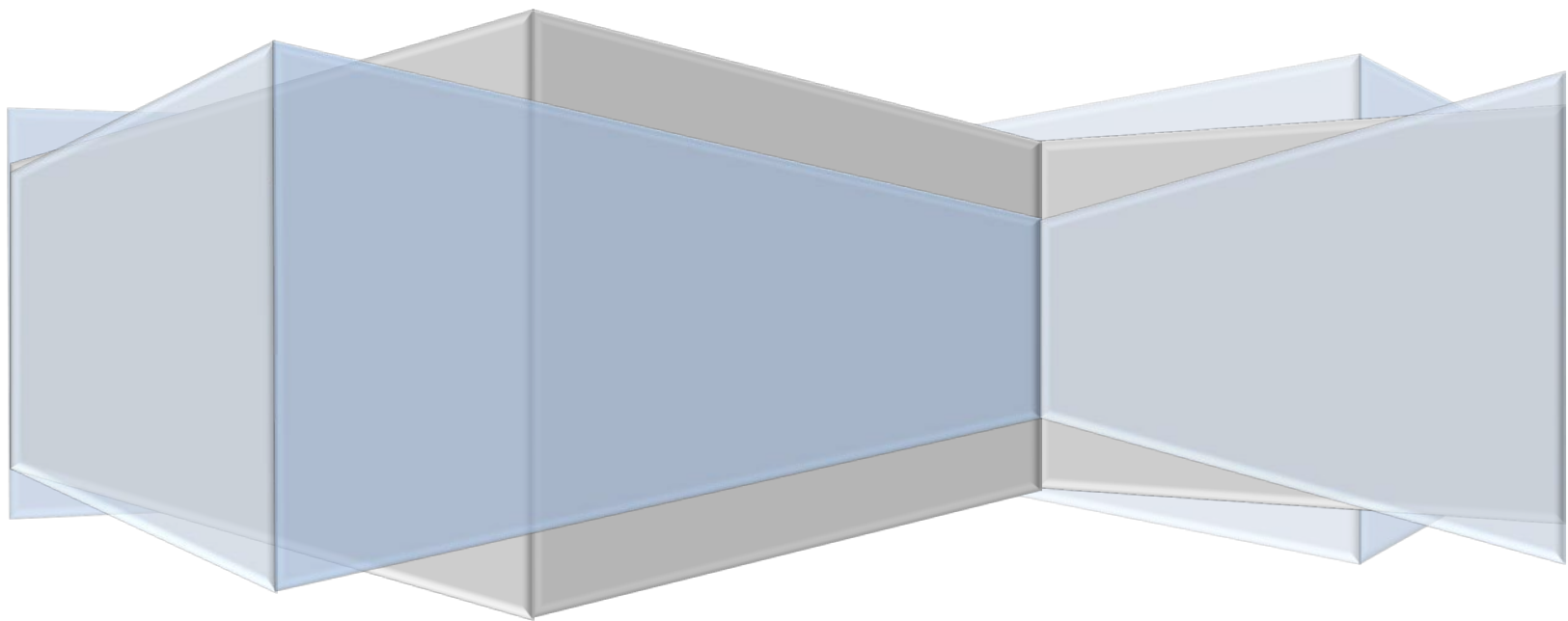


# Summary of Women & Money

*By*

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# Women and Money

By Suze Orman

## Section I

In this book *Women and Money*, the author Suze Orman talks about how women can secure their future by managing financial options they have. The book is about empowering women with essential knowledge so that they will be able to independently handle their economic problems in their future. Orman explains precisely what the women need to do in a motivational way. Despite the remarkable social advancement women have made over the past decades, very little has changed in the way women deal with money, so Orman is helping the women to overcome the blocks that have kept them from acting in the best interest of their money and of themselves.

The book provides unlimited knowledge in the financial field for the women who want to follow the Suze's guidance. The book answers any questions that women are having regarding the money matter. Some of the questions Suze answers in her book are:

- 1) How do you start a saving plan for successful financial future?
- 2) Why women either don't know about, or hand over control of, their finances?
- 3) How women can improve their relationship with money?
- 4) Why she is writing this book only focusing women?
- 5) Why should women try to take control of their financial destiny and how?
- 6) What are the key points women need to know about money?
- 7) What psychological and sociological perceptions do women have regarding money?
- 8) If women can handle each life situation with a lead why can't they do that when it comes to

money?

- 9) Why do you need your own account?
- 10) And in general, why should women read this book?

## **Section II Summary**

### **Chapter 1: For Women Only**

This chapter serves as an explanation on why Suze felt the need to write this particular book only for women. She introduces about her five month course of action which she has named “The Save Yourself Plan”, and she assures the readers why they should go through the rest of the chapters in this book. She hopes this book will point you toward the future and inspire you; show you what is possible not just for this generation but for the generations to come. She concludes the chapter by asserting that this book which she had never planned to write is the most important book for women she had ever written.

### **Chapter 2: Imagine What’s Possible**

Chapter 2 takes a look at the dysfunctional relationships that women frequently have with money. She asks the readers why is that women, who are so competent in all other areas of their lives, cannot find the same competence when it comes to matters of money? She explains how the deep-seated issues on this regard lie in history and traditions and how to overcome those. She also stresses that in order to have a successful financial future women must address their relationship with money like they would any other damaged relationship that they wished to save. Women should acknowledge their mistakes, take responsibility, and resolve to alter the bad behaviors to make the money relationship change for the better. For Suze, money is indeed an extension of the self, so it’s a need for every person that you can’t live without it. She further

suggests that we have to develop a healthy, honest relationship with our money. And we have to see this relationship as a reflection of our relationship with ourselves. If you show money the respect it deserves today and carry it through in all your actions, then one day, when you can no longer take care of it, your money will take care of you. She also points to a fact that nothing more directly affects your happiness than money.

### **Chapter 3: No Shame, No Blame**

Suze starts with the invisible twin obstacles for women: the past the burden of shame and the tendency to blame, and insists that blame renders you powerless. You must get past blame to become who you are meant to be. Similarly, shame only serves to hold you back. But, in this book she talks about facing forward, not staying stuck in the past. Orman reminds the reader that embarrassment and/or ignorance are little excuse for financial ineptitude, and tells her own story about how she went from being a waitress making \$400 per month to being a successful broker with Merrill Lynch. She also points out some facts about twenty-first-century life:

- Social security is going to replace an even smaller portion of retiree income in the coming decades.
- With the divorce rate about 41 percent, many women at some point in their lives will be solely responsible for managing their money.
- Even in the marriages that work, money is more of an issue than ever before, especially in homes where there is a stay-at-home mother.
- Women on average live 6 years more than men which means they need to handle all their finances themselves alone at some point in their life.
- Along with those facts women might also need to be responsible for their aging parents' financial needs and cares.

And finally Suze requests all ladies and women to come forward and take responsibilities and stop shaming and blaming.

#### **Chapter 4: You are Not on Sale**

In Chapter 4, Suze starts with the issue that most women have the tendency to undervalue themselves. That affects women as employees, business owners, homemakers, service providers, volunteers, etc. This chapter also advises women to raise their expectations and negotiate compensation to reflect their worth by giving several examples of women working in different fields. It's also important to recognize that time has value. No one ever achieved financial security by being weak and scared. By delving into the internal and external forces that make women feel powerless when it comes to money matters, Suze pinpoints some facts like volunteering syndrome, and the bartering trap that women have common when it comes to make decisive action.

Women can't simply assume that if you do good work you will be correctly compensated for your effort. To overcome these difficulties Suze requests women to be proactive at work and to value the self. Be impatient and prepared to prove yourself your position in the company that brought it to success. She puts forward that women have got to stop being an obstacle on their path to wealth and security and happiness. They must understand that valuing themselves is well within your control. And finally she requests to not let others dictate your worth, preventing yourself from putting on sale again.

#### **Chapter 5: The 8 Qualities of a Wealthy Woman**

This chapter starts to show the women how to recondition from inside, and overcome the forces that make women feel powerless. She starts the by putting forward the qualities a wealthy woman has. A wealthy woman absolutely has money, but she also has happiness, courage, balance, and harmony. "A wealthy woman is generous, clean, wise, and therefore beautiful. A

wealthy woman has it all”, she says. These may sound somewhat arbitrary, but Orman provides definitions for each quality and explains how these traits lend themselves to the creation of wealth.

According to Suze, Harmony and balance are the most important qualities of all! Harmony is an agreement in feeling, approach, and sympathy. It is the pleasing interaction between what you think, what you feel, what you say, and what you do. Balance is a state of emotional and rational stability in which you are calm and able to make sound decisions and judgments.

Suze further states that courage gives harmony expression. Courage is the ability to face danger, difficulty, uncertainty, or pain without being overcome by fear or being deflected from a chosen course of action. Generosity is when you give the right thing to the right person at the right time and it benefits both of you, and she observes six rules when giving to others. For her, a true gift has no expectations in return. Whether it is a gift of time, money, or love, you must feel strongly that your gift is an offering. It should be given freely and out of pure love. An act of generosity must never adversely affect the giver. When you give money that you don't have to give, that gift adversely affects you. An act of generosity must be made consciously. You must be aware of how your gift will affect its recipient and make sure it will not be a burden. An act of generosity must happen at the right time, and an act of generosity must come from an empathetic heart.

She states that happiness is a state of well-being and contentment, but happiness is not a luxury. It is a necessity for true wealth. When you are happy, you find pure joy in your life. Wisdom is the knowledge and experience needed to make sensible decisions and judgments, or the good sense shown by the decisions and judgments made from an accumulated knowledge of life that has been gained through experience. She says a wise woman should have all other qualities to have wisdom. Cleanliness is a state of purity, clarity, and precision. Cleanliness is about respecting

the importance of order and organization. When you don't know where your money is, when you have no filing system for your important documents, when you dive into your pocketbooks to pull out crumpled bills, when your car looks like a garbage can, when your closets are filled with junk and clutter—she asserts you can't be a wealthy woman.

Finally, Suze states that beauty is the quality or aggregate of qualities in a person that gives pleasure to the senses or pleurably exalts the mind and spirit. Beauty is what you create when you incorporate the other seven qualities into your life. When you are confident you feel secure, and security eliminates fear. When you are calm, you make wise decisions with your money and it helps bring other qualities a wealthy woman must have.

## **Chapter 6: The Save Yourself Plan**

In chapter 6, Orman gives a more thorough outline of her plan, which focuses on the core foundations of personal finance that every woman must know and practice, then gets down to business by breaking the plan down into five one-month increments. Each month features thorough explanations of the ideas or products that Orman is introducing, and has a detailed, step-by-step plan at the end of the sub-chapter to help the reader set up the system that she needs in place.

### **Month One: Checking and Savings Accounts**

In this part, she goes through all the definitions of terms related to financial institutions. She describes all the qualities a good checking, credit, or savings account should have such as no annual or monthly fees, free checks, online access to your account etc. She wants women to keep record and organize bills. They should check for fees that they shouldn't be paying. She recommends plans for avoiding check bouncing and overdraft coverage features. Suze wants

that every woman should have her own savings account that is completely separate from any other savings account shared with a spouse, partner, parent, or a child.

### **Month Two: Credit Cards and FICO Credit Scores**

Suze wants women to become expert in handling credit cards. Each woman should have one credit card that's just on her name. Then she would check the credit card statement every month. She would avoid extra fees and higher interest rates on her credit cards. Orman teaches women to pay the credit card bills in full each month preventing any interest charges. She wants women to know about good debt and bad debt. They should be committed to a strategy for paying off old credit card balances, and should understand the importance of good FICO credit score in financial life. And finally, she insists each woman to get a FICO credit report each year and improve the scores if necessary.

### **Month Three: Retirement Investing**

Suze would be thrilled if each woman started saving something for her retirement. She urges all women to understand that even a little today can add up to a lot tomorrow. Participation in employer's retirement plan if they match your contribution is very important. She describes that Roth IRAs are unbeatable retirement accounts. Even stay-at-home moms or non-working spouses can have a spousal IRA. It is recommended in investing in an IRA in addition to investing 401(k) or 403(b). She wants women to succeed in life by choosing the right investment options.

### **Month Four: Must-Have Documents**

A Will is not enough to protect you and your loved ones. Suze wants every single one of you to have three documents: a will, a revocable living trust with an incapacity clause, and an advance directive and durable power of attorney for health care. Revocable means that once



you set up the trust, you can change it all you want. Living means that it works for you while you are alive. Trust is simply the name of the document. Settlor is the person who sets up the trust. Trustee is the person or persons who have signing authority over every asset inside the trust. Successor Trustee is the person who takes over the management/control of the trust when the trustee dies or is no longer capable of making decisions. Beneficiary is the person who is to benefit from the assets that are in the trust. Remainder Beneficiary is the person who "inherits" the assets in the trust when you die. Suze wants you to designate the beneficiaries for all of your assets held in your will and trust. She recommends reviewing your will, trust, and beneficiaries once a year.

### **Month Five: Protecting Your Family and Home**

In 5th months plan, Suze equips the readers with the assets necessary to choose the right type of insurance plans including life and home insurances. The home insurance should truly protect you in the even your home was damaged or destroyed. She suggests having a separate umbrella liability policy with at least \$1 million in coverage. Renters are recommended to buy a renter's insurance policy and condo, co-op, or town house owners are recommended to purchase a condo insurance policy. Term life insurance is the way to go because its policy length can be tailored, its cost is low, and there is a fixed premium over years. Opt for the guaranteed renewable term policy. Make your revocable living trust the beneficiary of your life insurance policy, and Suze wants you to know what your needs are and what the insurance policy covers.

### **Beyond the Plan: Knowledge = Power = Control**

Suze recommends the plans for the years ahead for all women like paying off high-rate credit card debt. Any extra money in your paycheck first goes to paying off your credit card

bills. Boost your emergency cash savings and max out on your Roth IRA (or traditional IRA you intend to convert). Save up for a home. If you are renting and you are planning to own a home, then create a new separate savings account just for your down payment, and send extra money into the account each month. Increase your 401(k) contributions. Put money into a college fund. Providing those lifelong information, she further pleads to the readers not to forget the "Save Yourself Plan" that she has contributed for you!

## Chapter 7: The Commitments

Orman asks the reader to evaluate all of her committed relationships and how those relationships fit with her financial future. She wants you to consider an important concept that it takes power to say no out of love than to say yes out of weakness. Be as committed to yourself as you are to others. When it comes to money and relationships, she favors always to do what is right rather than what is easy. She wants life partners to be open about their financial situations and FICO scores. She wants you to exercise the same caution with anyone who comes to you for a personal loan. If you must say yes, treat this as a business transaction. Every relationship you have can have an impact on your financial security. This chapter also features key advice for selecting a financial advisor. Your financial advisor should have at least one of the following certificates or licenses: CFP, ChFC, PFS, NAPFA, FPA, a series 7 license, a series 6 license, or a registered investment advisors license.

It is also recommended to know in advance how the financial advisors charge for their services. Suze says, "Do not ask financial planners what are their rates." She wants you to work with the advisor who says in advance how they charge, without having to ask. This is an important measure of their honesty. They charge either an hourly rate to give you advice, or they can charge a percentage of the assets they have managed for you, or they might charge a combination of both.

You shouldn't work with the ones who charge only commissions.

As a final call on this chapter, Suze wants you to make a promise to her that if you decide to hire a financial advisor you will stay involved with your money. Your greatest commitment must be to yourself. She wants you to love yourself and take care of yourself foremost.

## **Chapter 8: Say Your Name**

In the final chapter, Suze challenges her readers to remember the eight characteristics of a wealthy woman and to identify herself by her full name. She wants you to celebrate who you are and broadcast it powerfully to the world. Take credit for who you are, what you believe in, what you have achieved, and all what you hope to achieve. For Suze, who you are today, will always be the foundation of what you will have in this life. If you want to own the power to control your destiny, there is no other starting place than self.

She urges again and again to do what is right for you, stay involved with your money, and maintain a healthy relationship without putting yourself on sale. She asks you to look everyone you meet straight in the eye and with the force and power of all the women in the world behind you, within you, and in front of you, Say Your Name! And she wants you to know her name Suze Orman.

## **Section III Critical Analysis of the book**

In the book *Women and Money*, Suze Orman has provided women with greatest assets they need to succeed in their life. Her best approach to solve a problem is not only to give advice but to provide them with the tools to solve that problem. She offers backup support and several helpful tools via her website, such as spending worksheets, money saving tips, savings and retirement calculators, tips for boosting your FICO score, and many others. Whenever she feels like readers

might be interested in more than what she has offered in her book, she has been very generous in pointing into the proper place in her website. Growth of financial wisdom is, after all, the purpose of *Women & Money*.

To conclude, Suze Orman had not only proved that she has successfully authored this book, but by placing her messages in harmonically balanced and courageously generous piece of art, she has also proved herself as a possessor of the greatest qualities that a wealthy woman must have.

## **Section IV    My Evaluation**

Suze Orman makes tremendous effort through her book to heighten the wealth and prestige of all the women. Though the book is explicitly written for women, knowledge provided in this book is equally valuable for people of all ages. The save yourself plan Suze talks in her book are in the benefit of all people in the society. Suze has also penetrated deep into the heart of the women to awaken them and remove the hurdles that have been giving trouble since history. This book has helped me to learn a lot for myself. Knowing how to better handle the credit cards, who to get financial advice and whom not to even ask, what type of insurance I need all those financial questions or doubts are now clear to me! I am now able to apply those rules to my life to shine my future. Her 5 months plans are completely practical. Even she goes beyond that and talks about IRA's. Overall, she has provided an excellence source practical knowledge to self-succeed and make the world hear who you are!

The organization is so well that, each pieces of information fit together making it easier to move forward without having to come backward to look for terms or clues. You wouldn't have to read any sentence twice, because she makes the things so clear to understand.

I fully enjoyed each sentence of this book. The way she has presented the materials is clean

and simplicity designed that anyone with fair reading ability can understand the book fully! The knowledge you will get from this book is nowhere else to be found in any other single book. If you have not read this book before, I want you to get this book without a doubt. It will empower you with the knowledge and courage to live a worry-free successful financial life.