



## Five ways for women to take charge of investing



When it comes to feeling good about investing, you need more than money. You need confidence, time, and an understanding of where to start. These are truths for anyone, but they can be particularly important for women.

According to CIBC research, only 44 per cent of women aged 18 to 34, and 68 per cent of those aged 55-plus actually feel confident about investing.<sup>1</sup> “This is not a capabilities issue at all, it really all comes down to confidence,” says Carissa Lucreziano, Vice President, Financial Planning and Advice, CIBC Commercial Banking and Wealth Management.

When women don’t get involved in investing, there are potential long-term consequences. For one, they might face financial surprises down the road, like a savings shortfall in retirement. Moreover, many women are unexpectedly faced with managing more of their finances after they divorce or a spouse dies. These women don’t always know where to start, and the circumstances during those challenging life events can make the learning curve even more stressful.

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Vice President, CIBC Financial Planning and Advice

So what’s holding many women back from investing, and what can they do about it? A number of factors can get in the way. Women often have multiple demands, taking on most of the household duties, including caring for children or aging loved ones. This can create a double whammy: less time to devote to investing, and less money to invest as a result of reduced work hours, or putting a career on hold to make room for other family responsibilities.

Gender plays a role too. In families, there’s a tendency for men (primarily) to handle the investing decisions and women (primarily) to manage the household bills and budget. The idea of dividing duties isn’t a bad thing, but it has consequences. “Managing a budget vs. investing do not have the same impact on the financial security of a women—or that of her children. Even if you’re taking the divide and conquer approach, don’t completely give up control because when you do you don’t have the opportunity to learn.”

Kelley Keehn, an Edmonton-based personal finance educator and speaker echoes this same sentiment. “Women are newer in their ability to invest. In all of millennia, we’ve only had a few decades where women have been breadwinners. It takes time,” says Keehn, who has written nine books on personal finance.

## Here are five things women can do to take charge of their investments:

### 1 Don't be a bystander

Make it clear to your family that you need to be involved in investment discussions and decisions. Being involved doesn't have to mean taking the lead. It simply means being in the know and not giving up complete control. If you don't understand, ask your partner to explain decisions and choices around investments, and use this as an opportunity to learn.

### 2 Build your knowledge

"Look for local events, webinars or podcasts about investing. Join an investment or money group for women on Facebook," Keehn says. CIBC offers financial education seminars specifically tailored to women, a good starting point. The right advisor will also take the time to help you along on your learning journey. A little more knowledge can breed a lot more confidence.

### 3 Get comfortable talking about money

Talk openly with other women about finances—about what you know, would like to learn, worries that keep you up at night, or where to get help. Don't make the topic of money and investing taboo. "Women need to create a sisterhood, we're all in this together. We need to start talking about investment concepts and money management because talking openly creates an environment of learning and encourages us to ask for help," Lucreziano says.

### 4 Think big picture

Women live longer than men (5.6 years to be exact), and 80 per cent of all women will live alone at some point in their lifetime. Statistically, women also earn less than their male counterparts over their career. This all adds up to a financial picture that is distinctly female.

It's critical to factor those unique circumstances into a financial plan. It can have implications on investing goals, how you invest and what you invest in. But investing is just one piece of a bigger puzzle. "You need a holistic financial plan and this involves more than just selecting investments and managing a portfolio—it includes discussing what's important to you and how you'd like to live, and it integrates other important planning aspects, such as cash flow analysis, estate planning, tax optimization and retirement strategies," Lucreziano says.

Looking at the broader financial picture also gives women long-term confidence in their financial future. "It's so important to see how all these different pieces of your financial plan work together to reach your goals," Lucreziano adds. "By contrast, a less thorough approach to planning may overlook one of these crucial areas, leaving the outcome to chance. And your financial plan needs to be a living plan, one that changes along with you as your goals and life circumstances change".

### 5 Get the right advice

A trusting advisor relationship can go a long way in helping women feel secure about their financial future. You don't have to go at it alone. Getting professional help also frees up your time to focus on the things that matter to you the most. Finding the right advisor relationship is critical, it means feeling respected and understood when working together. Find a financial advisor who:

- Addresses you and your partner equally if you're meeting together.
- Keeps your life circumstances and specific challenges in mind, and can share examples of similar women they have helped.
- Understands your values and your feelings about risk.
- Tailors their approach based on your investment knowledge and how you'd like to receive information.

Many women feel they need to understand all the intricacies of the markets to succeed at investing. Not true. "As women, we sometimes underestimate our own abilities, and we overestimate what's required to be financially involved. Taking an active role in investing doesn't mean you have to become an expert—it simply means becoming more involved and aware. It's about knowing what to ask, where to get help, and having the confidence to say 'I want to learn but I have questions'." Lucreziano says.

Confidence is one of the key variables that predict success—whether as an investor, an employee, as a leader, or as a parent. So it's critical for women to build their confidence. Investing a bit of time today enables knowledge and confidence to grow—along with the money.



Knowledge is power. Find additional resources on [cibc.com/herworth](https://www.cibc.com/herworth)

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Sources:<sup>1</sup> CIBC 2019 Women and Financial Sacrifices Poll

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