Winning the confidence game

Three ways women can boost their financial confidence.

While women are just as financially literate as men, they tend to be less self-assured when it comes to managing and investing money. The Center for Talent Innovation found that women are 44% less likely than men to consider themselves financially knowledgeable—an important component of financial confidence.

Why is that? Historically, women haven't had as much practice at managing money as many men, but that should no longer be the case. Women currently control $11.2 trillion in investable assets,[1] make 85% of the family's buying decisions, and serve as the primary breadwinner in 44% of families. It is time for their financial confidence to catch up.

If your financial confidence needs a boost, here are three ways to become more self-assured.

① Build on what you know.

It is a myth that men are more financially literate than women. The reality is men and women have about the same level of financial knowledge, with only 35% of women, compared to 39% of men, able to pass a test of basic financial knowledge.

Yes, most Americans could stand to brush up on their financial know-how, and doing so can boost confidence levels. You don't have to start from scratch—simply build on what you already know.

Consider these steps.

- **Read more.** Commit to reading one personal finance article or blog a week to increase your knowledge base—and ultimately your confidence. If you're in a book group, put financial books into the mix.
- **Ask curious questions.** Everyone knows someone who's a financial whiz. Invite this friend or family member to meet for coffee and ask her to teach you how to read an investment prospectus, create a spending plan, or negotiate a pay increase.
- **Appreciate what you already know.** You don't need to have an MBA to speak confidently about your own money. Give yourself credit if you are good at balancing a checkbook, paying your bills on time, or regularly meeting with your advisors.

② Be a team player.

Two minds are better than one. It may be OK for one partner to go grocery shopping or take out the garbage, but it is best to act as a team when making financial decisions.

Acting as a team contributes to sounder financial decision-making and protects you in case there is a sudden change in your family situation such as an illness, death, or divorce. It is easier to take over the money management if you have been part of the process all along.

Join forces.

- **Break money silence with your partner.** Money talk doesn't have to be stressful. It can be fun and, when done regularly, increases intimacy. If you haven't discussed finances, then start your first conversation by focusing on financial successes. Ask your partner to describe one financial move they're proud of. Tell them about one of your own. Learn from each other's strengths, set the stage for a good financial relationship, and boost your financial confidence.
- **Hold regular money meetings.** Spend at least 30 minutes a month talking about finances with your partner. When developing the agenda, make sure you and your partner co-create the discussion points. You may want to review where the family spent money last month, and your partner may want to talk about saving for vacation. If so, spend 15 minutes on each item.
- **Attend advisory meetings together.** Don't make the mistake of having just one partner attend wealth management meetings. You have a valuable perspective on how you want to save, spend, gift, and pass on wealth. Look for an advisor who takes your participation seriously and encourages couples to meet jointly. Then, use this time together to plan for a secure financial future.

Continued

SPECIAL CONTRIBUTOR

Kathleen Burns Kingsbury is a wealth psychology expert, founder of KBK Wealth Connection, host of the Breaking Money Silence® podcast, and an internationally published author and speaker. Named one of nine amazing conference speakers in 2017 by *Investment News*, Kathleen is a sought-after keynote speaker and consultant on the topic of women and wealth and couples and money. Her mission is to empower women, couples, and families (and the advisors who serve them) to shatter money taboos and communicate more effectively about financial matters.
For more information, visit **www.breakingmoneysilence.com**.

③ Practice financial empowerment at work.

Women earn almost 60% of all college and professional degrees, but they still only earn 80 cents for every dollar a man makes. The gender wage gap is a result of many complex variables; however, one factor you control is negotiating your salary. Don't let fear get in your way. Instead, empower yourself by learning the dos and don'ts of salary negotiation.

Arm yourself with the most effective negotiation tactics.

- **Focus on the bottom line.** You might have three kids, a mortgage, and student loans to contend with, but your boss wants to know about the value you bring to the organization. Do your homework, and make the business case for why you deserve a raise.
- **Be persistent.** Negotiating money is seldom a one-time conversation. Prepare for pushback, and don't get discouraged if these dialogues don't go as planned. Learn from each conversation, and adjust your approach as needed. As with any money talk, practice boosts confidence and mastery.
- **Get support.** Enlist the help of a career counselor, business coach, or trusted advisor. Role-play different scenarios so you can anticipate how to overcome objections. Preparation is often the key to getting to yes.

Financial confidence isn't something you're born with. You nurture it over time.

Commit today to learning more about your finances, to talking more openly and honestly with your partner, and to working with advisors who believe financial empowerment is an equal opportunity.

BMO Wealth Management

[1] Investable assets is defined as your total assets less the value of your primary residence.