



Women On Their Own

More and more women are finding themselves solely responsible for the financial decisions taking place in their households. Some have never married, while others have found their situations changed through divorce or widowhood. However, one thing remains the same: women have a need for prudent financial guidance as they face the challenges of raising families, caring for aging parents, and creating stability as they grow older themselves.

In a 2014 study called *What Widows Need*, Ronald Blue & Co.¹ found that 1 million women each year become sole decision makers through widowhood alone. “Most people gasp when they learn that the median age of widowhood is 59. The reality is that most married women will manage their financial life on their own at some point. The question is, ‘Are we prepared?’ Statistics show that those who are prepared go on to have a more successful second season,” said Pam Pugh of Women Doing Well, the study’s cosponsor. When you factor in the number of women who are single for other reasons, you have a sizable population who needs cogent, tailored financial advice.

A recent Allianz Life study² found that a majority of women are now responsible for household finances. In fact:

- 51% of married women report they are CFO of the household, and the role of their husbands is somewhat secondary when it comes to finances. Among those women who reported being currently married, 33% had already been through a divorce.
- Of the divorced women responding to the survey, 42% said that they have never remarried. The study concluded that

there are actually fewer women today who are married than the combined number of women who are single or divorced.

- 37% of women are primary breadwinners of the family, up from Allianz’s 2013 study.
- 53% of women have responsibility in managing the household’s long-term savings and investments.

The study points to several key findings for single women to consider.

Create a Base of Support

Running out of money and managing rising health care costs are common worries, and having the right support can make a major difference. Thirty percent of women reported using a financial professional for guidance, and 75% of those wish they had done it sooner. A top learning from Ronald Blue & Co.’s survey was that women must find a financial advisor they can trust. With a trusted advisor, you do not need to make decisions alone.

Financial Plans Must Address Feelings of Uncertainty

While 68% of respondents in the Allianz survey said that they feel financially secure, many women still report uncertainty about their financial decisions. Sixty-one percent of women wished they had more confidence in their financial decision making, and 63% wish they knew more about financial planning and investing. “While women may be satisfied with their current financial situation, having more financial knowledge can help



Women have a need for prudent financial guidance as they face the challenges of raising families, caring for aging parents, and creating stability as they grow older themselves.



build a better future and instill confidence,” says Allianz Life Vice President of Consumer Insights Katie Libbe.



If You Don't Understand Something, Ask for Clarification

Ronald Blue & Co.'s study found that women who find themselves single again are frequently in a vulnerable position if their spouse has traditionally handled most of the financial decisions. Even financially savvy investors sometimes need to make sure they understand the recommendations of their advisors. Make a strong effort to understand your financial status and the relevant basics of the financial industry, especially if your spouse historically handled most of the long-term or major financial decisions. Lastly, ask for clearly written, specific financial information and written directions for the next steps to take.

Appoint a Proxy

Who is your most trusted friend or relative? Before you start losing any cognitive capacities, consider designating someone as your durable power of attorney for finances and health care — this is a person who will make health care decisions for you

when you're no longer able. Make sure that person knows your Social Security number, where you keep your insurance card, which medications you take — “the whole list of things somebody needs to know if they're going to help you,” advises Dr. Robert Kane, director of the University of Minnesota's Center on Aging.³

Lastly, as you move through each stage of your life, be sure to keep your advisor informed of your changing needs and expectations. Your financial advisory team can help you with other aspects of your life, such as covering tasks previously performed by your spouse. A trusted advisor is concerned with you as a whole person, not just managing your wealth. As one Ronald Blue Trust branch manager put it, “Our team approach is geared to serve women with not only what we believe are outstanding financial services, but with understanding and compassion for their specific situations.”

You can find a copy of the *What Widows Need* whitepaper on ronblue.com or contact your advisor to learn more about services that may help you navigate your financial matters.

¹As of 8/1/17 Ronald Blue & Co. is now Ronald Blue Trust.

²“New Allianz Life Study Finds Majority of Women Now Responsible for Household Finances,” February 8, 2017.

³Anna Medaris Miller, “No Spouse, No Kids, No Caregiver: How to Prepare to Age Alone,” U.S. News, October 26, 2015.

Trust and investment management accounts and services offered by Ronald Blue Trust, Inc. are not insured by the FDIC or any other federal government agency, are not deposits or other obligations of, nor guaranteed by any bank or bank affiliate, and are subject to investment risk, including possible loss of the principal amount invested.
6092644-08-17