

Are You Financially Fit?

By Page Harty

We all know that we are in charge of taking care of ourselves, whether that means watching out for our health or staying on top of our personal finances. But despite this knowledge, many smart, accomplished women find it difficult to stay fit, especially when it comes to money.

Every day we see women who aren't "financially fit"—they're not taking an active role in creating and managing their wealth. These women are putting themselves at risk, since women face unique financial challenges, including longer life spans, a tendency to spend less time in the workforce, and lower overall wages. When it comes to getting into good financial shape, women can't afford to wait.

Financial Fitness 101

Women know they need to be proactive about getting financially fit, but often they aren't sure where to start, or they resist getting started in the first place. After all, financial fitness is probably not on your bucket list of "fun things I want to do when I have time." And the jargon that's common in the financial world—alpha, beta, alternative investments, etc.—is not very exciting to those who aren't interested in thinking in financial terms.

Another problem is that many of us were never really taught how to take charge of our money, since wealth management isn't a topic that is covered in school.

However, the primary hurdle women face is finding the time in our busy schedules. While we are building careers, starting businesses, taking care of our families (which may include adult children and elderly parents), running our households, and trying to stay healthy, how can we squeeze in financial fitness? Hectic schedules mean we often don't get enough time to ourselves. The last thing many of us want at the end of the day is a mental workout that involves the complex world of investing and money management.

Unfortunately, just like exercise, we can't just expect someone else to pick up the slack when it comes to managing our finances. We have to buckle down and do it ourselves. It's true that in the past, many women simply turned the financial reins over to their husbands. It was acceptable and often expected to have a man as your financial plan. However, no more! This approach can have devastating consequences for women and their long-term financial health.

Here are a few reasons why it is now more important than ever to take control of your financial life:

- Women tend to outlive men. A 55-year-old man in 2011 could expect to live another 25.5 years, versus 28.8 years for a woman of the same age.¹
- In 2010, 40% of women over age 65 were widows, compared to just 13% of men. Nearly 50% of women age 75 or older lived alone.²
- The average age of widowhood is 56.³
- More than 25% of people married 20 years or longer are getting a divorce; people over 60 are the fastest-growing group when it comes to divorce.

Those statistics point to a tough reality. All women need to get financially healthy, since there's a good chance that they'll be on their own at some point in their lives. You need to start taking an active, thoughtful role in the financial decisions you make today, so that you can develop financial wellness for the long term.

Are You Ready to Get Financially Fit?

To begin getting financially fit, start by answering these key questions:

- What do you have today?
- What do you want in the future?
- What do you need to do to get there?
- What are the risks and challenges that may prevent you from getting what you want?
- What do you need to do now to manage those risks and challenges?

Your answers to these questions will help you determine your financial fitness goals. Then, once you know what you want to achieve, you can start creating a plan to achieve those goals, often with the help of a financial professional.

If you wanted to get in shape, would you hire a personal trainer—someone who would work with you, one-on-one, to get to where you wanted to be? Many women would say “yes.” Likewise, if you want to get financially fit, a financial advisor can be essential. An experienced advisor will listen and get to know you and your goals. He or she will then work with you to craft a plan to help you achieve financial health. At SignatureWOMEN, our advisors strive to empower our women clients to use their wealth to lead a great life!

Take Control of Your Wealth Today

As a woman, you have a lot of things on your plate—family responsibilities, your career and taking care of yourself. As a result, it's far too easy to let the important task of managing your money slip through the cracks. But when we neglect our finances, we put our own futures at risk. By making a commitment now to becoming financially fit, women will be better able to gain control of their wealth to gain clarity and confidence while living confidently, fully and purposefully.

Sources

- ¹ http://www.cdc.gov/nchs/data/nvsr/nvsr61/nvsr61_06.pdf
- ² http://www.aoa.gov/aoaroot/aging_statistics/Profile/2011/docs/2011profile.pdf
- ³ <http://www.idfpr.com/finlit101/Retirement/widow.asp>