



# FINANCIAL STRATEGIES

## for Women Investors

By Daniel Roccato

Today, women are often playing the primary role in making important financial decisions - whether for themselves or for the entire family. While many of the basic rules of investing hold true for all investors, some life events will affect women differently than they will men, and these can also have an impact on investment decisions. Let's look at a few areas of special consideration for women investors:

**LONGER LIFE EXPECTANCY.** People in general are living longer these days; my wife likes to remind me that women tend to outlive men. According to CDC statistics from 2003, women outlive men by an average of more than five years. Putting aside the easy comedy fodder, the reality is that women often end up facing more years in retirement. Therefore, women need to take special care when planning for retirement and be sure to have a long term, methodical savings plan.

**BEING ON YOUR OWN.** Statistics also show that women have a very high probability of being on their own at some point in their financial lives, not only as a result of a spouse's death, but also because of divorce or simply remaining single. A sudden transition from two incomes down to one can be devastating, especially for a mother with young children. This underscores the importance of an adequate emergency fund and the correct amount of life insurance.

**TIME SPENT OUT OF THE WORK FORCE.** Whether caring for children or perhaps an elderly parent, women tend to spend more time out of the workforce than men. Some surveys have shown that, on average, women spend more than a decade out of the work force versus their male counterparts. The implications for women with regards to investments are clear - they will have less time to contribute to their retirement nest eggs, even though they are likely to need it last longer!

Overwhelmed? Don't be. There are several simple steps you can take to come up with an effective financial strategy. First, get up to speed on the family finances. Be an active partner, not just a bystander. Raising a family means you are always on the go and while not as exciting as planning a birthday party, watching the school play, picking out a prom dress or visiting a college, it is important to carve out some time to work on your financial plan.

One of the most important things you can do is make a list of your financial goals and then develop strategies to meet those goals. Taking the time to assess your current financial situation will help you get a clear picture of where you are, and then you can envision where you want to go. This does not have to be some kind of tedious exercise where your dining room table gets buried under spreadsheets, insurance policies and 401k statements. Make it fun, make it personal and do it often. Long car ride with kids asleep in the back of the minivan? Turn the radio off and talk about your current financial state, your goals, gaps, where you want to be, etc. Come up with a to do list and start whittling away at it.

Due to demographics and changing family roles, women are likely to become solo financial managers at some point in their lives. If it happens to you, you'll be glad that you and spouse took the time to prepare.

*Daniel Roccato is President of Quaker Wealth Management a financial advisory firm helping families throughout the Delaware Valley realize their dreams. He can be reached at 856.222.0110 or quakerwm.com.*

### NEW JERSEY CAMP FAIRS

**TIPS ON TRIPS & CAMPS - TEEN SUMMER PROGRAMS FAIR**

Wednesday, January 13, 7-9pm  
Princeton High School - Princeton, NJ

**MOORESTOWN FRIENDS SCHOOL SUMMER CAMP FAIR**

Saturday, February 6, 11:30-3pm  
Moorestown Friends School - Moorestown, NJ

**WEST WINDSOR-PLAINSBORO COMMUNITY EDUCATION & EDP ADVISORY COUNCIL SUMMER CAMP & CHILD CARE FAIR**

Saturday, February 20th, 10-2pm  
West Windsor-Plainsboro H.S. South - Princeton Junction, NJ

