



Eyewire

A FINANCIAL MAKEOVER

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Makeover shows dominate the airwaves. Homes, automobiles, and individuals routinely undergo sometimes extensive reconstruction with the promise of revealing the results. Before and after photos of subjects are plastered across the TV screen for a side-by-side comparison. Every step involved in transforming the home, car, or person is described in detail. By the end of the show, the owner of the “new and improved” home, car, or appearance is *just thrilled* with the amazing results.

Statistics suggest that teenage girls benefit from financial makeovers. The 2000 census

by Angelia Allen

revealed that the number of households headed by females, whether single, divorced, or widowed, is increasing. Even more alarming is the fact that female-headed households account for a significant number of households living in poverty. More women are assuming the responsibility of making decisions affecting their households while facing the challenge of financial insecurity.

The Social Security Administration has acknowledged Americans are living longer. On average, females live longer than males, so there is a possibility that the female spouse will outlive the male. If the husband dies and he was



responsible for all the financial decisions, where does that leave the surviving spouse? *At a serious disadvantage.* How many stories have we heard that detail how unsuspecting widows were deceived by unscrupulous financial schemes?

Research has shown that in most households women play a significant role in a majority of “big-ticket” financial decisions. It may not be surprising that purchases for homes and major appliances are largely influenced by women. What may be surprising is that women also tend to influence the purchase of items such as automobiles and financial services. Retailers and service providers now recognize that women are a force to be reckoned with—financially savvy women constitute a major consumer group.

Financial education promotes a comfort level needed to make sound decisions. Financial

education in high school is being promoted, but only about 10 percent of U.S. high schools offer it. The Jump\$tart Coalition for Personal Financial Literacy was founded in 1995 after it was determined that, on average, high school graduates lacked basic money management skills.

In an effort to promote financial literacy among teenage girls, the First Tennessee Women’s Initiative partnered with the Tennessee Economic Council on Women and Girl Scouts of America in a yearlong commitment to provide financial makeovers for female students in three Memphis-area high schools.

In September 2004, “Making Your Dreams a Reality,” a financial literacy conference, was held at the Memphis Main Library. The more than 60 teenage girls attending, along with First Tennessee volunteers, explored the relationship between career choices and lifestyle choices.

The teens participated in a simulation in which they received monthly salaries (based on their career choices). Each girl was given a list of typical monthly bills and required to balance a budget. It was interesting to watch the girls make necessary changes (such as opting not to have cable TV) in order to achieve the desired result—a balanced budget. After the exercise, several participants stated they would make some changes regarding their financial future. These teens had completed a “financial makeover.”

Planned activities include free financial literacy programs, fun activities utilizing financial principles, a speakers bureau that will bring First Tennessee women professionals into classrooms to talk about careers in banking and finance, and a job shadow day when teen women interested in financial careers can shadow First Tennessee woman professionals at work.

Teen women need to understand that a financial makeover is as important to future success as choosing a college or a career. Just as poor health choices can affect one’s personal appearance, poor financial decisions can have a devastating effect on one’s personal finances, taking years to overcome.

Employees of financial institutions witness firsthand the results of uninformed decisions. Too often we hear, “If I had known then what I know now.” First Tennessee recognizes the power of education and is proud to have the opportunity to positively affect the lives of young women.

By the end of this school year, we expect that all our “new and improved” participants will be *just thrilled* with the amazing results of the financial makeover. ■

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