

# Advice for a Recent Widow

Early on, she needs to become aware of her financial situation.

by Alexandra Armstrong, CFP®, CRPC®



Usually, this monthly article is a joint effort of mine and my business partner, Chris Rivers. This month as my co-author and I release our updated and revised sixth edition of our book “A Widow’s Guide to Emotional and Financial Well Being” we thought it was appropriate that I revisit the topic of advice for widows.

When I was 8 years old and my mother was 48, my father died and Mom became a widow — a widow with limited resources. This began my lifetime connection with widows and their concerns. According to the U.S. Census Bureau in 2020, 9% of all women in the United States were widows. The death of a spouse is a major life event.

I think we tend to think of widows as all alike. In fact, they differ in many ways. How they react to the death of their spouse depends on a variety of factors. This includes the age at which she is widowed (young versus old), cause of the spouse’s death (sudden or lingering illness), her dependents (adult or minors), marital relationship (happy or unhappy), financial circumstances (sufficient money or not) and investment experience (extensive or limited).

In 1993, I co-authored our book for widows with Dr. Mary R. Donahue, a psychologist. Mary is a widow, a client of our firm and a friend.

We wrote this book based on our professional and

personal experiences with widows. The purpose of “On Your Own” was and is to help widows cope better with the dramatic and emotional financial alterations that occur in their lives following the loss of their spouses.

We believe that there’s a strong relationship between the widow’s financial and psychological recovery. If the widow isn’t financially knowledgeable, that impedes her emotional progress and if she’s having trouble emotionally, she can’t deal with her financial situation in a competent manner. Here is some of the advice we give to widows in our book.

## DON’T MAKE IRREVOCABLE DECISIONS IN THE FIRST FEW MONTHS OF WIDOWHOOD

This is a piece of advice that’s repeatedly given and often ignored by the widow to her regret. Actually, this is easy to understand. Initially, a widow is adrift because of circumstances which were beyond her control. There’s a natural tendency for her to want to take action to demonstrate that she’s in control. She may want to pay off the mortgage, buy an expensive car, take a lavish vacation and/or sell her home.

We recommend if the widow doesn’t have to make a decision, particularly an irrevocable one, that she try to postpone it for at least a few months. In the initial stages of widowhood, many women think they’re acting rationally, but they aren’t — they’re still in a stage of shock. Some call this state “widow fog.”

## DETERMINE YOUR FINANCIAL SITUATION AS SOON AS YOU CAN

Some widows are more financially knowledgeable than others. The sooner the widow can find out whether she has sufficient income to support her lifestyle, the sooner she’ll be able to focus on coping emotionally with the traumatic loss of her spouse. If the widow has difficulty getting organized, we suggest she enlist the help of a knowledgeable family member or friend to help. Here are some ideas to help her through the process.

Locate the important financial papers like the will, marriage certificate, Social Security numbers, etc. Set up a work area that will be used exclusively for organizing and working on her financial papers. Divide the financial files into those pertaining to her life before her spouse’s death that will be needed for settling the estate and those that are related to her future life. Keep a notebook or an online document that will function as a diary to record what she is doing each day such as meeting with her lawyer, as well as to record her sources of income and expenses. Organize and pay appropriate bills.



### SEE KEY ADVISERS

If she has advisers, make appointments to see them. If not, she should ask knowledgeable friends or family members for recommendations. She should see the lawyer first, then the accountant and financial planner. We recommend she keeps notes in her financial diary of all these visits including “to-do” lists.

### CONTACT OTHER AGENCIES AND RESOURCE PEOPLE

She should visit the bank with a death certificate to establish an account in her own name and to establish one in the estate name. She should ask for a statement of any accounts held at the bank valued at the date of death.

She should contact her insurance agent to see what coverage (life, household, auto, long-term care) they have. Also contact the human resources department of any company her husband may have worked at to determine any available retirement and/or widow's benefits. Contact the Social Security Administration and Veterans Benefits Administration (if applicable) to determine her benefits.

### DEVELOP A MEANINGFUL BUDGET AND CALCULATE HER NET WORTH

After gathering all this information, she should have some idea of what income she might expect to receive. Reviewing the checkbook, bank statements and credit-card bills should help determine her expenses. Her accountant should help figure out what her income taxes in the future might be.

Her financial planner or accountant also can help determine what her net worth is — a statement of assets and liabilities.

### SEEK PROFESSIONAL FINANCIAL ADVICE

Once she has an idea of her financial situation, her financial planner/adviser can help her review her current financial situation and make sure that her budget is realistic and that her investments are appropriate for her current situation.

If she doesn't have sufficient income to cover current expenses, her financial adviser will help her make longer term decisions such as moving to a smaller home and/or rearranging investments. Her lawyer should review her legal documents to make sure they reflect her current wishes. Her insurance agent should examine her coverage to make sure it's appropriate for her future life.

### SEEK PROFESSIONAL EMOTIONAL ADVICE

Just as she seeks financial advice and information from financial experts, we think it's just as important to seek professional emotional guidance. Family and friends are a great help, but the objective advice available from professionals not involved in her family can often make it easier for her to make the right decisions. This would include spiritual counselors, psychological advisers, widow support groups and medical doctors.

### TAKING CARE OF HER HEALTH

Particularly during her initial stage of grieving, taking care of her health is important. Some kind of exercise routine — even if it's a daily walk — can relieve her emotional stress. Encouraging her to eat sensibly can help move the healing process forward. Socialization can ease depression.

### ACHIEVING A FINANCIALLY SOLID FUTURE

It is important for the widow and those around her to realize that emotional and financial recovery isn't a straight-up path. The process will have its ups and downs. However, help from family, friends and profes-

---

**We recommend if the widow doesn't have to make a decision, particularly an irrevocable one, that she try to postpone it for at least a few months. In the initial stages, many women think they're acting rationally, but they aren't.**

---

sional advisers should help the widow overcome her loss. It doesn't mean she will forget her husband, but rather that she is able to build a future for herself which is emotionally and financially stable.

### CONCLUSION

Eleanor Roosevelt once said: “You can gain strength, courage and confidence by every experience in which you really stop to look fear in the face.” We think her advice is particularly appropriate for widows. Of course, the subliminal advice of our book is to be financially prepared before a person is widowed so she can focus on the emotional side of widowhood.

Alexandra Armstrong is a **CERTIFIED FINANCIAL PLANNER™** professional and Chartered Retirement Planning Counselor<sup>SM</sup> and founder and chairman emeritus of Armstrong, Fleming & Moore, Inc. Christopher Rivers, a **CERTIFIED FINANCIAL PLANNER™** professional and Chartered Retirement Planning Counselor<sup>SM</sup> and co-author of this article is a principal of Armstrong, Fleming & Moore, Inc., located at 1800 M St. NW, Suite 1010-S, Washington, D.C. 20036-5813, 202/887-8135.

This material has been provided for general informational purposes only and doesn't constitute either tax or legal advice. Investors should consult a tax or legal professional regarding their individual situation. Securities offered through Commonwealth Financial Network, member FINRA/SIPC. Advisory services offered through Armstrong, Fleming & Moore, Inc., a Registered Investment Adviser, are separate and unrelated to Commonwealth Financial Network.

