

How to be financially empowered after divorce



Divorce can be a very challenging and stressful life situation. Emotions run high, and often, many practical aspects of life are fundamentally changed, including financial matters.

In this article, we will be discussing the experience of one member of the couple with little financial management experience who is suddenly needing to make investment decisions. This person could be of any gender, in a straight or LGBTQ marriage. Although we will refer to this individual as a woman because this is more often the case, anyone could fall into this position of being forced to make new decisions after a divorce.

When marital assets are divided in divorce, a common outcome is a settlement that suddenly makes the woman in charge of a meaningful amount of assets for the first time. Naturally, this can be quite disorienting and scary. You may ask yourself the following questions:

How do I make the best decisions?

What will happen to my family in the future?

Who can I trust?

These questions are very legitimate. There are good reasons many women feel anxious about finances after divorce if they were not the ones making long term investment decisions. A [recent study by Prudential](#) suggests that, in many couples, women tended to focus on day-to-day cash flow matters like paying the bills. Men, however, were more likely to make investment decisions.

So, if you are dealing with this challenge, what can you do?

After years of dealing with clients in this very situation, here is my experience of what works:

1 – Focus on your self-care first.

Investing meaningfully in self-care is very valuable because it creates mental space for sound financial decisions. If your mind is not clear, it is tough to make thoughtful decisions on something new and potentially very consequential. Activities that make your body healthier tend to make your mind more vigorous. So, initially focus on adequate sleep, nutrition, and physical exercise. Engaging a psychotherapist and practice mindfulness can be quite powerful as well. The University of Florida put together great [post-divorce self-care guide](#).

2 – Become more educated about personal finance.

If you never dealt with more complex money matters like investments, it is useful to become more educated about them. There are many introductory personal finance courses offered at a low cost by counties around the country. An additional excellent way to learn the meaning of many financial terms is to use [Investopedia](#). In case you prefer to have a flexible, free, and online education experience, you may consider checking the personal financial course at [Khan Academy](#).

3 – Work with a trusted advisor.

Finding a financial advisor who is both competent and ethical can be a great resource in this challenging moment. A good advisor becomes a financial mentor that will help you make thoughtful decisions. The advisor can also be a great facilitator to help you implement and monitor your choices. The advisor should be capable of skillfully protecting your money from your negative emotions. A good way to start is to look for a [Certified Financial Planner in your area](#).

For a deeper relationship with a trusted advisor to navigate the most meaningful life decisions, you should consider hiring a trained Financial Life Planner. The [Kinder Institute of Life Planning](#) is the leading organization for the training of Life Planners. These professionals are particularly skilled in helping clients during their life's most challenging moments.

By following these steps, you are a lot more likely to be empowered to deal with this new phase of your relationship with money. It can be a moment to celebrate a new beginning!