

Why should women be more involved in their personal finances?



Ladies, today we are, unquestionably, no longer a niche market. Quite the opposite. Yet, sadly, too many of us are still delegating important financial decisions to others. That needs to change.

3 good reasons to get involved in managing your finances

Growing your wealth and retirement savings

Many women at retirement age regret not having made decisions sooner. When you begin dealing with personal finances early, planning for the future becomes second nature. When you begin later, it's much tougher.

The women I talk to tell me they wished they had started thinking about and planning for retirement from the moment they got a job and began their adult lives.

Preparing for your financial independence

As a rule, women outlive their spouses by more than five years and will undoubtedly become sole decision-makers regarding their financial affairs and their patrimony overall. For many, there is a good chance they will face retirement on their own. Yet far too many of us are unprepared when that time comes.

50% of millennial women¹ believe they should be doing more to manage their finances. It's not enough for women to just pay the household bills – we must be prepared to lead the charge in achieving our life goals. It's too important not to get involved.

Set goals and achieve them

Despite the move away from the patriarchal society of yesteryears, most young women today still delegate major financial decisions to their partners. They know they should be doing more – yet they don't. Why is that?

One explanation is mental overload: as women, we tend to take on more of the worrying and planning for our whole families. Inevitably, some things are left behind. Unfortunately, it often happens that it is the management of their own finances and their investments.

Finance: Why it matters for women

73% of women² report being dissatisfied with the financial services industry. If we are dissatisfied, we must speak up – our family's well-being is at stake. Remember: women wield significant financial power, which means we can and will be heard but only by speaking up and demanding more.

Women say they don't feel a connection with their advisor whose focus during meetings is mostly on the husband when it comes time to explain the different strategies. There is this strong assumption that the women aren't interested; but they are. As women, we just view finances in a different light – less in terms of rates of return and more with regards to how our investments will improve our lives and those of our families.

It's not surprising that four out of five Canadian women³ switch financial advisors within a year of their partner's death. But leaving isn't always the best action to take.

When knowledge and confidence go hand in hand

Firstly, as women with economic earning power, we must be more curious and make financial decision-making a priority from the day we enter the workforce. But if you're already past that stage, don't worry. You can start asking questions now and accelerate your knowledge on the matter by investing the time needed.

My lifelong mission is to help women increase their financial literacy and their comfort level with regards to wealth management. With knowledge comes confidence – the confidence to make the right choices over the long term on behalf of those you love.

At National Bank we will be hosting a luncheon conference series across Canada called "Know your worth" specifically aimed at educating women investors. Our goal is to build awareness around decision-making and wealth management while promoting higher engagement and greater understanding. "Knowing your worth" is about women putting themselves first, making knowledge-building a priority so they don't have regrets at their retirement.

This initiative, in this format, will be a first for us and I trust it will encourage women of all ages to take their financial future into their own hands starting today.

Angela D'Angelo , Vice-President at National Bank Financial

1. <https://www.ubs.com/content/dam/WealthManagementAmericas/documents/2018-37666-UBS-Own-Your-Worth-report-R32.pdf>
2. <https://www.theglobeandmail.com/globe-investor/investment-ideas/financial-advisers-have-trouble-talking-to-women/article22726458/>
3. <https://www.strategymarketing.ca/wp-content/uploads/Why-women-leave-their-financial-advisors-and-how-to-prevent-it.pdf>

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