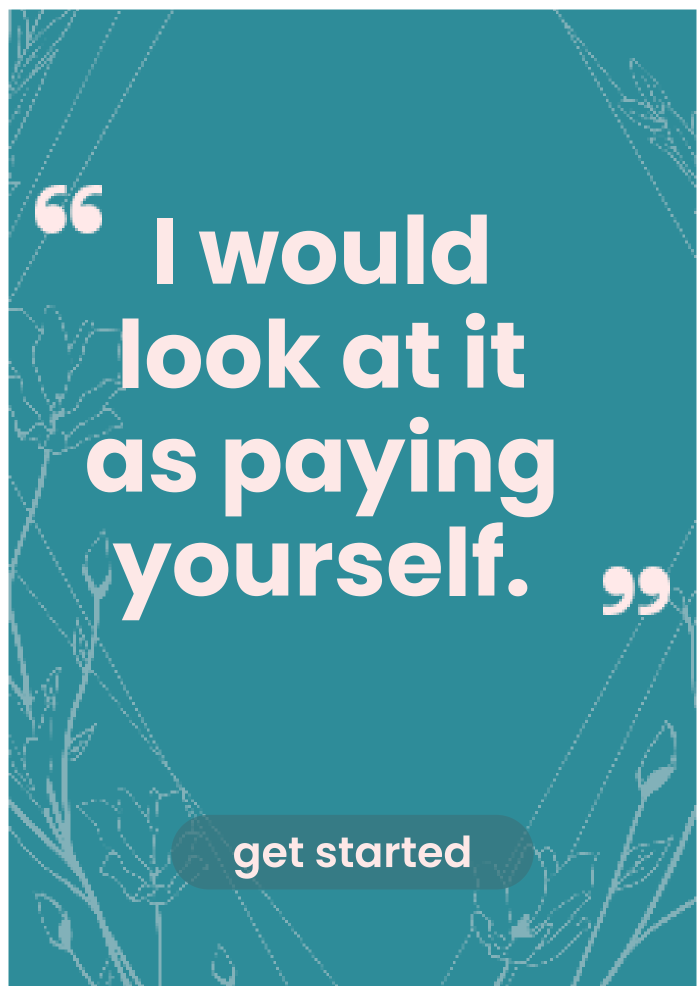
How can any woman, regardless of her financial situation, fit investing into her budget?

I would look at it as paying yourself. Treat it like a bill. I would add it as a line item to the obligations that you have each month. It doesn't matter how little it is — just start doing it.

When I started in this industry, you couldn't just open an account with a small dollar amount. You would get slapped with fees everywhere. Now, the financial industry has become really competitive. There aren't minimums like there used to be or restrictions like there used to be, so you could start with $25 just to get the account opened and have a link to your bank account. It's a small step, but if you don't do that, then what are the chances you're going to sit down, open an account, set up a link, when, let's say it's your birthday and you have a few people giving you money — you're not. Just set it up initially and put it in whatever is comfortable for you, and start putting money in there every single month.

Once they've built investing into their budget, where should women be putting their money to build their wealth?

If they're working for a company that has a 401(k), if they can put any money in there, they're getting an immediate tax deduction when they put money in it. If someone is self-employed or they don't have access to that, they could always start with a personal IRA or Roth.



If people are used to banking with one company, they only see cash as an option. You have to take it a step further and open up a brokerage account. Once you do that, let's say you're testing the water and just want to put in $50 or $100, I would start with something basic like an S&P 500 fund. If it's a chunk of money and someone's saying, "OK, I want to use this to upgrade our home in eight years," then you want to be more fanatical about what you're investing in. But if you just want to get started, that is a great place to start because you don't have to overcome a bunch of hurdles.

How can women build investing confidence over time?

I would write down what life goals you want to hit in the next zero to five years and five to 10 years. It doesn't have to be that dramatic. It could just be something like, "I know I need a car in the next three years," "I know I'm going to need to send my kids to daycare in the next two years." Just jot down what your life goals are, and then from there, open accounts to match all of those goals. If you had to open eight accounts, I would open eight separate accounts so that you can see on any given day how much money you are putting into these accounts.

Once those accounts are set up, then you can see, should you be investing for this [goal]? If you're putting money aside for vacations, you shouldn't invest that — that should be liquid. But if someone was putting money towards a car and let's say a year goes by and they're not even close to the down payment that they wanted, they might push this goal out a little farther. [That gives them the opportunity to consider], "Maybe I should start taking advantage of the market because I don't need this money for two years." A lot of it is really getting organized around your finances so you can see what you should be investing towards and what you shouldn't be.

I would just encourage people to get started, even if it's with $15, just to get these accounts opened. Getting started is the biggest hurdle people face when it all looks really intimidating, but if they were to pick a large financial company and open up an account, that's 50% of the work they're going to have to do.

Study Shows That Women Investors Outperform Men — Here’s Why

One more reason to become a confident investor is the fact that women have proven to be better investors than men! We chatted with Lorna Kapusta, head of women investors at Fidelity Investment, about what makes women savvy investors and how any woman can get started investing.

What about women’s investing behaviors make them so successful?

First, when it comes to saving and investing, women take a holistic approach. They develop a plan — think of this like a money roadmap — based on what’s important to them and what their goals are. Then they align their investments to reach them.

The second is that they’re investing consistently. [They’re] not trying to time the market, but [instead], have set up investing out of every paycheck.

And the last is critically important, which is around practicing patience. They take a long-term view — in other words, more of a “buy and hold” approach. As such, they’re less likely to make rash, emotional moves of pulling money in and out of the market, buying and selling. What they do is they hold based on their money roadmap and goals.

Those three behaviors have been a recipe for success for many women.

According to a recent Fidelity study, 65% of women say they'd be more likely to invest, or invest more, if they had clear steps to do so. Can you go over some of those steps?

We still hear from a lot of women that they are waiting to invest because they're not comfortable with their knowledge of investing. A good way to start chipping away at that feeling is to join the conversation. We need to normalize the conversation about money and make it more part of our everyday. The more comfortable we are talking about financial topics, the more comfortable we're going to get taking action.

Here are some other steps to think through when you're thinking about investing:

- Think about your goals. What's most important to you? What are you growing your savings to achieve?

- How long do you have to invest? For goals one to three years away, you likely want to keep that savings more accessible, but still look for an account that earns the most interest possible. For savings you don't need for five, 10 or 15 years (or longer), this is savings that you can invest to help it grow.

- Think about what kind of investor you want to be — about your time, skill and will. Do you have time to learn and manage a portfolio of investments? Do you have the skill? Do you have the interest? That will determine what kind of investor you are — someone who wants to do it themselves, have someone "do it for me" or something in between.

The study also found that 70% of women believe they would need to learn more about picking individual stocks before they could get started. If women don't feel comfortable with picking individual stocks, what are some other alternatives that will enable them to grow their wealth via investing?

For savings that you have outside of retirement and emergency funds that you don't need to access for five or more years, there are three paths you can take to help that money grow to achieve its greatest potential.

First, you can invest it yourself. There are many online resources that you can take advantage of to learn about different investment options. There are also planning tools that can help you put together a portfolio of mutual funds, ETFs and other types of investments. It's important that it's diversified, and those planning tools can help you find the right mix of investments based on your timeframe. But that just takes time upfront to do that research, and you also have to be willing to keep on top of reviewing your portfolio over time.

A second option to consider is called a digital advisor or robo advisor, for those who may not have as much interest or time to do that research and maintenance yourself. You answer a series of questions online. (At Fidelity.com, it's seven questions that you're likely already thinking about.) When do I need the money? Is it five years? Is it 10 years? What do I need the money for? What's my risk tolerance? How comfortable am I to stomach those ups and downs of the stock market? Then, this digital advisor will provide a recommended mix of investments based on your answers. It can invest your money for you, and make adjustments as needed over time.

The third option is speaking to a financial professional. This is always a great option because they will work with you to develop an overall financial plan specific to your needs. They'll go through all of your goals, help you determine an investment mix and can help you invest that money. We do still hear many women who think they don't have enough money to be eligible to work with a professional, but that's really not the case. There is help available for every kind of investor, regardless of income or how much you have saved. That's really the best first step — make that phone call and talk through these options with a professional to help you get started, and determine what approach is best for you moving forward.

The Financial Topics You Need To Discuss With Your Partner When You're Engaged

When you get married, you are legally merging your finances with another person (even if you keep separate bank accounts). So it's important that you and your partner are on the same financial page before officially tying the knot. We chatted with Cecilia T. Williams, CFP, director of investment operations/CCO at Halbert Hargrove, about the money topics you should be discussing with your fiancé(e) ahead of your big day.

What financial aspects change when a couple becomes legally married?

Taxes are definitely something that can work to your advantage — or sometimes not, depending [on your situation]. You need to talk to your CPA [about] the choice of filing jointly. In general, the consensus is that there is a possibility to save when you're combining your income, but it really depends on both of your situations to determine if there's a saving there.

One thing to note, too, when filing, it doesn't matter when in the year you were married. If you got married on Dec. 31, you can start filing [jointly], so that's something that you should take into consideration.

Another thing that changes in finances is sharing [responsibility]. In modern times, I know there are people who choose to keep bank accounts separate or funds separate. That's great, I really don't have an opinion either way. But something that you should still be aware of is that legally, you did intermingle, so if one spouse incurs debt in their name, that can become debt for yourself as well. Be aware that even if you choose, from an accounting side, to keep things separate, you are looked at as a unit and it is shared — your debt, your income, everything. So that's something to keep in mind.

What financial topics should a couple discuss before becoming legally married?

The three D's (which are really scary) — divorce, debt and death. You don't want to think about all of those things at the onset, but it's important to discuss all of them.

You have to plan, unfortunately, for a case when you do divorce. What does that look like? Normally, when you're married, your spouse becomes the beneficiary of your assets. Before you get married, you should have a discussion about how you want your assets passed on.

Going into your marriage, you want to make sure that you outline what debt what you are working on to pay down. It could put a damper on your future living expenses, so you want to make sure that you're both on the same page. I have a colleague who recently got engaged and had to have that fearless conversation with her fiancé about how much debt they have and how they're working towards it. It's a scary conversation to have and no one wants to have it, but you can imagine, if you have that conversation after you're married, it's very, very different and it's a big hurdle to overcome. So talking about that is very important.

Unfortunately, death also [is something you should discuss]. Talking about what your plans are, what you see for your estate, how you want to pass on your assets. Your partner should know very well what your intentions are so that they can help to carry that out if something happens to one of you.

What are some financial goals a couple should ensure they are aligned on before tying the knot?

Just because it takes so much of your income, where you want to live. Do you want a big house with five bedrooms, a pool, everything, or do you have a smaller, simpler lifestyle in mind where a small condo is OK? Since housing takes such a significant part of your income, you and your future spouse should be on the same page, and are hopefully saving for those same goals. That's really important to talk about.

The second biggest expense is going to be future children that you may or may not have, so saving and what you want to contribute to your children. Do you want to contribute to their education? You're taking care of them for 18 years, are you also paying for their schooling after that? If so, you'll probably have to set aside a significant amount of money as a couple, so you have to decide what that looks like for both of you.

Then, you definitely have to talk about retirement and what your goals are there. We've seen couples who have very different ideas about what retirement means. Does it mean, let's give up everything and travel Europe for the rest of our lives? For some, they may never ever intend to quit working. They just maybe want to go part-time. Understanding what those goals are and what [your partner's] future aspirations are can help you as a couple to decide how much you have to save for it.

What To Expect Financially When You're Expecting

Becoming a mom is not only a huge life transition, but a financial one too. We chatted with Morgan Kennedy, a private client advisor at Bank of America Private Bank who is also a mom herself, about how expectant mothers can be prepared to make less during their leave, added expenses parents-to-be should be prepared for and how to make changes now to be financially ready when baby comes.

Be Prepared To Make Less During Your Maternity Leave

Depending on the benefits offered by your job and the amount of time you decide to take off, you might not be earning your full salary during your maternity leave.

"Once you become pregnant or find out that you're pregnant, start saving early on," Kennedy said. "Not only does that help you when you exit the workforce and enter the maternity leave past your paid leave, but it also helps you save for medical or healthcare expenses that you may have when you give birth. And then if you have additional savings that you had set aside, you can use that to set up a savings account for your child."

Be Ready for Additional Expenses in Both the Short and Long Term

Any expectant mother knows there will be additional costs that come along with having a new member of the family, but there are some you might not be anticipating.

"You should definitely anticipate expenses for things that the child needs such as diapers and potentially formula, but other expenses that you need to take into consideration are potential healthcare costs," Kennedy said. "You need to update your health benefits once you find out you're pregnant and check out how much the family plan increases your expenses and add that into your financial budget."

Then, there are long-term costs.

"When I meet with clients who are expecting or have children who are expecting, the first thing I tell them is that it's never too early to start a college savings plan or educational plan for your child," Kennedy said. "Eighteen years go by really quickly and college expenses are ever-increasing, so try to start setting aside some [money]. Whether it's a bi-monthly draft from your checking account or you put bonuses into the plan, put that money aside for your child's college fund."

You May Need To Adjust Your Lifestyle and Budget

To account for potentially decreased earnings during your leave and additional costs, you may need to adjust how you currently spend and save. The best way to figure out how to do this is to look at your current budget — so you should start budgeting if this is not something you are already actively doing.

“For any couple, having a budget is always something that’s important regardless of whether or not they’re expecting,” Kennedy said. “This will help them when it comes to seeing what you can potentially cut out so you can add to your savings. Something as simple as just writing down what you’re spending every two weeks and then sorting it out into categories will help give you a window into your spending, and then you can talk to your spouse, your partner, your family about where you can potentially cut back. Is it eating out? Is it travel? Is it [starting to] shop at discount stores so that you can save a little additional money?”

Take the Time To Get Your Financial Documents in Order

In addition to making changes to your budget, it’s also time to revisit all of your financial documents and plans, and creating plans that you don’t currently have in place.

“You should really consider having an estate plan or will in place when you’re pregnant,” Kennedy said. “We often recommend that our clients review them every three to five years, but when there’s a life event, like becoming pregnant, you should have a plan in place. What goes along with that is looking at your overall financial picture, making sure that accounts that have beneficiary designations are in order, that those are all set up and they’re in the designated beneficiary’s name in case something untimely happens to you. Look at insurance policies and make sure [your future child] is covered in case anything happens because you have another person coming along that relies on you.”

Don’t Rush Back To the Office Once the Baby Arrives

Although you may be hesitant to take your full maternity leave, Kennedy recommends that all working moms take advantage of this time.

“Utilize your maternity leave and take it as a given,” she said. “It’s a time to bond with your child. Nowadays, companies have done a great job of giving us plenty of time — 16 weeks — to spend with our babies. Be unapologetic about doing that because the work is going to be there when you get back. Don’t feel like you have to rush back into the office or have the fear of missing out. It’s a beneficial time, and it makes you a better working mother as well to take that amount of time to bond with your child. You’ll be able to go back focused, knowing you’ve had a good start with your children.”

7 Tips for Managing Your Money If You're Newly Divorced

If you've recently gone through a divorce, you may be handling your finances for the first time in many years — or ever. According to a report by UBS, just 20% of couples participate equally in financial decisions, with 7 in 10 men taking the lead on long-term financial decisions. However, 90% of women will manage assets on their own at some point in their lifetime. If you are now finding yourself having to navigate your finances without a partner, it can be overwhelming — but here's how experts say you should start.

Become Educated About Your Personal Finances

Taking a careful look at your current financial situation will enable you to make more sound decisions about your money.

"Divorce is a stressful life change and diving into your finances can be overwhelming. Take a deep breath and understand that there are solutions to better your situation — starting with educating yourself," said Celeste Revelli, CFP, director of financial planning at eMoney Advisor. "Organize your financial information with documents and online accounts. Conduct an asset and debt inventory to track your current finances. If you had a joint account with your partner, establish your own personal accounts — bank accounts, savings accounts, retirement accounts. Even if you start small, make sure to make contributions and build your nest egg."

Build Up Your Own Credit

Having good credit is often necessary to take out loans for a home or car, so start establishing your own credit ASAP.

"Open your own low-interest credit or loan accounts if your credit is tied to assets and accounts you held jointly with your partner," Revelli said. "Avoid accumulating debt by paying off these accounts in a timely manner. Watching your FICO score go up can be very rewarding."

Establish Financial Goals

“Take control of your life by envisioning your ideal future,” Revelli said. “What do you hope to achieve in one year, five years and 10 years? Determine what will make you fulfilled and on the path to your desired retirement.”

Although you might be focused on the short term, it’s vital that you pay attention to your retirement plans.

“It is important to ensure your retirement savings goals can still be achieved after you transition from two incomes to one.” Said Kristine Batch, senior vice president and senior regional delivery manager at UMB Bank. “See what percentage of your income you will need to save to cover your future expenses in retirement. It’s important to keep your long-term goals in mind.”

Create a Budget

“Your post-divorce budget should account for the changes to expense lines, inclusive of items that are more or less than before and adding categories that you might not have needed in the past,” said Jody D’Agostini, a certified divorce financial analyst with Equitable Advisors. “These may be work-related expenses, new housing costs, babysitting, and social and entertainment expenses for you to connect with your new life. There are many online apps that will let you track your spending so that you can more accurately assess your situation.”

Pay special attention to your fixed expenses, ensuring that these are still within your budget without your partner’s income.

“The most important decision is what your new housing should look like,” D’Agostini said.

“All fixed costs should make sense with your new income — this could be employment income, alimony, child support, etc. If you are paying alimony and child support, then you need to add this to your expense line. Make sure that your new living arrangement fits into your new budget. You should include savings that may be necessary to fulfill your other goals such as education, retirement, etc.”

Creating a budget can help ensure you don’t overspend right off the bat.

“Generally, in the year after divorce or newly single, there is some comfort spending,” D’Agostini said. “Some of it is to outfit a new home and construct a new life, and other spending is to compensate for the emotional stress of a divorce. In any case, decide what amount you want/can afford to commit towards this and do not overspend.”

Redo Your Will

"It is very important to redo your will, especially if you have minor children, so that your wishes for guardianship are expressed," D'Agostini said. "It also spells out the disposition of assets. Since you are newly single, you need to appoint someone that can speak for you if you become medically incapacitated at any point. This is accomplished through a healthcare directive. You should also have a durable power of attorney to appoint someone to make legal and financial decisions should you become incapacitated. A living will might also make sense so that extraordinary measures are not taken at the end of life if you do not desire them."

Update Your Insurance

"As with other life events, it is a good time to revisit your insurances, especially your life and disability insurance," D'Agostini said. "Make sure you have the right amount of insurance for the desired time needed and for the right purpose. If you have taken on a new mortgage or are responsible for minor children, both are very important to be sure that you and your family are provided for. These amounts and timelines may have changed. You may need to increase your disability coverage if you are now the sole provider."

Consult a Financial Professional for Guidance

Navigating your finances can be tricky, especially if you are going through a divorce.

"Divorce can result in complicated decisions and processes including Qualified Domestic Relations Order (QDRO) for 401(k)s, understanding Social Security spousal benefits for those married 10-plus years, selling jointly owned property and assets, understanding alimony, determining estate planning ramifications and more," Revelli said. "Getting help from a financial professional can decrease confusion and stress."

In addition to consulting with a financial planner or advisor, you may also want to meet with an estate attorney and/or CPA, said Will Hullinger, founder at Verity Wealth Partners.

"I recommend assembling a team of people to guide and support you," he said. "An estate attorney [can help you if] any previous documents need to be redrafted due to your new status. [You may also want to hire a] CPA because taxes are a reality and an area of opportunity to achieve or maintain wealth."

8 Steps Women Need To Take To Close the Retirement Gap

Women typically retire with 34% less in retirement savings than men and they live six to eight years longer on average — so they actually require more savings than their male counterparts. As for why women are retiring with less in savings, there are a number of reasons, but perhaps the biggest factor is that women often take on caregiving duties throughout their working years.

"Women are typically responsible for the children, aging parents or both," said Amy Ouellette, SVP of retirement services at Vestwell. "This can have a profound impact on one's ability to advance their careers, salary increases and additional contributions to their retirement plans." Here, we chat with Ouellette about how women can account for these gaps in income and close the retirement gap.

Be Cognizant of Your Spending vs. Saving Ratio

To ensure you have enough savings to retire, it's time to take a good hard look at how much you are spending versus how much you are saving.

"While it feels natural to equate the gender pay gap with retirement insecurity for women, the majority of individuals in the United States, regardless of gender, are not saving enough for retirement,"Ouellette said. "In fact, the issue at hand is actually an income to spending versus savings ratio problem. It's critical for all individuals to be cognizant of their spending habits and the amount they're setting aside for both short-term and long-term savings. The consistent goal is to always live within a certain percentage of your income, which is unique to each individual. Likewise, each individual should have a retirement goal in mind. Having these numbers in place will help guide your savings plan."

As a general rule, women should aim to save 10% to 15% of their income for retirement. If you are not currently doing this, it may be time to reevaluate how you are allocating your funds.

"Take a critical look at your expenses and determine areas in which you can pull back and redirect your allocations toward retirement," Ouellette said. "High rent? New car? Starbucks coffee every day? These are often nice-to-haves now; however, they are large sums that consistently eat into your ability to save for the future."

Don't Wait To Start Saving for Retirement

If you are still early in your career, you may not feel a need to begin saving for retirement. But you should start putting away funds for the future ASAP. "Due to the nature of retirement savings and compound interest, this is time to save as much and as often as possible," Ouellette said. "Starting early can save you hundreds of thousands of dollars."

Save for retirement in an IRA, or if it's available to you, take advantage of your employer-sponsored retirement savings plan. "Make sure to check if there is a plan available for you at your company and if there are any matches available," Ouellette said. "If you do have access to an employer matching program, make sure you're getting the full match for which you're eligible."

Prioritize Your Retirement Over Paying for Your Children's Education

Setting aside money for your kids' education may be a high priority for you, but it should come second to saving for retirement, Ouellette said. "It's no secret that women often put their children's well-being ahead of themselves," she said. "What does this look like in terms of savings? Women might elect to put money aside for their children's education before they put money into their retirement accounts. It's my personal belief that if you want to do right by your children, take care of yourself first. When considering where to allocate funds, remember that there are ways to borrow for education if needed; however, the same cannot be done for retirement."

Look For Alternative Ways To Pay For the Care of Aging Parents

"On the other end of the spectrum, women are often faced with caring for their aging parents in addition to their children," Ouellette said. "If a woman is allocating funds away from her retirement to care for everyone else in the household, it can lead to putting her own financial future at risk. As difficult as it may sound, it's important for parents to live off of their own retirement savings and, if needed, explore public-funded support systems such as Medicare. By doing so, it helps break the cycle of financial strain on the next generation."

Take Your Longevity Into Account

The average life expectancy for women is roughly 81 years old, so be sure you take this into account when creating your retirement plan. "Many studies have shown women outlive men for a variety of health-related factors," Ouellette said. "It's important for women to consider this when they develop their retirement plan and determine how much to put aside each month. By living longer, there will be more standard expenses such as rent, mortgage, food, etc., along with the likelihood of more expenses around medical care. It can also be helpful to look at family medical history to help predict some of the additional medical costs in the future."

Meet With a Financial Advisor To Ensure You Are Staying on Track

Once you have a goal in mind, you need to make sure you are staying on the path to achieve this goal. This is especially vital to do when you are at the mid-career point in your life. “This is the time to step back and reevaluate,” Ouellette said. “Take a deeper dive into seeing if you’re on track to meeting your retirement goals. Mid-career professionals should engage a fee-only financial advisor. These advisors guide you through a personalized plan, rather than relying on generalized ratios and goals.”

Increase Your Savings Contributions

“As women advance their careers, they should also increase their savings,” Ouellette said. “A general rule of thumb is any time you get an increase in pay, you should also increase your savings rate.”

Build a Strong Network

How much you earn will translate into how much you save for retirement, so it’s important to always look for ways to advance in your career. Networking can be an invaluable tool for finding new, better-paying work opportunities. “Look for women’s groups and networks in your industry,” Ouellette said. “To me, the best way to invest in your future goes beyond asking for promotions and raises — it’s developing a strong support network of not just mentors, but sponsors. Mentors can help you focus on developing your strengths and navigate challenges, while sponsors can help advocate on your behalf to help advance your career. Pay it forward by looking out for other women you can support, mentor and/or sponsor in their career journey.”

You're on your way to being financially savvy.

Taking the time to financially educate yourself is an important step in improving your financial future. But it can't stop here. Now it's time to put what you've learned into action – start building that emergency fund, have a plan to pay down your debt, open a brokerage account to start investing, and set up automatic payments from your checking account into your retirement savings.

And keep educating yourself on how to live your best financial life. GOBankingRates is here for you to be your guide along every step of your financial journey.