



## Financial Capability of Women in Our Nation Position Paper from Federally Employed Women

Following a request from the White House, Federally Employed Women (FEW) conducted a membership survey requesting their input on the financial capability of women in the United States and what suggestions they had for improving this literacy.

### Overall Rankings:

Overall, 50.7% of respondents stated that they personally suffered from a lack of financial literacy, education and/or other financial access. Conversely 49.3% answered that they did not. With respect to women in general, 72.6% of survey respondents felt that women are disproportionately disadvantaged in access to the traditional financial sources. The reasons cited, in ranked order, for this inaccessibility were:

Misunderstanding the forms/process	-	69.3%
Gender	-	61.8%
Social Beliefs	-	54.3%
Cultural Beliefs	-	53.3%
Race	-	39.7%
Ineligible	-	34.2%
Geography	-	30.7%
Religion	-	13.1%

### Details and Suggestions:

Respondents were also asked to provide specific suggestions and ideas that they thought would improve the financial capability of women in our nation. By far, the most often cited change that was essential was in the area of education. Most firmly believed that financial literacy training and education should begin in the elementary schools. Students of both genders need to be taught early about fiscal responsibility, planning and the benefits of savings.

Furthermore, the curriculums should be adapted as these students get older to reflect their changing needs. For example, elementary students should be taught basic financial ABCs and simple financing matters. By junior high school, students should be learning about the importance of saving, rudimentary financial planning and an introduction to taxes and investing. By high school they should be taught how to save for college, what to do with earned income, fiscal responsibility and the proper use of credit cards. In addition, high school curriculums nationwide should require students to take a financial education class.

Respondents provided suggestions on how outreach to women adults could be improved in order to offer them financial training. Several good ideas were offered.

### **Outreach Efforts/Training Classes/Information:**

A concern expressed by many respondents was not to assume that everyone has access to a computer and/or the Internet in their homes. Several suggested that financial training classes be conducted in public libraries, federal government offices, day care centers, churches, Young Women's Christian Association (YWCA) and community centers that women frequently visit. For those who do have access to computers, online webinars and websites should be developed that include teaching guides and examples of good financial planning practices.

Other respondents suggested that the government should set up a free hotline to assist Americans with financial questions and offer suggestions. This line should be manned with trained financial advisors and consultants.

Informational media (such as DVDs and posters) should be developed and distributed at day care centers, churches and community centers where women tend to meet. These could be simply "how to" guides, announcements about classes and lists of reputable websites where they can get information. Finally, advertisements could be placed in women's magazines.

Several respondents suggested that some training classes should be specifically for women who tend to become inhibited by the presence of men and reluctant to ask questions. These seminars could be on investing, financial planning, managing credit, etc., and could be offered at centers cited above which attract mostly women.

### **Required Training:**

Some respondents suggested that banking institutions and credit card providers must be required to provide free financial management training to first-time account holders. This could be a simple 15-minute course on how to balance a checkbook, use online services or control credit. Also, banks should offer free-debt counseling to their customers or partner with local agencies who could provide financial advice.

Furthermore, it was suggested that community colleges, in cooperation with local banks, should be allowed to utilize public funds to sponsor community-wide financial courses, conferences and other training classes designed for women of all ages and at different stages of their lives. For example, one month it could be on paying for day care, the next on saving for college and the third on retirement planning.

### **Financial Needs:**

Finally, survey respondents were asked what specific financial training they needed the most and would like to see addressed by the White House. In ranked order, these were the most cited:

1. Retirement issue/planning financial future
2. Investments
3. Budgeting/fiscal responsibility
4. Managing/reducing debt/credit planning
5. Paying for higher education
6. Building a financial portfolio/financial independence
7. Home buying
8. How to make your money work for you (i.e., .what to do with inheritances, gifts, etc.)
9. Benefits of saving
10. Credit repair/scores
11. Insurance issues and
12. Tax laws