

FINANCIALLY WISE WOMEN

Building Wealth In All Ways

We often speak of wellness in terms of physical, mental, and spiritual health, but there's another crucial piece to the puzzle: financial wellness. It's about more than money in the bank; it's about feeling secure, empowered, and in control of your financial future.

The journey to wealth-building often looks different for women. With a persistent gender pay gap (up to 30% in South Africa) and a longer life expectancy, women face unique financial pressures. That's why it's even more important for women to adopt strategies tailored to their unique risk profiles and personal goals.



Longevity and retirement savings:

Women, on average, live longer than men (about 5-7 years longer, based on global health data). This means retirement savings need to last longer. Women should prioritise saving early and consistently, in order to make the most of compound interest. Aim for at least 15% of income toward retirement, adjusting for inflation and rising healthcare costs.



Career interruptions and income gaps:

Women are more likely to take time off for caregiving (*children, aging parents*), which can reduce lifetime earnings and retirement contributions. To counter this, women should negotiate salaries aggressively, maintain emergency funds (*6-12 months of expenses*), and consider supplemental income streams like side gigs, if possible.



Investing for growth:

Women tend to be more risk-averse in investing, which can lead to lower investment growth. Investing according to number of years to retirement and staying invested for the long term can help close the wealth gap. Consulting a financial advisor is crucial to find the right balance between risk and growth.



Estate planning and legacy:

Women should prioritise wills, trusts, and up-to-date beneficiary information, to ensure their assets are distributed in line with their wishes. This is especially critical for single women or those with non-traditional family structures. Reviewing estate plans every few years, or after major life events (marriage, divorce, childbirth) is essential.



Financial education and advocacy:

Women often face barriers like lower financial literacy due to the societies and cultures in which they are raised. Actively seeking education through workshops, books, and reliable online resources will help women to make better decisions.



Protection against financial abuse:

Sadly, women are statistically more vulnerable to financial abuse in relationships. Maintaining separate accounts, monitoring credit reports, and understanding joint financial obligations can safeguard independence.

By addressing these factors, women can build resilient financial plans tailored to their unique challenges and goals.

"A woman is the full circle. Within her is the power to create, nurture and transform."

Diane Mariechild