

# 10 QUESTIONS TO ASK WHEN DISCOVERING YOUR FINANCIAL LITERACY POSTURE



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Financial literacy is all about education, awareness, and preparation. According to the [National Financial Educators Council](#), "the average amount of money lost by the average American adult due to lack of financial literacy was \$1,634." They also reported that the estimated 254 million adults living in the U.S. lacking financial literacy "cost Americans a total of more than **\$415 billion in 2020**." It is clear that the majority of people still have not achieved financial literacy. To help guide the process, use the questions below to try and determine your organization's financial literacy posture.

## QUESTION #1

**Have you created a monthly budget for your organization and individual departments that includes basic expenses, bills, and debts?** You should monitor your monthly **budget** weekly, making any necessary adjustments along the way. This will help keep you on track and hold you accountable.

## QUESTION #2

**Does your organization have educational programs in place to promote or teach financial literacy? Do your customers understand what it takes to be financially secure?** **Education** is key to financial literacy. Without proper knowledge and understanding of how to achieve financial success, your organization will be less likely to stay on track.

## QUESTION #3

**Do you know the type of insurance your organization needs to protect both your finances and investments?** Investing in the appropriate insurance policies for your organization is essential because it will act as your safety net in case of an emergency.

## QUESTION #4

**Do you know the difference between good and bad investments?** Knowing the difference between **investments** that are good or bad for your business is essential. Conduct research to ensure that your final investment decisions will be an asset to your organization's success.

## QUESTION #5

**Is your organization a safe investment?** Being a safe investment is just as important as making a good investment. Consider evaluating your organization's benefits, ROI capabilities, etc.

## QUESTION #6

**What are your organization's financial goals? Do you have a five-year financial plan?** **Goal setting** in any capacity is critical to measuring success. Set a five-year plan for how you wish to grow, use and save money within that period. That will be a great accountability tracker for your teams and the organization as a whole.

## QUESTION #7

**Do your investment strategies match your organization's overall goals?** Think critically about your overall company and team weekly, monthly, and yearly financial goals. Evaluate whether your current investment plan puts your organization on the fast track to success or if will slow you down.

## QUESTION #8

**Does your organization have an emergency fund?** Emergencies occur all the time. You must save for rainy days – it is always better to be overprepared than underprepared.

## QUESTION #9

**Are you aware of the pillars of financial literacy?** The **pillars** of financial literacy include budgeting, investing, cybersecurity, education programs, and goal setting.

## QUESTION #10

**Are you familiar with the role and importance of cybersecurity in relation to financial literacy?**

Protecting your finances is how you maintain financial literacy. Your organization should invest in a **security and compliance automation platform**, which will provide you with a safety net and protect against data breaches and other cyber threats.

Asking yourself these questions will help steer your organization's financial journey towards success and give you a better sense of direction. The goal is not to be financially perfect but to be economically wise. For more financial literacy and cybersecurity news, [read](#) our cyber blog or [subscribe](#) to our newsletter.