



**Investing in Women**  
*Executive Summary of Research Findings*  
Presented by FieldGoals.US  
April 2020

## I. Background

### Investing in Women

Investing in Women is an initiative launched in January 2020 by the Pennsylvania Department of Banking and Securities, designed to provide essential education and research on components of banking, credit, saving and investing, while offering practical resources to women to navigate their finances and future. Through strategic partnerships, the aim is to evaluate investment habits, stereotypes and obstacles for women in Pennsylvania and reduce the gender gap through education and awareness.

### Research Background

In November of 2019, FieldGoals.US was commissioned by the Pennsylvania Department of Banking and Securities (DoBS) to conduct qualitative and quantitative research to measure the attitudes and understanding of women in Pennsylvania about personal financial capability. This research was to be used to inform content and programming for public-facing presentations by DoBS.

#### The research objectives included:

1. Understanding the overall landscape of women and finances, including products and services used, management of household finances and self-perceived capability
2. Uncovering barriers in access to financial services faced by women in Pennsylvania
3. Determining what educational and practical resources Pennsylvania women need to improve confidence and participation in finance
4. Measuring satisfaction with current DoBS educational offerings and creative materials and determining how these resources can be improved

FieldGoals.US conducted focus groups with women across the Commonwealth to collect qualitative information to establish a deeper understanding of the research objectives and how they might inform the design of the quantitative study. Parts of these qualitative findings, which were reported in early 2020, are used in this report to add context and depth to the summary of findings.

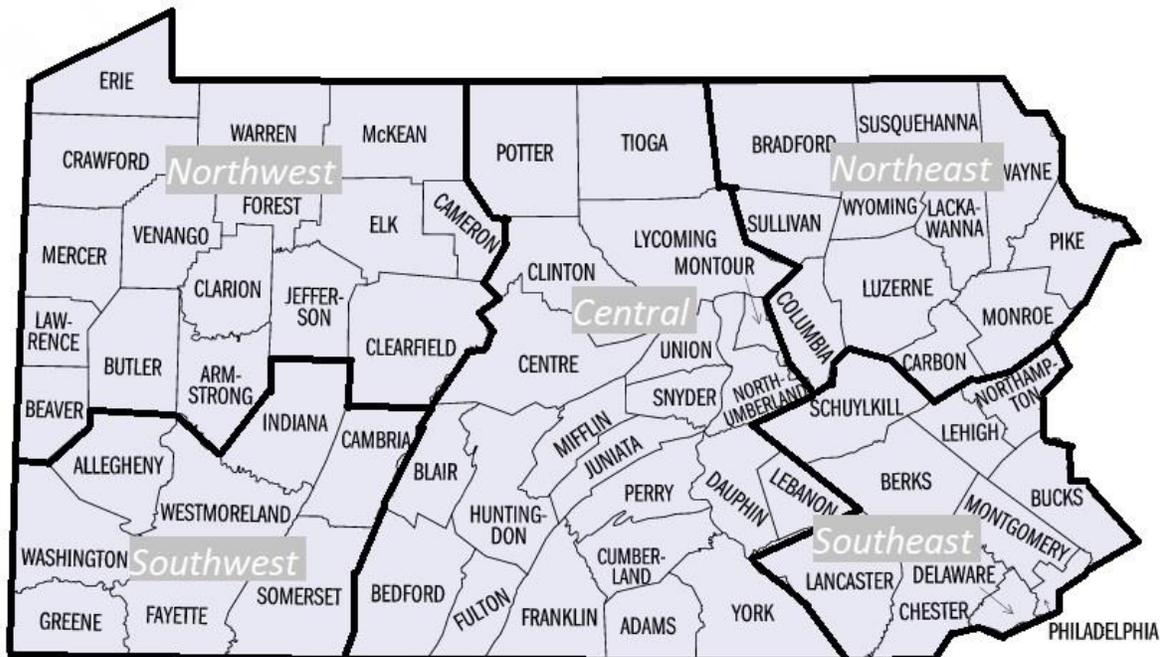
FieldGoals.US and DoBS then collaborated in creating a 50-question survey to be conducted with a statistically significant sample of women ages 18 and older living in Pennsylvania. The survey was fielded in an online format and was shared with members of the public by DoBS and by FieldGoals.US using consumer panels.

## Screening and Qualifications

Participants were women aged 18 or older. To accurately represent the makeup of women in Pennsylvania, data was collected from a mix of women of different ages, races, education and financial capability. The online survey contained restrictions on duplicate entries and rotated response selections to prevent biased feedback. Data was cleaned to ensure valid, quality responses. 689 women complete the survey; this sample size provides results with a 95% confidence level and a +-4% margin of error.

## Quotas:

The survey was fielded to a stratified sample of women in Pennsylvania using quotas to ensure certain geographic and demographic segments of the sample met those of the population. The quotas were based on Census data.<sup>1</sup> Quotas were used to balance Age, Ethnicity (Race), Household Income and Geography. For the geographic quotas, the state was separated into 5 segments by county: Northeast, Southeast, Northwest, South and Central.



<sup>1</sup> [https://pasdc.hbg.psu.edu/sdc/pasdc\\_files/researchbriefs/Apr\\_2019\\_CntyEst18.pdf](https://pasdc.hbg.psu.edu/sdc/pasdc_files/researchbriefs/Apr_2019_CntyEst18.pdf);  
<https://www.census.gov/quickfacts/PA>

## II. Demographics

AGE	% of PA	% of Sample
18-29	15%	20%
30-39	13%	19%
40-49	12%	17%
50-59	14%	20%
60-69	13%	18%
70 or older	13%	6%

RACE	% of PA	% of Sample
Caucasian	76%	80%
African American	12%	12%
Hispanic	8%	6%
Asian	4%	2%
Other/multi-racial	2%	3%

HH INCOME	% of PA	% of Sample
Under \$50,000	42%	42%
\$50,000 to \$100,000	31%	32%
\$100,000 to \$200,000	21%	16%
\$200,000 or more	7%	6%

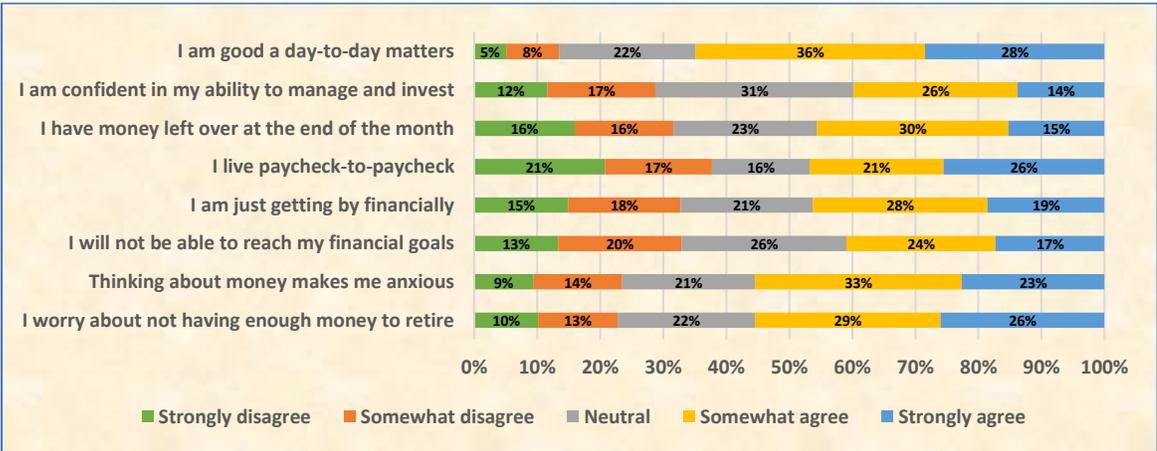
### III. Research Findings

#### Objective I: The Financial Capabilities Landscape: Financial Wellness

<i>How satisfied are you with your current personal financial situation?</i>	
Base	688
Not at all satisfied	12%
Not very satisfied	30%
Satisfied	29%
Somewhat satisfied	23%
Extremely satisfied	7%

Almost 60% of Pennsylvania women report feeling satisfied with their current financial situation. *Women are in control of their finances – and many are saving –* but specific challenges and barriers exist for women which prevent many from achieving the financial goals they have created.

Many feel they excel at day-to-day financial matters, but only 36% are confident in their ability to *manage and invest money*. Nearly 50% of Pennsylvania women live *paycheck-to-paycheck* or are “just getting by” financially.



*“I am confident in managing my finances on a day-to-day basis; however, planning for the future is a little scary, because I don’t want to invest in the*

*wrong thing. Day-to-day I know what I make and need and try not to splurge.”*

56% of Pennsylvania women agree that thinking about personal finances makes them anxious; the areas causing the most amount of worry are retirement, debt and not having enough to make ends meet. 65% of women 40-49 years old worry about not having enough money to retire and 53% of women 30-39 years old are afraid they will not be able to reach their financial goals.

Only 14% of all women in Pennsylvania are confident in their financial capabilities and actively seek ways to invest and manage their portfolios. The good news is 34% are interested in learning about new ways to grow wealth.

<b>How do you feel about managing your finances?</b>	
Base	689
I do the basics to budget my money and pay my bills	49%
I am moderately interested in learning about new ways to grow my wealth and improve my financial standing	34%
<b>I am confident in my financial capabilities and actively seek ways to invest and manage my portfolio</b>	<b>14%</b>

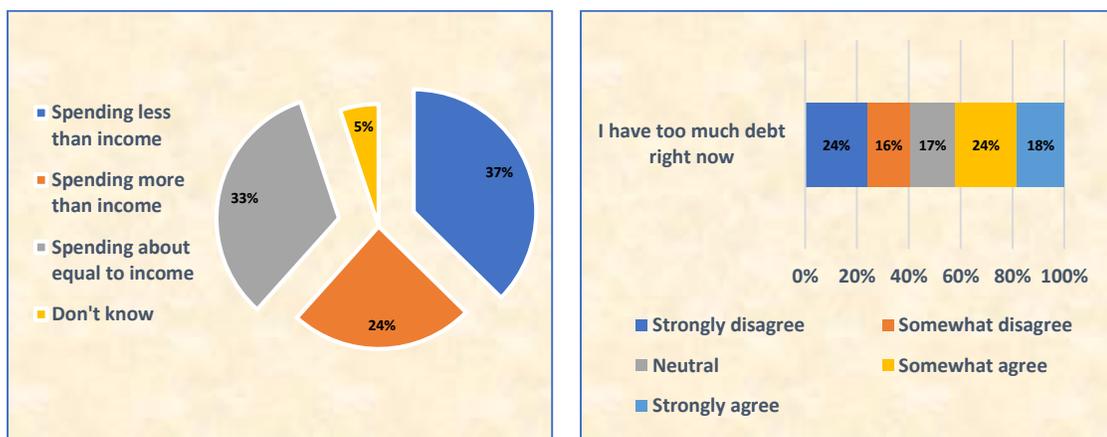
*“I believe I can or need to do more for retirement. I also need to learn more about investment options because my money could be doing more.”*

*“It scares me. I know I made bad decisions when I was young and it’s hard to face the truth.”*

## Objective I: The Financial Capabilities Landscape: Spending, Savings and Debt

### Income and Expenses

Most women in Pennsylvania have a consistent income each month, but a significant *24% of women reported spending more than their household income last year*. *59% of women feel it is difficult to cover expenses and pay the bills each month – and 42% feel they have too much debt right now.*



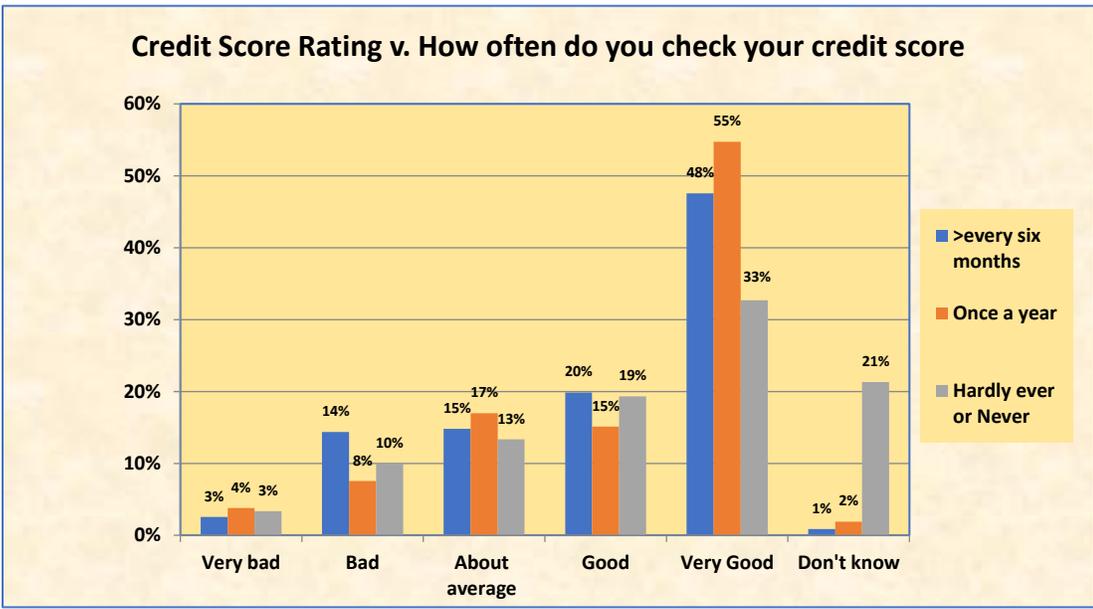
### Credit

*Most women (56%) have three or fewer credit cards and fewer than half of those with credit cards pay them in full every month (45%). A quarter of women with credit cards indicated they have paid only the minimum payment in some months, but only 8% have been charged a late payment fee in the last 12 months. Many rely on a credit card to replace an emergency savings account.*

*“In my monthly budget, I apply any leftover funds to my credit card debt. My credit’s not great, but I am trying my hardest to improve it by paying off some of these credit cards.”*

Although almost ¼ of the respondents (22%) said they never or hardly ever check their credit score, 64% would rate their score as good or very good. Only 16% reported a bad or very bad credit score. Almost half (48%) check their credit score monthly or more frequent and rely on reports from their bank or credit card or a personal finance app like Credit Karma to check their scores.

<b>How often do you check your credit scores?</b>	
Base	689
>every six months	70%
Once a year	8%
Hardly ever or Never	22%



**Student Loans**

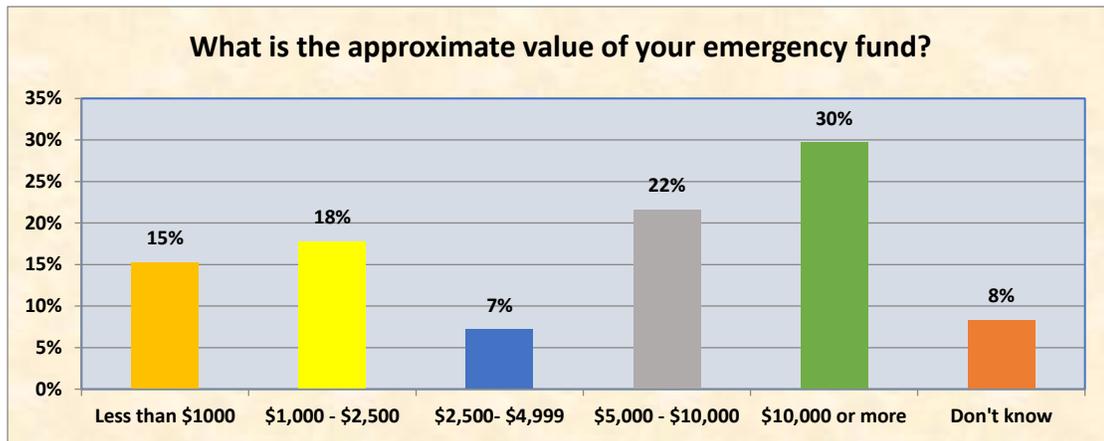
70% of Pennsylvania women do not pay any student loans; among the remainder, most are paying back student loans used to finance their own educations. The amount of student loans varies greatly – 20% of those with student loans owe less than \$5,000; 22% owe more than \$50,000. Just less than half of all women who pay student loans said they are afraid they may not be able to pay them off.

## Saving

Half of Pennsylvania women (53%) have an emergency fund of some type in place, with 30% of those with savings having \$10,000 or more in reserve. More than 1/3 overall say they put “whatever they can afford” in their emergency fund monthly.

### *Do you currently have an emergency fund savings in place?*

Base	689
No	47%
Yes	53%



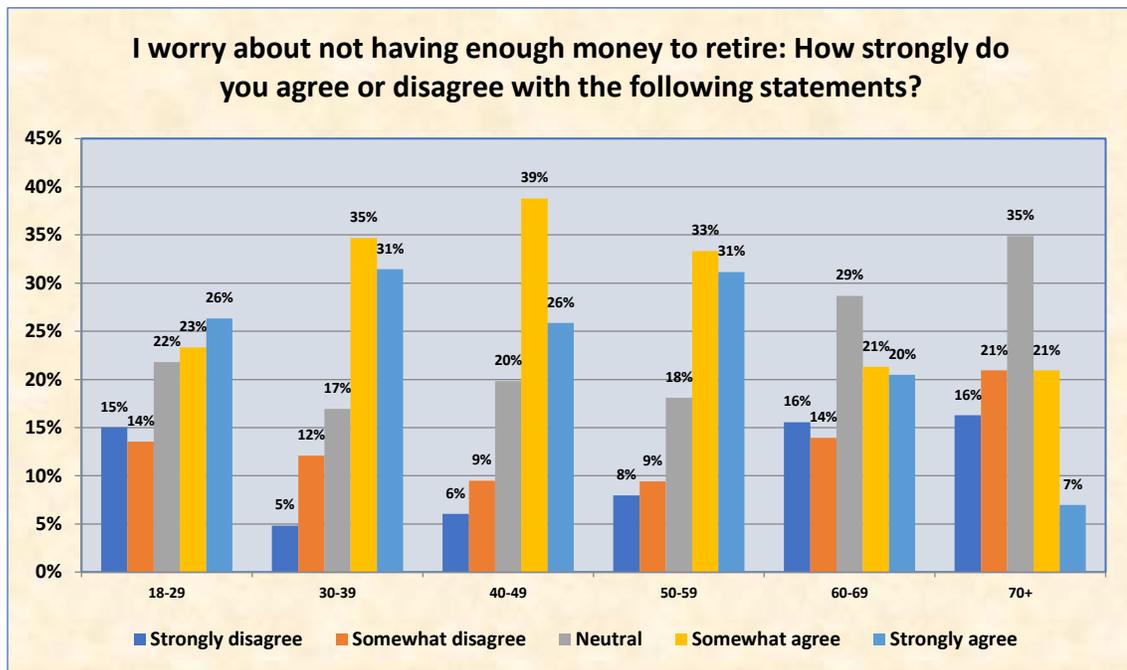
Apart from an emergency fund, about half of Pennsylvania women also have additional savings and save on a regular basis. *The vast majority of those reporting they are not saving regularly indicated they are not saving because they cannot afford to save – or are living paycheck-to-paycheck.* Others cited lack of discipline and planning or the frequent occurrence of unexpected expenses draining their funds as reasons they do not have consistent savings.

Women in Pennsylvania understand the *importance of finding money in their budgets* to save, especially for short-term purposes such as an emergency fund. However, getting started – *finding the room in an already strapped budget* to put some money aside and committing to saving – can be a challenge.

*“I can’t afford to put [money] in savings every month. Some months it takes all just to pay the bills and there were a few months where I had to go into savings just to tide us over, like when property taxes and auto insurance come due at the same time.”*

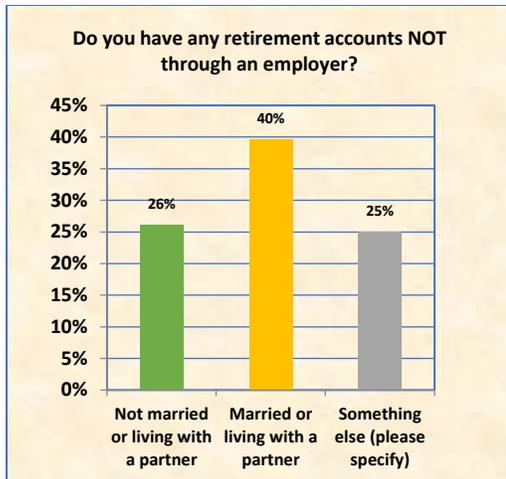
Nearly half of Pennsylvania mothers of children 18 or younger ARE saving for their child's college and half of those saving are taking advantage of PA's 529 program; however, 50% of women are *unable to save money for this significant expense*, which adds to the anxiety many women experience over meeting financial goals. Providing for children is one of the biggest sources of worry for PA women. **Despite this worry, almost 70% of all Pennsylvania women do not have a will.**

Like finding the extra income or trimming expenses to save for college, saving for retirement is one of the biggest worries among women in Pennsylvania. Yet *60% of Pennsylvania women have not figured out how or how much to save for retirement*; only 30% of women 18-29 and only half of those 30+ have a retirement agenda laid out.



About half of Pennsylvania women have a retirement plan through an employer and about the same percentage have retirement accounts such as an IRA *outside of an employer-sponsored retirement fund*; however, single women are less likely to have retirement accounts and investments outside of work.

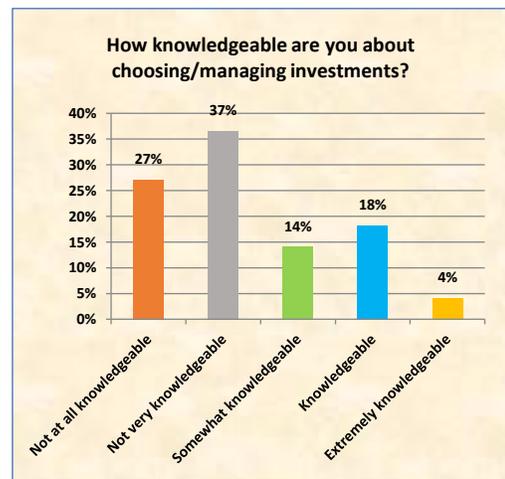
<b>Do you have a retirement plan through a current or previous employer, like pension plan, Thrift Savings Plan or 401K?</b>	
Base	689
No	48%
Yes	49%



A much smaller percentage of Pennsylvania women participate in investing in stocks, bonds, mutual funds or other securities (26%) – a number founded in uncertainty and lack of knowledge.

*“The lack of education with regard to student loans, credit and financial management during my early years caused debt to escalate. The lack of this knowledge inhibits my present ability to plan and manage my financial affairs.”*

Pennsylvania women are *risk averse in terms of investing*. Many women, particularly single mothers, fear losing savings or investments as they *struggle to manage budgets, education and retirement while taking care of a family’s everyday needs*. Coupled with their lack of knowledge and barriers to accessing financial advice, controlling finances with confidence can feel overwhelming.

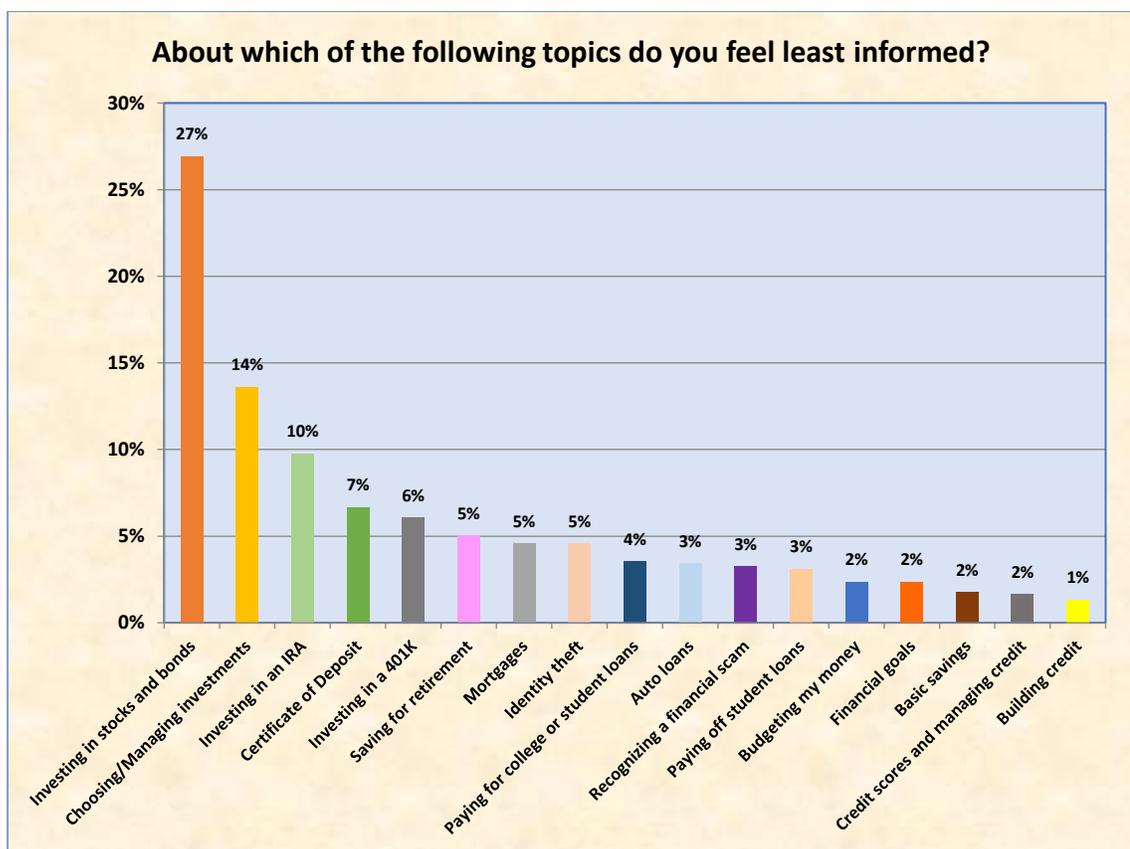


## Objective II: Barriers to Access

### Internal Barriers

Many women feel *anxiety and shame surrounding their financial situation*, which leaves them feeling *isolated and hesitant* to discuss finances with others. *Lack of financial acuity can be a self-fulfilling prophesy*, and the jargon that acts as a barrier of entry into the financial world can be particularly off-putting to women.

*A deficit of knowledge – specifically surrounding choosing and managing investments - can lead to a lack of confidence* which is often exacerbated by the financial industry’s historical experience in *communicating almost strictly with men*.

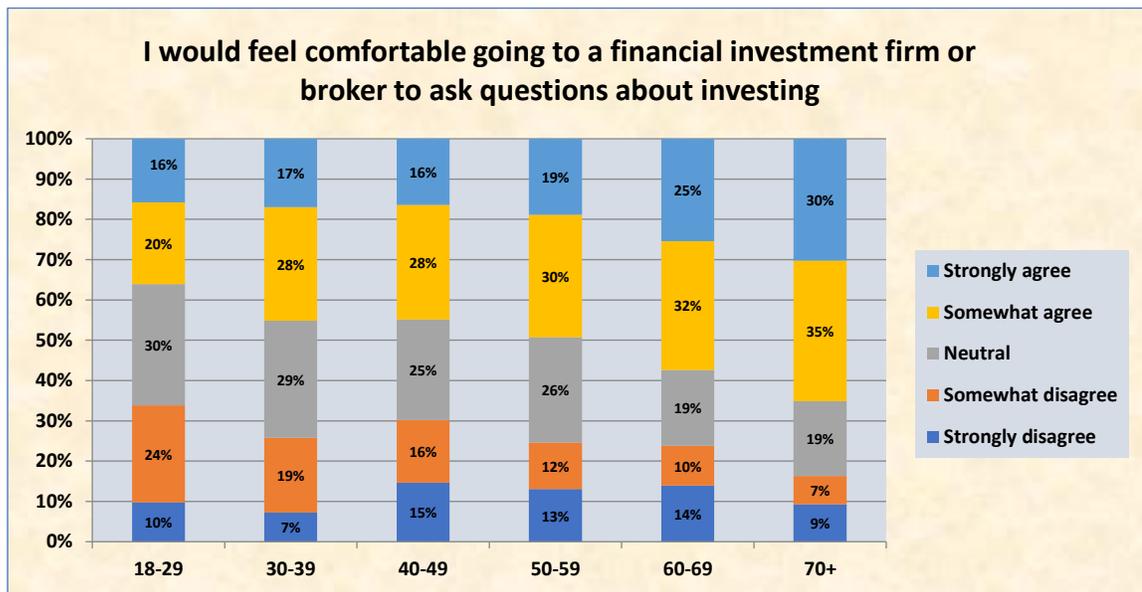


*“When it comes to financial planning, there are some areas I have no knowledge in. I’ve wanted to start saving for my 401K, as well as trading stocks but I have no idea where to start.”*

*“It’s very confusing and usually the people to talk to seem to talk down [to me] which is discouraging.”*

### External/Societal Barriers

In addition to the internal barriers faced by women and finances, they also face *practical or societal barriers to accessing financial products and services*. Many women cited the cost and financial requirements of professional financial advisors as a barrier to accessing investment advice. *Although most women (81%) would feel comfortable going into a bank or financial institution to ask a questions, more than a quarter of Pennsylvania women (27%) indicated they would not feel comfortable going to a financial investment firm or broker to discuss investing*. Young women 18-29 are particularly predisposed to this aversion.



Lifestyle and life positions, unique to women, also pose an external barrier to participating in financial activities. Many Pennsylvania women, especially single moms, feel familial obligations place them at a disadvantage or “a lap behind” when saving and investing. Women are pulled in many different directions, limiting their time to research financial topics. Additionally, women face career barriers such as gaps in employment and wage discrimination. This leads to underemployment and inaccessibility to investment and retirement vehicles.

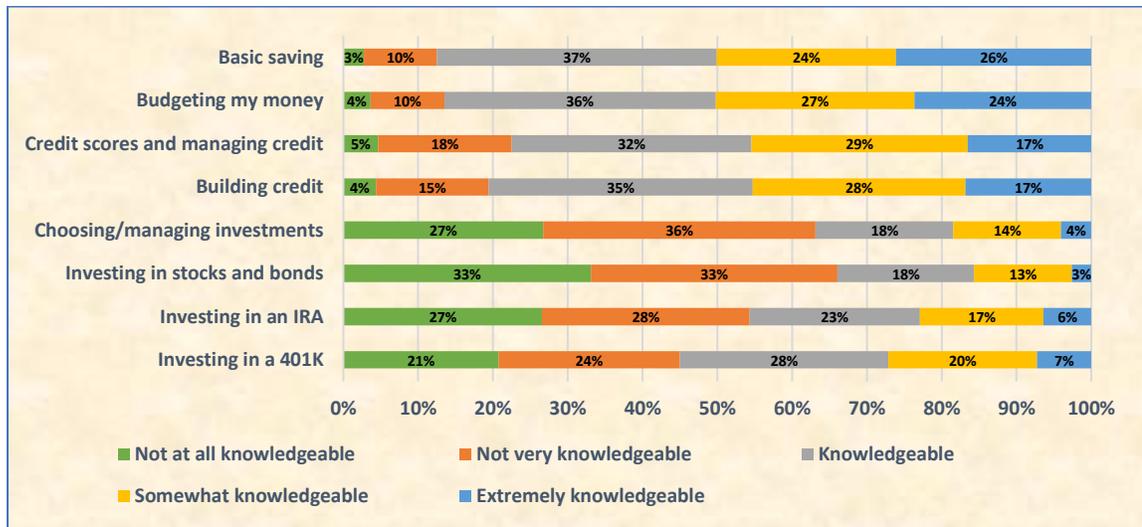
*“Too many bills, too many deadlines and not enough to take home after taxes!”*

*“It feels overwhelming to manage my finances myself as a single woman and I don’t have family resources for advice and/or support.”*

## Objective III: Education

### Current Knowledge

Of all the financial topics mentioned, Pennsylvania women indicated they are the least knowledgeable about *investing and stocks* – with over *half indicating they were not very or not at all knowledgeable about choosing/managing investments (63%), investing in stocks and bonds (66%), investing in an IRA (55%) and certificates of deposit (50%). These were also the four topics about which women indicated they felt the LEAST informed overall.*



*“I know it’s important to learn about investing, but I’m overwhelmed by where to begin and where to go for the most helpful information.”*

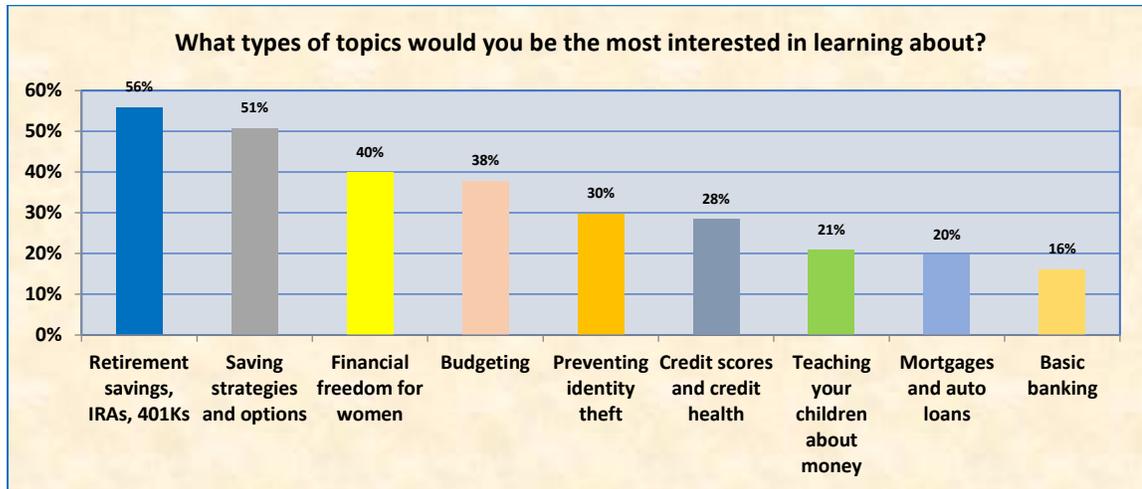
*“I feel like I don’t have enough knowledge to plan and invest.”*

*“I have spent my entire adult life stretching a dollar. I make my money do gymnastics to get what I need!”*

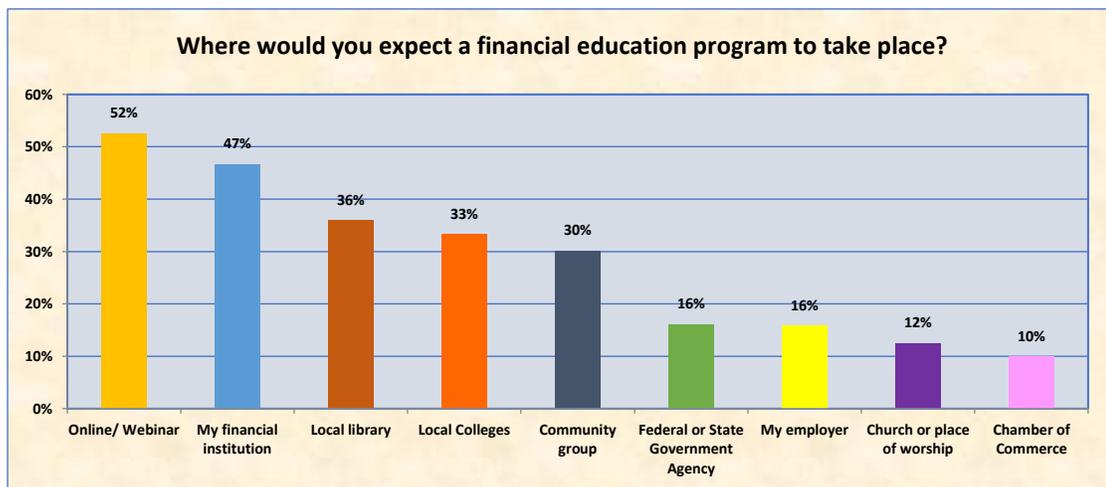
*“I’m not good at money management, but I really want to learn.”*

## Opportunities to Learn

A little more than *half (52%) of Pennsylvania women use a website or app* to help with financial tasks – and most women *rely on their financial institution’s website or app*. Online learning is the expected and preferred delivery system for financial education, but *many women in Pennsylvania would like to see financial institutions (46%), libraries (35%) and local colleges (33%) offer educational courses* and programs geared at improving their knowledge in the areas of retirement saving and investing – as well as budgeting, financial freedom for women and teaching children about money.

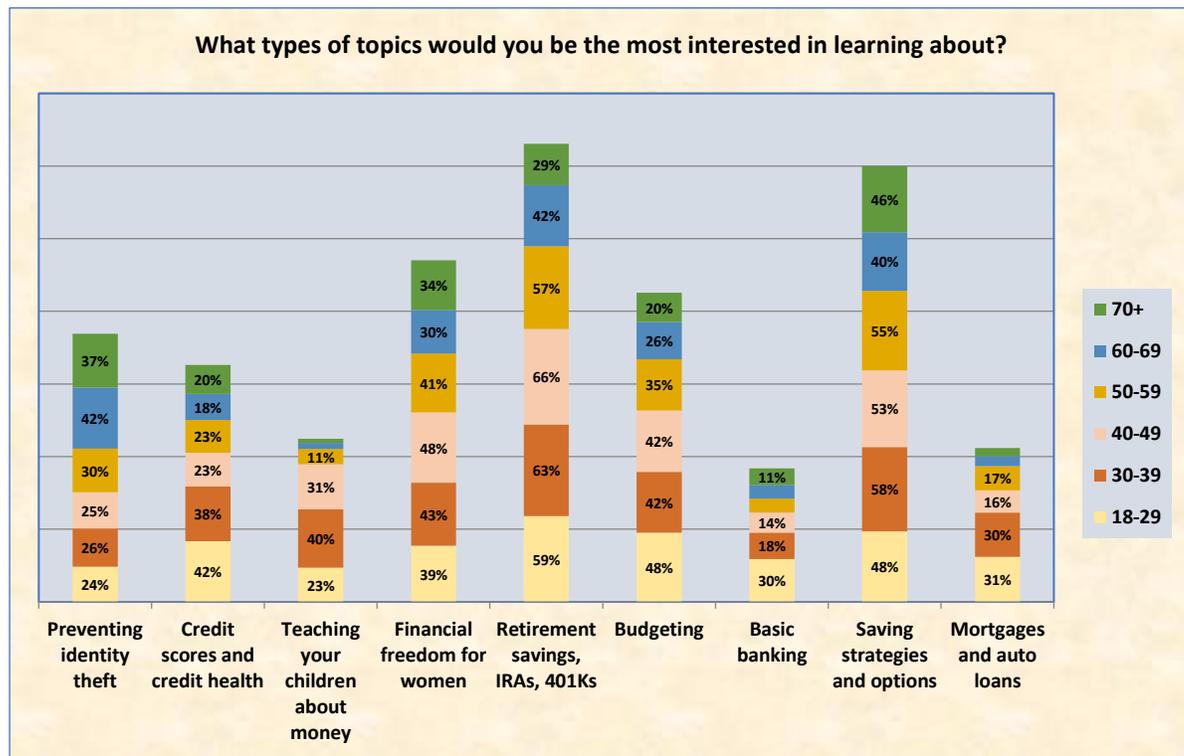


*Individualized programs addressing specific concerns and financial situations* are better positioned to capture attention and motivate change over generalized sessions. Programs and tools are more likely to be accepted and utilized when they are *introduced in a relatable context*. The key is to strike a balance between programs using techniques and language targeted at experienced investors and those that feel too basic to attract women with some life experience – whether it be household financial management or investing in a employer-sponsored retirement account.



A tailored educational program which covers many segments, such as financial guidance targeted at single parents, recently divorced, millennials, seniors, new home buyers or even paying off debt – would be more successful in addressing Pennsylvania women’s desires to increase financial capability. For instance, traditional wealth-planning strategies assume income will steadily increase over the years – but this is not always the case for women, who may experience more career disruptions than men due to different familial obligations.

Women in different age segments also have varying topics of interest in financial education: for instance, 18-29 year-olds are more interested in topics regarding budgeting, credit scores and financial freedom; while women 50-69 far exceed the other age ranges in the area of investing in stocks and bonds.



Based on what was learned, women across all markets in Pennsylvania feel finances and the process of financial management are personal, private and unique topics about which they are much more comfortable, and therefore confident -learning in a one-on-one or online environment, rather than in “one-size-fits-all” seminars.

What does it mean to invest in women? By engaging, collaborating and educating women in areas of saving and investing, we build a Commonwealth where all women gain economic independence. Only through hearing hopes and fears articulated by women personally can the right guidance be offered for their particular circumstances.