5 Tips for Women Who Want to Start a Financial Plan

Taking control of your finances with a financial plan is necessary for everyone, whether individually or for a household. In many families, men have been accountable for maintaining financial plans for their families. However, it is crucial that women are equally involved in financial planning, especially today, when 43% of full-time employees and 64% of part-time employees are women, according to the Department of Labor, Women's Bureau.

What is a financial plan, and who is it for?

Simply put, a financial plan is a strategy for managing your assets and accomplishing your goals. "Financial plan" may seem like jargon for the wealthy, but financial plans are beneficial to everyone. Life happens. Children are born. Parents age. Financial plans prepare people for unexpected life events and provide comfort.

What does a financial advisor do?

A financial advisor acts like a quarterback — talking to every team member involved to form a strategy with the end game in mind. To do that, it's important to score a goal. "Team members" in financial planning include the individual or family's attorneys, CPAs, insurance brokers and others. "Scoring a goal" means being prepared for life events, such as an unexpected death in a family or a job change. A financial advisor helps organize and take care of the chain of events impacted by the event which may otherwise be overwhelming for an individual.

How should women start planning for their finances?

The continued keyword is preparedness. Here are some tips for women who haven't started investing:

1.
Educate Yourself

Become knowledgeable about the fundamentals of investing. Don't know where to start? There are many educational websites such as **Investopedia**. Westwood also provides a variety of insights — you can browse our library **here**.

Following the markets can also be a smart way to familiarize yourself with the world of investing. **Basis Points**, our weekly market commentary, can be sent straight to your inbox with market trends and fun facts (great for conversations). **Subscribe here**!

2.
Partner with a Trusted Advisor

It is important to find a financial planner or advisor you can trust, as finances are an extremely personal matter. Ideally, you will partner with an advisor long term, so being able to develop a solid relationship is key.

At Westwood Wealth Management, we put our clients first and strive to deliver the best client experience. **Click here to get in touch with an advisor**.

3.
Set Long-Term Goals

Discuss your long-term goals with your financial advisor and figure out how investing will help you accomplish those goals. Investing your hard-earned money into the market may seem intimidating, but working with your advisor can help you understand how investing may ultimately help your goals.

4.
Review Your Plan Annually

One common mistake to avoid is not reviewing your plan annually after putting together your financial plan. It is crucial to revisit your plan on an annual basis to ensure its soundness.

5.
Start as Soon as Possible!

When it comes to investing, sooner is better. The power of compounding interest helps your earnings grow the longer that money has been invested.

Even if you are a recent graduate in an entry-level job, it is a good idea to open a 401(k) to start investing for retirement. Companies often offer contribution matches. Let's say you put $100 from your paycheck into your 401(k) — your company will also contribute $100 (the percentage and amount will vary depending on the company). You can think of that match as "free money."

Watch Melissa McMillian, Senior Vice President, Private Wealth Advisor, discuss these tips on Good Morning Texas.

Watch Video At:

https://youtu.be/FXI6CMgXKvI