



Women, money, confidence
A lifelong relationship

It's a pivotal moment for women's financial freedom.

Women's financial confidence is on the rise and a desire for increased financial knowledge, especially around investing, can help women on their path to achieving their full financial potential. We believe we have a role to play in helping women continue to build their confidence and skills, arming them with the educational resources and tools they need to take charge of their financial futures.

We hope sharing the findings from this study, *Women, money, confidence—A lifelong relationship*, will provide insights into the strengths and challenges of women across ages, income levels and ethnicities and foster a better understanding of how we can support each other as we take the next steps toward brighter financial futures for all.



Lorna Sabbia

Managing director,
head of Retirement &
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Women's confidence is on the rise. However, while they continue to make financial progress, they are disproportionately affected by taking time out of the workforce. They are confident in doing everyday financial tasks, but less confident about longer-term financial concerns, particularly in areas around investing.

Women are saying its time for a change. They are increasingly more comfortable having a variety of financially-related conversations and are interested in financial education and finding trusted sources of advice. Younger women especially show greater confidence in talking about their finances, providing hope for ongoing progress for future generations of women.





Key findings

Nearly half of women say they feel confident about their finances, yet only **28%** feel empowered to take action on them.

For women who work, significantly more (**61%**) would prefer getting a pay increase than additional time off (**39%**).

The majority of women report they are doing well managing their day-to-day finances, but are struggling with saving for emergencies, saving for retirement and building wealth. And **1 in 5** women say it is time to make a change to their finances.

Women are starting to feel more comfortable talking about money, with **53%** saying they would find it easier to talk to other women.

While women and men have nearly equal influence on day-to-day financial decisions, less than half of women feel they have influence when it comes to investment decisions and **1 in 3** women don't feel they have the knowledge to be more involved in investing.



What we can learn from this study

The findings of this year's report provide insights into the progress women are making on their financial journeys and where they might need additional guidance and support.

- > **Women feel they're doing well in managing short-term financial needs, but they struggle when it comes to planning for the future.**
- > **Many women regret not starting to save and invest earlier, actions that could help them build wealth to support changing needs across longer lifespans.**
- > **There is an immediate need to increase investing knowledge among women to help them feel empowered to make financial decisions affecting their future.**
- > **While saving for retirement tops the list of women's financial goals, women are less likely to identify how much money they'll need in retirement.**
- > **Financial experiences vary by age, income and ethnicity, pointing to the need for women to get individualized support.**
- > **Women's financial planning should consider potential career interruptions and their impacts, with about half of women reporting that they left the workforce and often returned to less rewarding or lower-paying jobs.**
- > **Women, more than men, perceive financial independence as being debt-free and able to manage unexpected expenses, but these are also areas where women struggle.**
- > **Women are saying it's time for a change and are looking for help in managing their finances, such as user-friendly resources to educate themselves on money and investing, and consultations with a professional advisor.**



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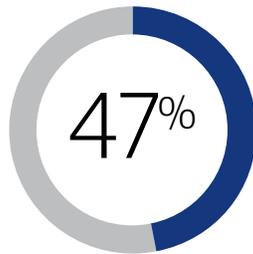


The meaning of financial independence and attitudes toward finances

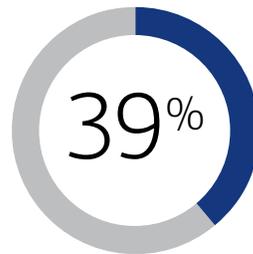
Nearly half of women say they feel confident about their finances, yet only 28% feel empowered to take action on them.

How women perceive financial independence

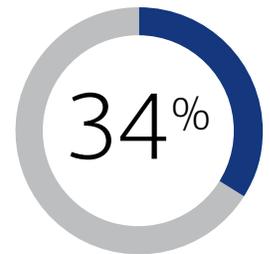
Women, more so than men, see being debt-free and able to manage unexpected expenses as the top hallmarks of being financially independent.



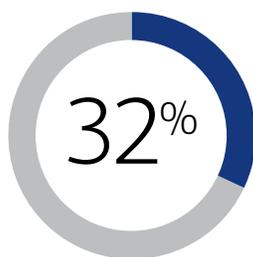
Being debt-free



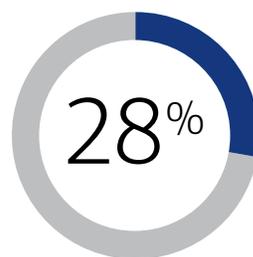
Being able to weather an unexpected expense



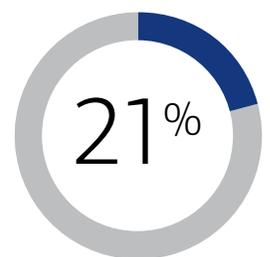
Being able to support myself without financial help from my family



Being able to support my family



Being able to make ends meet each month

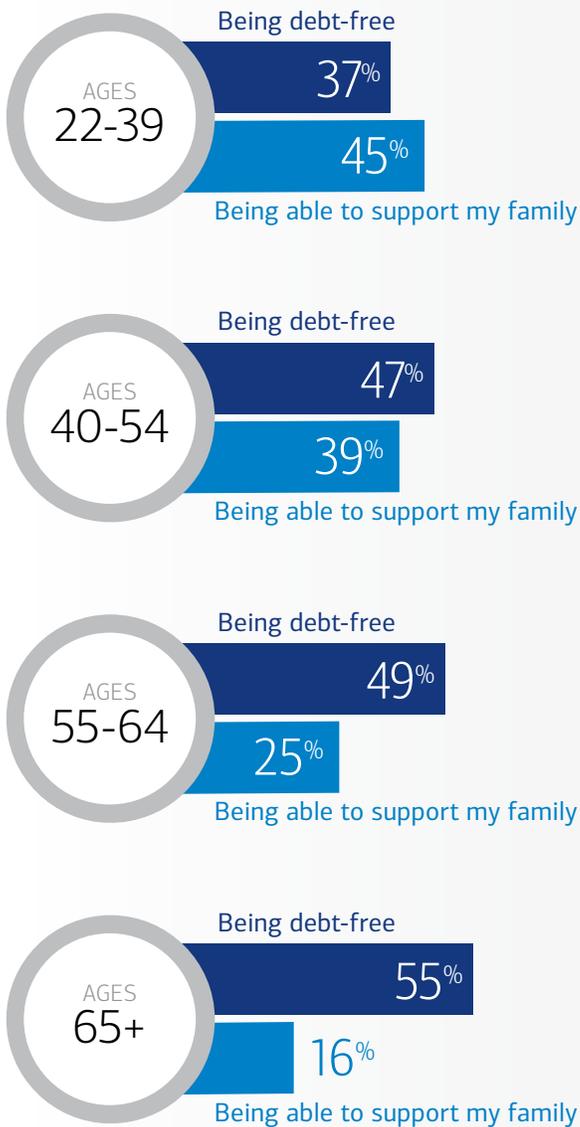


Being able to support myself without financial help from the government

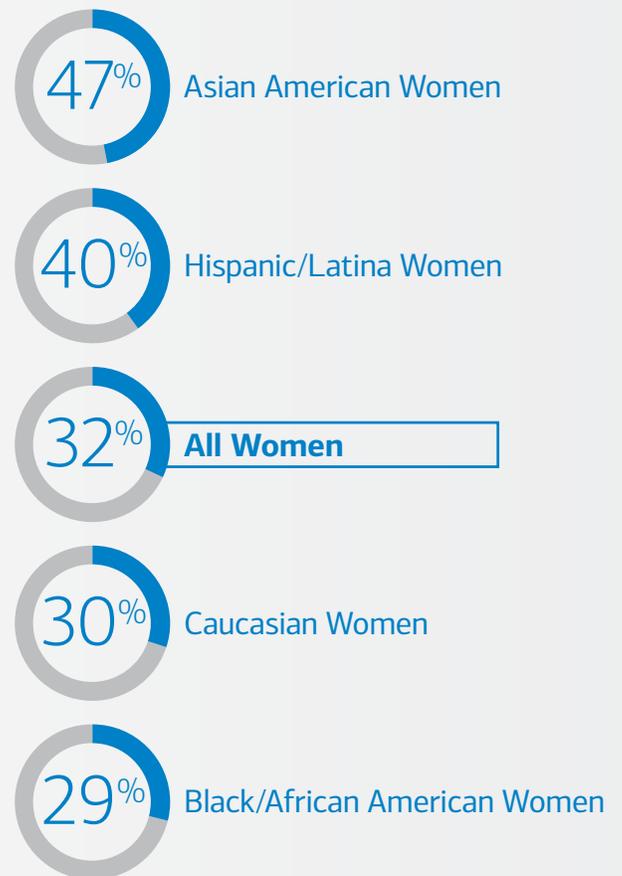
How women perceive financial independence shifts by age and other factors

As women age, being debt-free increases in importance. Being able to support their family decreases, but this varies by race and ethnicity.

Women across age groups who prioritize “being debt-free” or “being able to support my family”



Financial independence means “being able to support my family,” by race and ethnicity

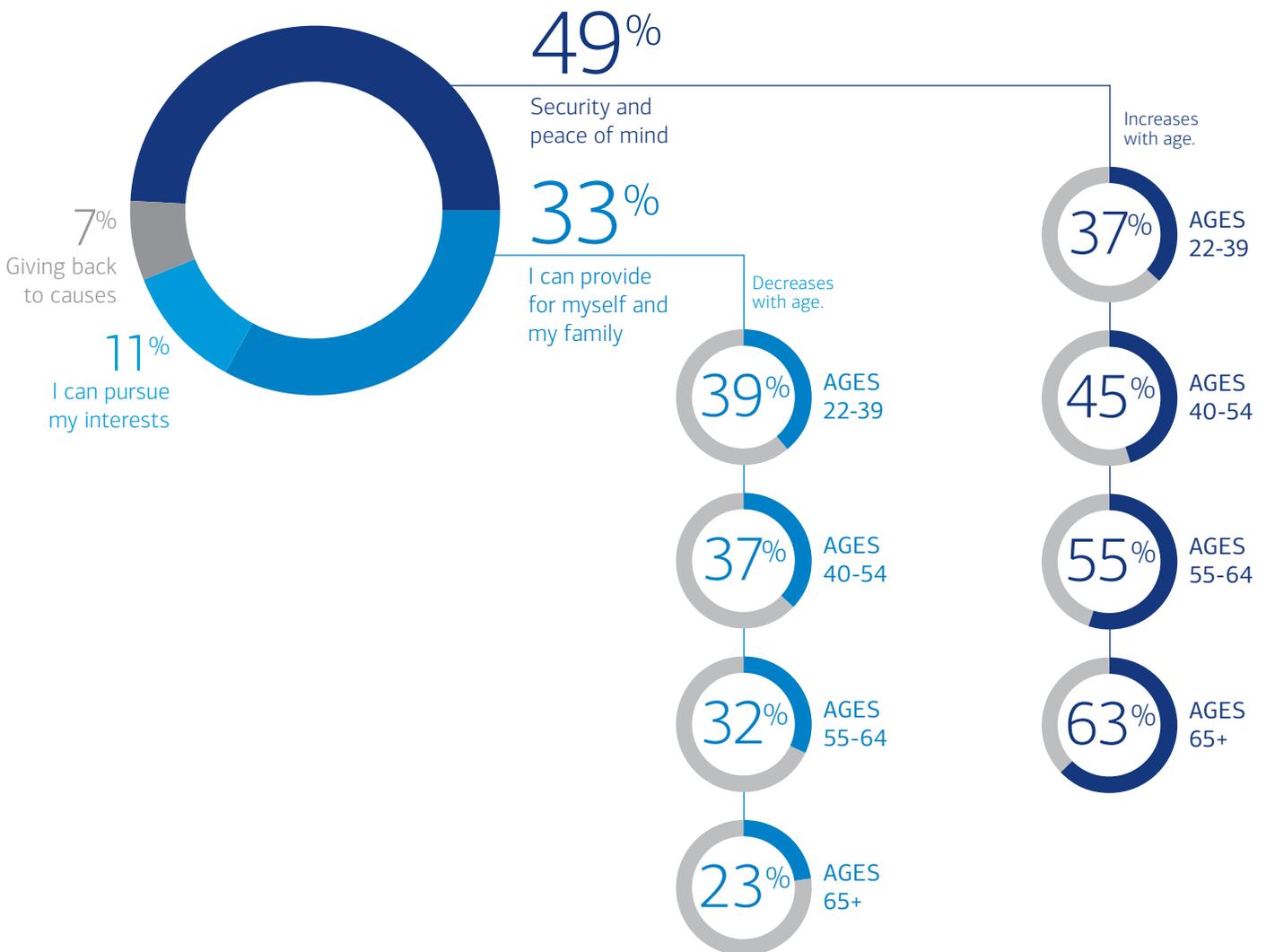


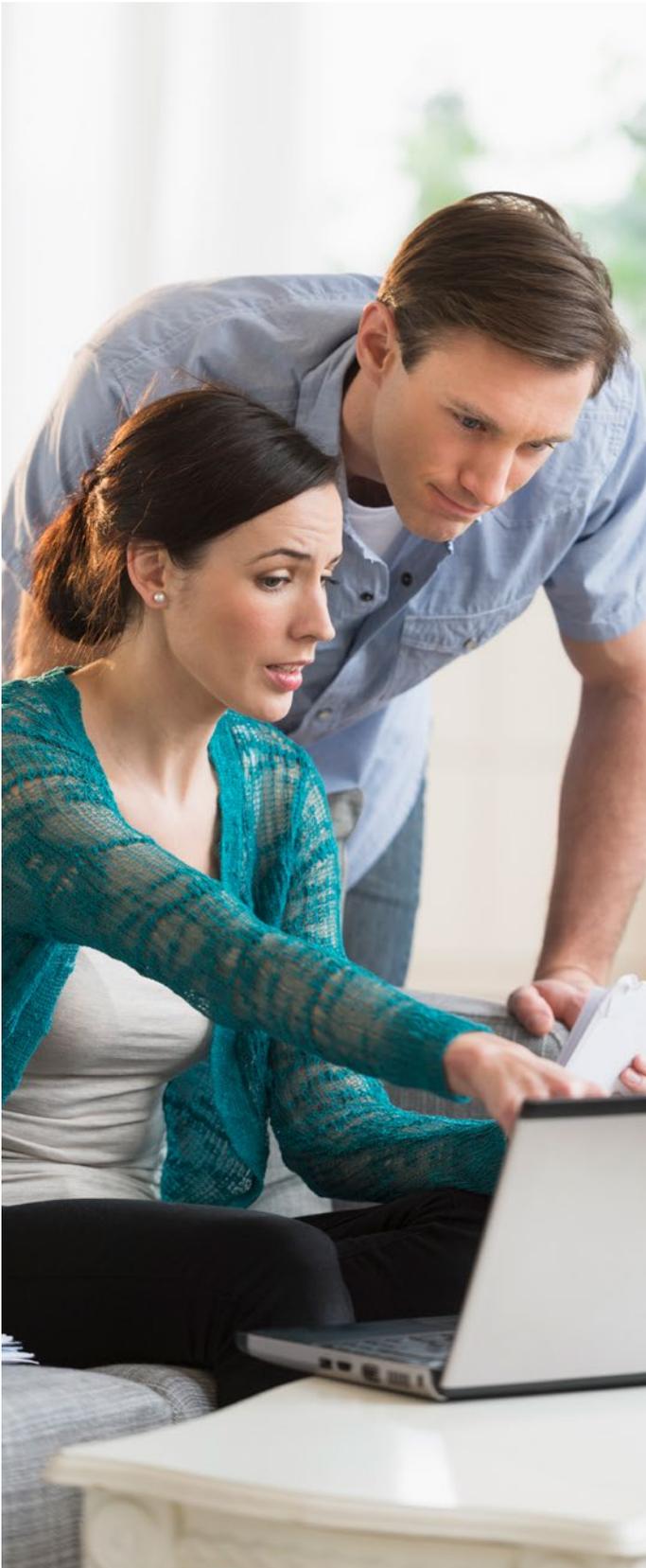
While debt reduction is a positive goal, there may be a “fear of any debt” that holds women back from some financial opportunities.



What it means to have money

Women say that having money brings security and peace of mind and can bring happiness because it “gives me the freedom to do what I want” and also “allows me to provide for the people I care about.” What it means to have money also changes with age.





Women's attitudes about finances—and how they vary from men's

While both men and women agree that **women will be responsible for their own finances at some point in their life**, other attitudes about finances vary. Women see themselves as more truthful than men about finances, but men see themselves as more confident and more knowledgeable.

Believe that most women will be personally responsible for their finances at some point in their adult life



Believe the lives of women and men are fundamentally different



Believe that women are more likely to tell the truth about their finances than men



Believe men care more about their net worth than women



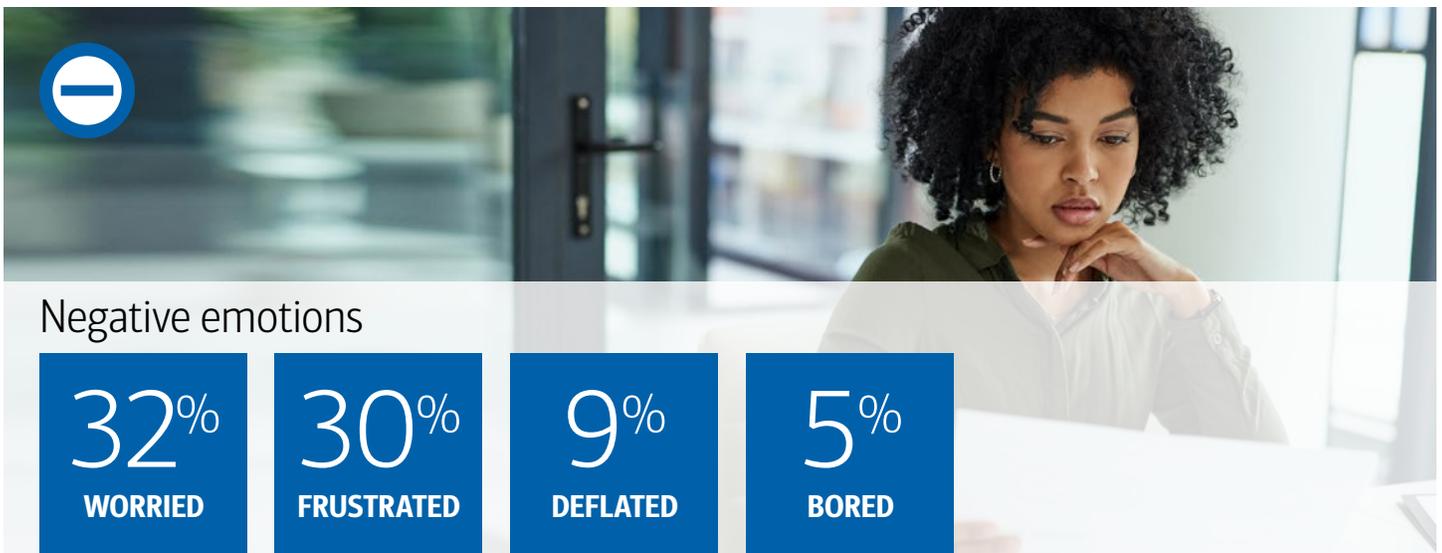
Believe men are more confident when it comes to making financial decisions than women



Believe men are more knowledgeable about finances and investing than women



How women feel about managing finances

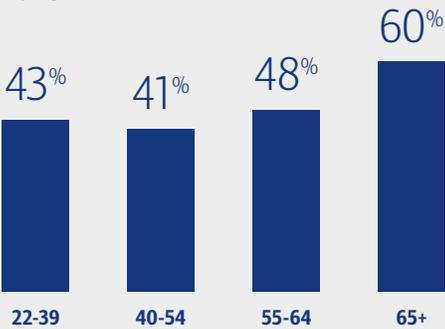


Financial confidence increases with age and assets

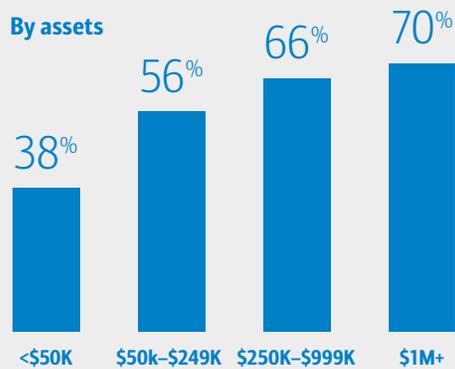
Having more money seems to drive confidence and empowerment, while age doesn't seem to play as much of a role. There is a bump in confidence among women age 65+.

Feel confident

By age



By assets



Feel smart or empowered

By age



By assets

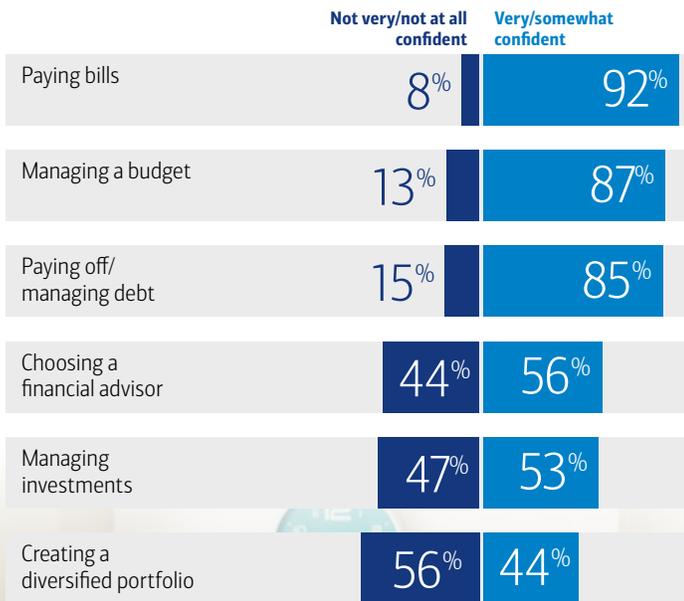


There is an opportunity to close the gap between women's confidence (how they feel) and empowerment (taking action).

Confidence varies across women's financial lives

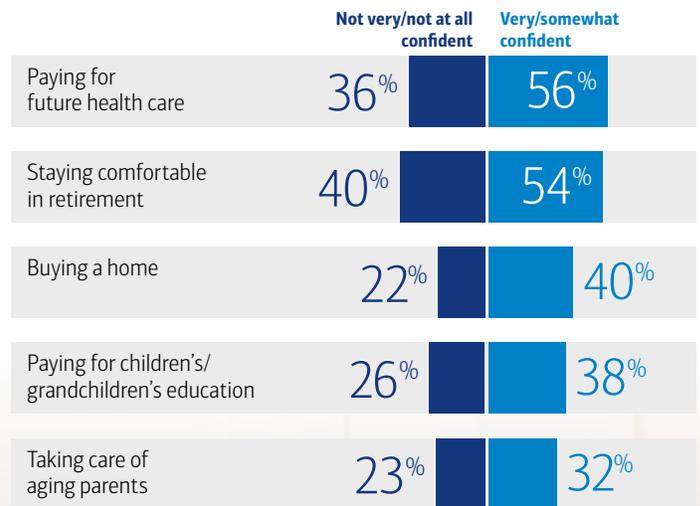
Confidence in doing everyday financial tasks

Women are more confident with everyday financial tasks (bill payment and budgeting) and less confident with investing.



Confidence about longer-term financial concerns

Even though most women have neither long-term care insurance nor a Health Savings Account (HSA), more than half are confident about paying for their future health care. Similarly, about half of women do not have any retirement savings, and while this is worrying to 40% of women, more are confident they will be comfortable in retirement.



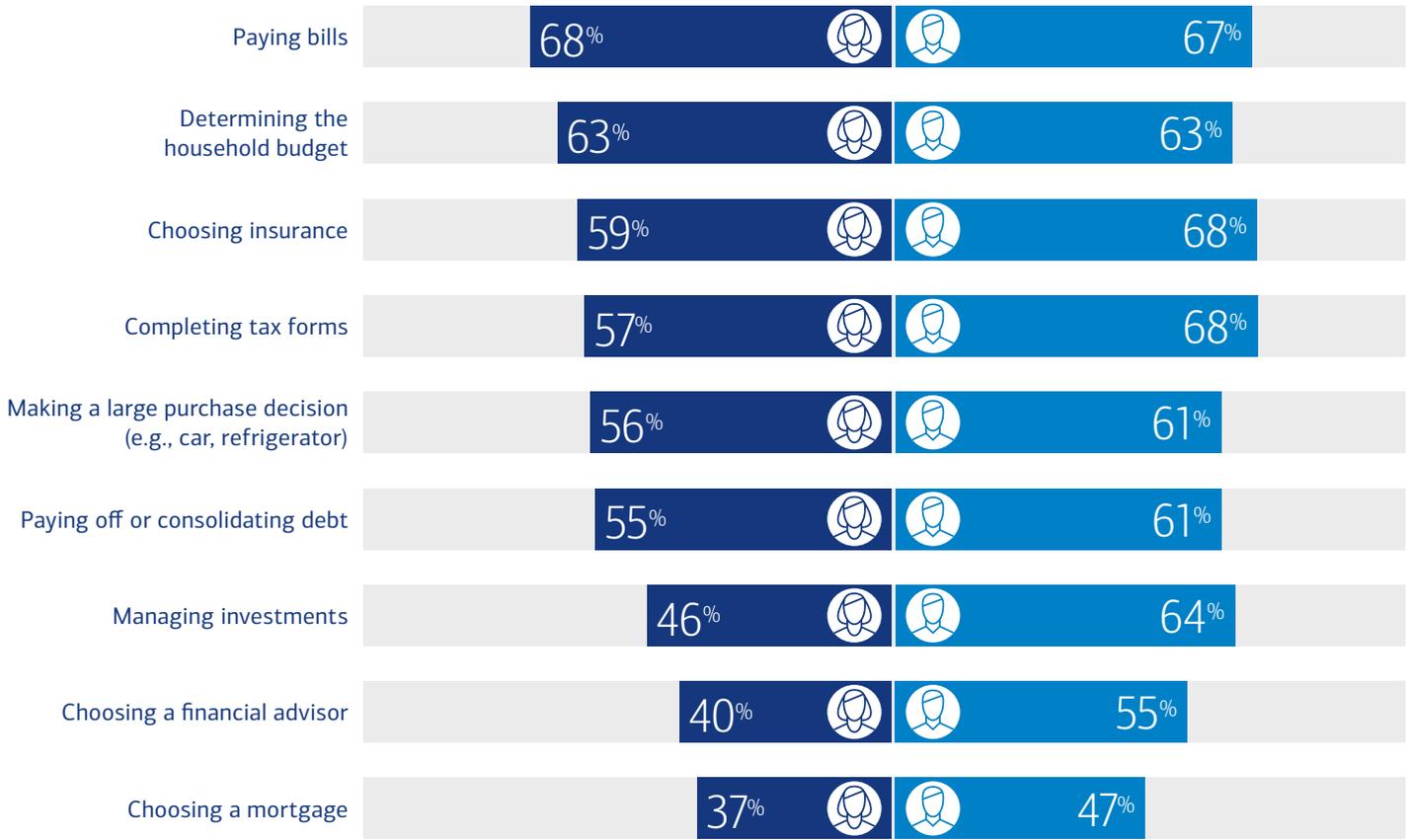


Making financial decisions

While women and men have nearly equal influence on day-to-day financial decisions, less than half of women feel they have influence when it comes to decisions about investments.

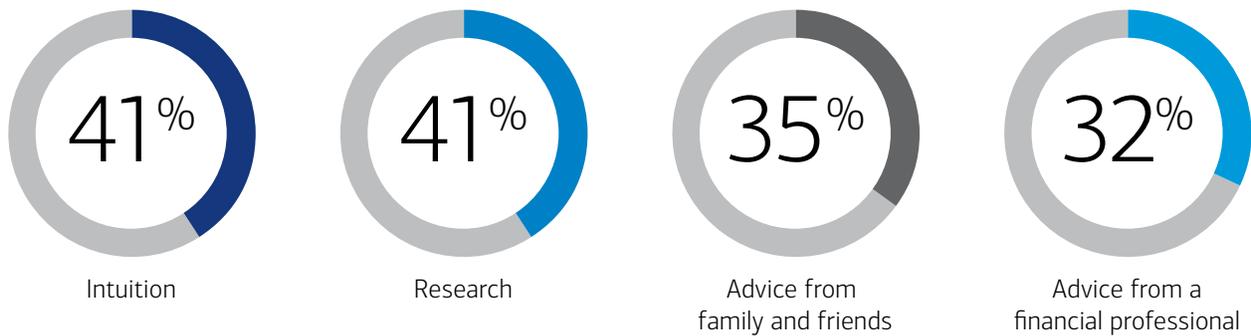
Women are less involved in big and long-term financial decisions

Men and women have an equal amount of influence on day-to-day items, such as paying bills and budgeting. But for tasks that occur less frequently, such as choosing insurance or a mortgage, or anything related to investments, women feel they do not have as much influence as men. Of women more likely to defer to their spouse, the #1 reason is they feel men “are more knowledgeable about investing.”



Women approach financial decision-making in different ways

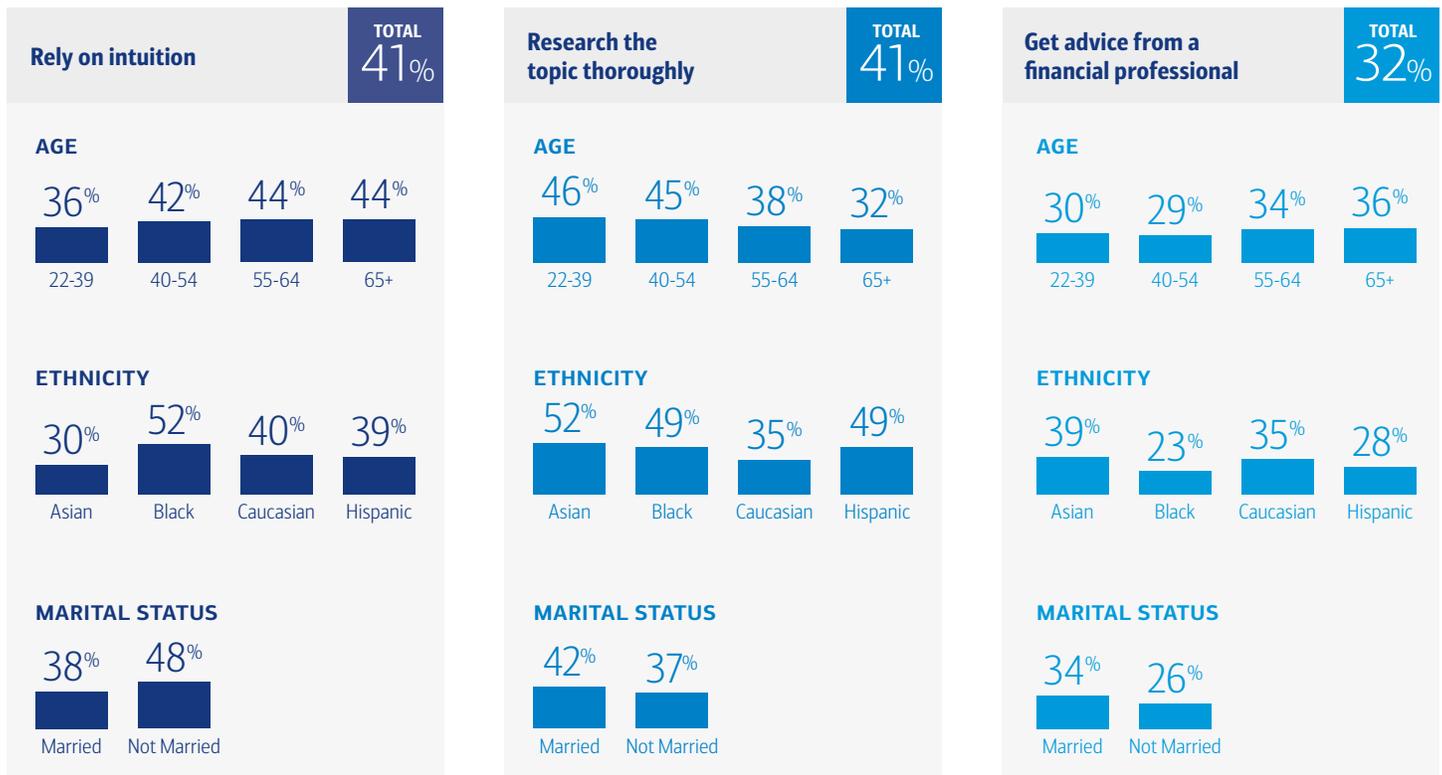
When making financial decisions, women are more likely to rely on their intuition or their own research than advice from a financial professional, who could provide objectivity and expertise that they lack.



Differences by age, ethnicity and marital status

While overall women are less likely to get advice from a financial professional, there are important differences when we look at demographic segments of women:

- Those who are married or living with a partner are more likely to seek financial professional advice than those who are not.
- Blacks and Hispanics are more likely to research a topic thoroughly than Caucasians, while Asians are more likely to both research a topic thoroughly and get advice from a professional.





Comfort having financial conversations

Women are starting to feel more comfortable talking about money, with 53% saying they would find it easier to talk to other women.

More women feel confident talking to a financial advisor

Women’s comfort with having financial conversations has improved, with almost 7 out of 10 now comfortable with the idea of talking one-on-one with a financial advisor. They are significantly less comfortable, however, with investing in stocks on their own.



Women would rather talk about end-of-life (85%) with family or friends than money (60%).

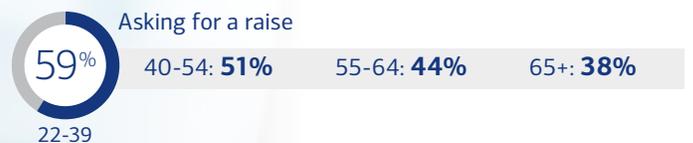
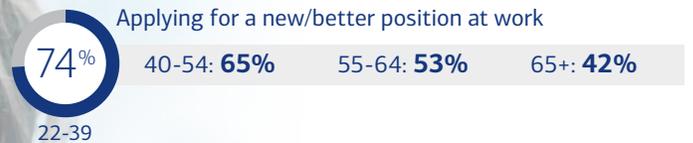
	Not very/not at all confident	Very/somewhat confident
Talking one-on-one with a professional financial advisor	32%	68%
Planning for end-of-life wishes—financial and health	37%	63%
Applying for new/better position at work	40%	60%
Participating in a financial conversation about a potential new investment opportunity	45%	55%
Asking for a raise	51%	49%
Putting money in a new stock investment on your own	59%	41%

Younger women are more comfortable with financial conversations

Even when it comes to investing in stocks on their own, the majority of women ages 22-39 would feel comfortable doing that. This may indicate that young women will be more astute financially as they age than older women are today. However, it's also possible that comfort declines with age.



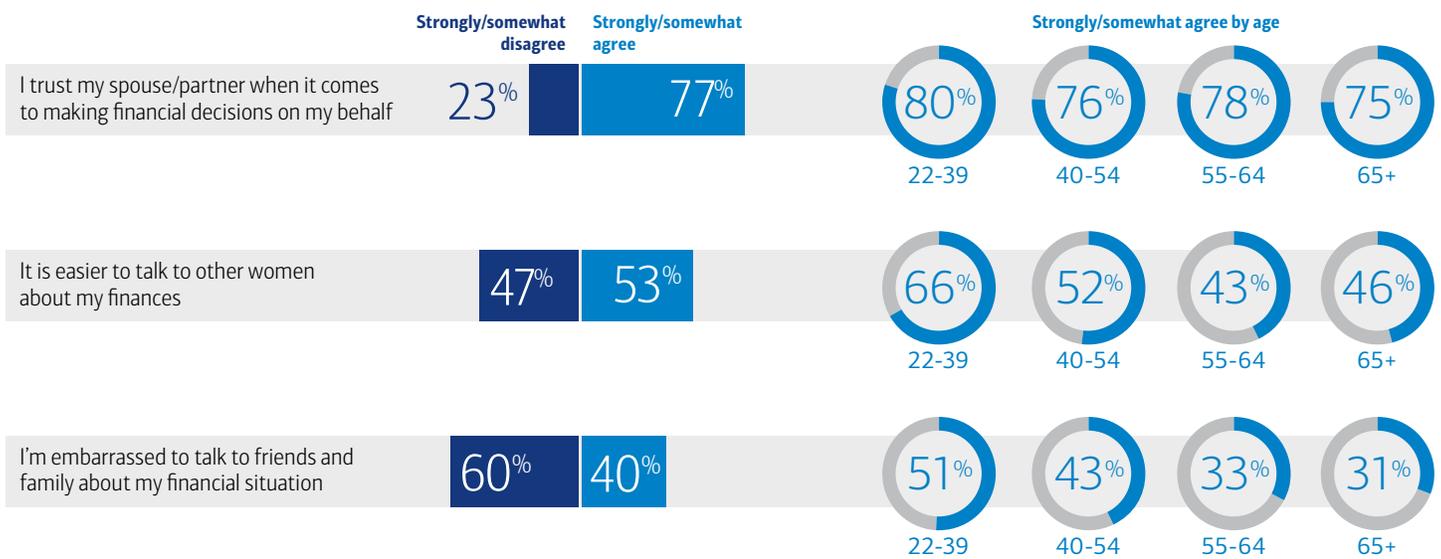
Confidence having financial conversations by age



Talking about finances

Nearly a quarter of women do not trust their spouse or partner with making financial decisions on their behalf. Half of women, particularly younger women, say it would be easier to talk to other women about their finances. Also of note, 4 out of 10 women say they are embarrassed to discuss their finances with friends and family—a statistic that is higher among LGBTQ+ individuals.

2 in 5 women, particularly under the age of 55, say that planning for the financial future is too difficult to think about.



Peer groups of women who can share tips and approaches on financial wellness and planning may make it easier for women to plan.





Special concerns of women in the workforce

For women who work, significantly more (61%) would prefer getting a pay increase than additional time off (39%).

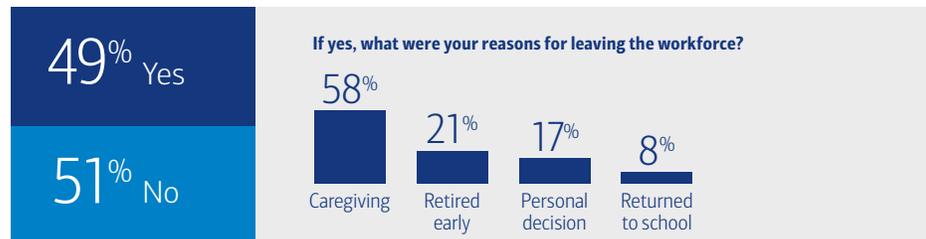
About half of women have left the workforce at some time

The most common reason women leave the workforces is to care for a child or an elderly parent. The average time women spend out of the workforce is four years, and when women return to the workforce, 36% face a reduced salary. However, most do not regret their decision to take time off.



Anticipating and planning for job disruptions should be a key component of women's financial wellness.

Did you ever leave the workforce?



When returning, the job was...



Did you regret the time you took away from your career?

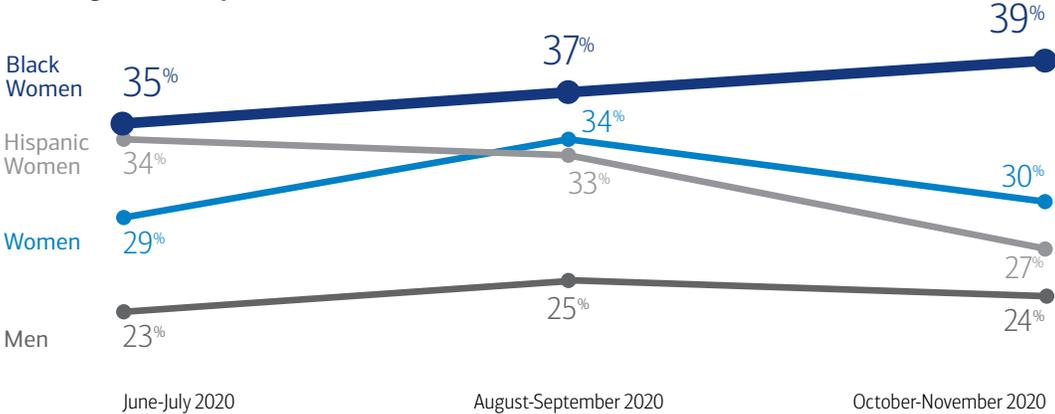


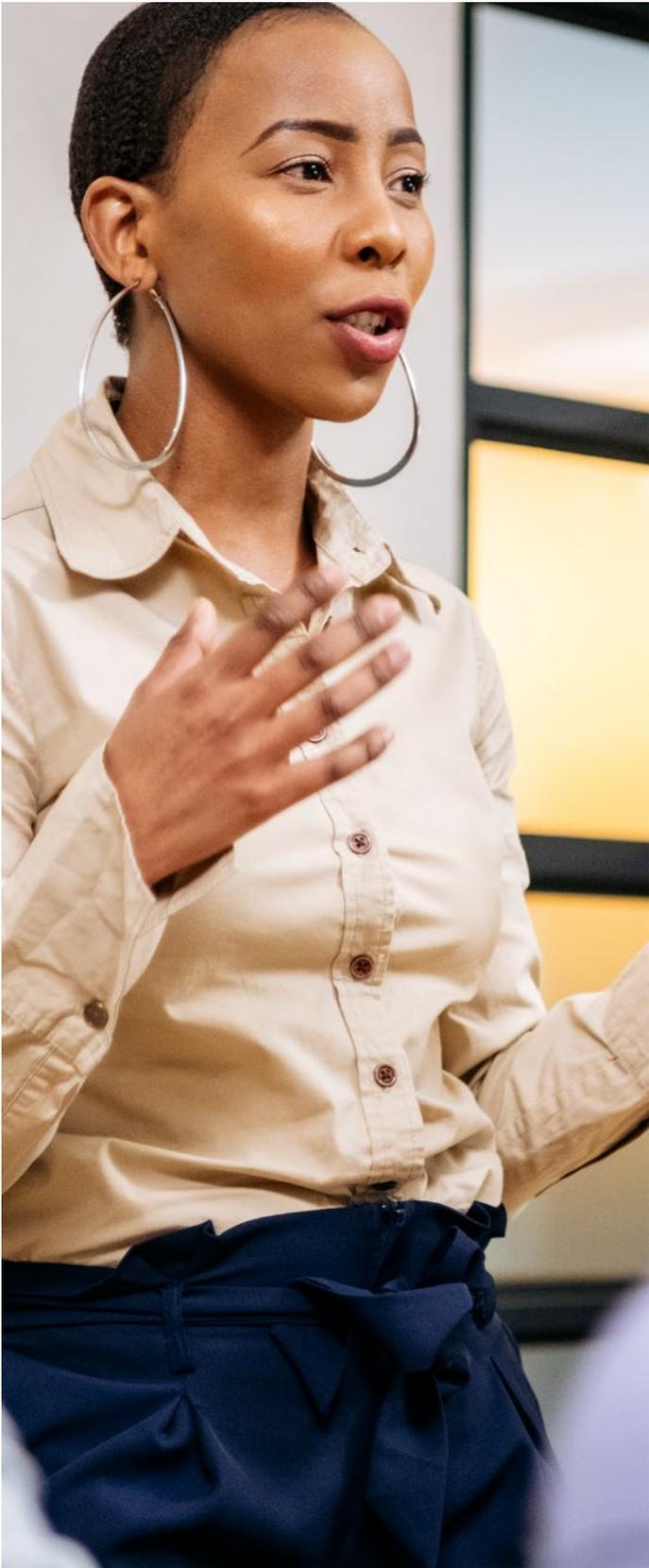


The pandemic has impacted the employment of women, particularly black women, more than men

Women who lost their job during the pandemic continue to feel the impact, compounding the challenges women already face given their history of either choosing or being forced to leave the workforce.

Percentage of women who reported their employment was negatively impacted at the height of the pandemic





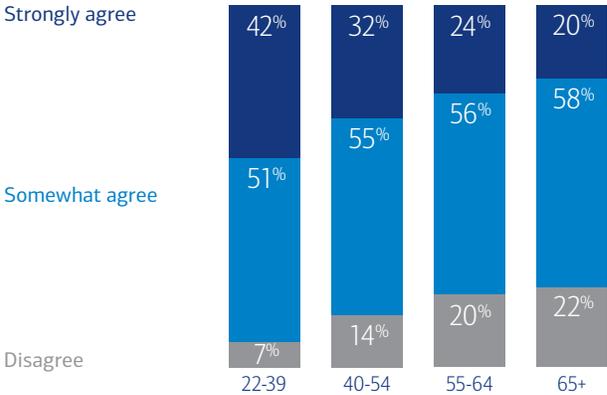
Women overwhelmingly would choose more money over more time off

It is interesting to note that the proportion of women who choose more money over more time off remains the same regardless if they have children or not.



Understanding finances is key to greater flexibility

Rather than more time, a better understanding of finances is seen as a key to career flexibility, particularly for younger women.



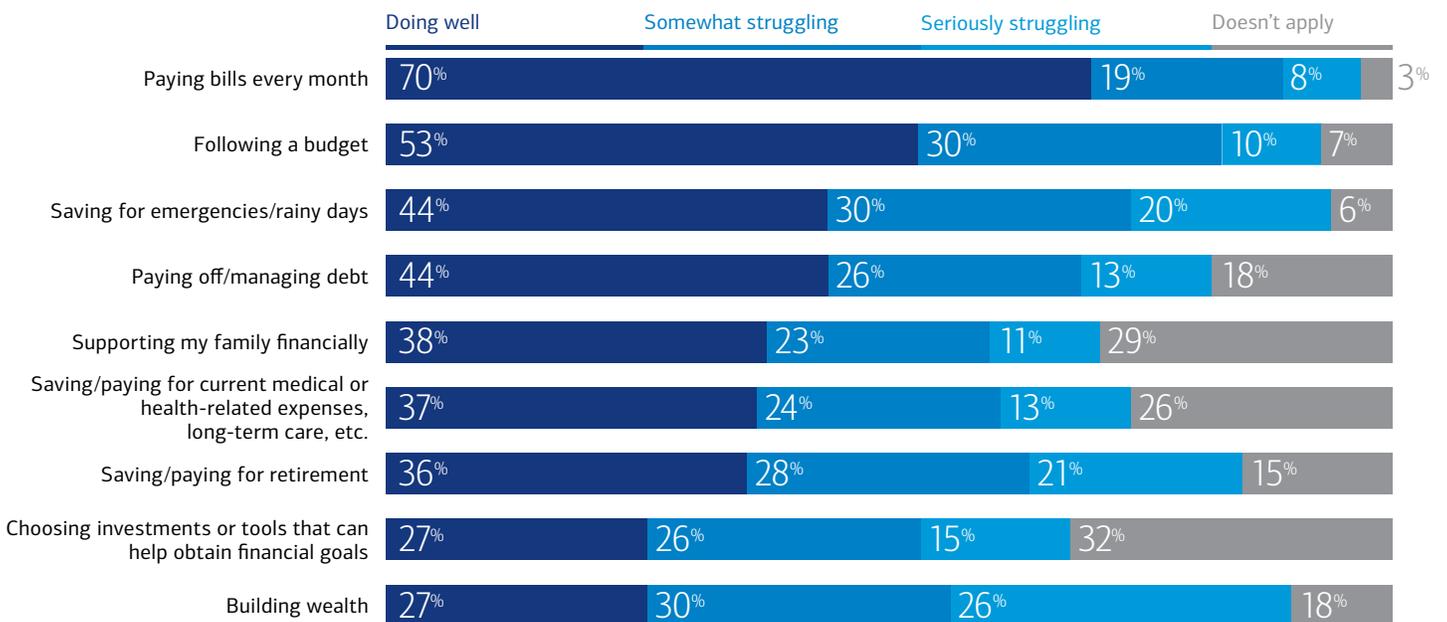
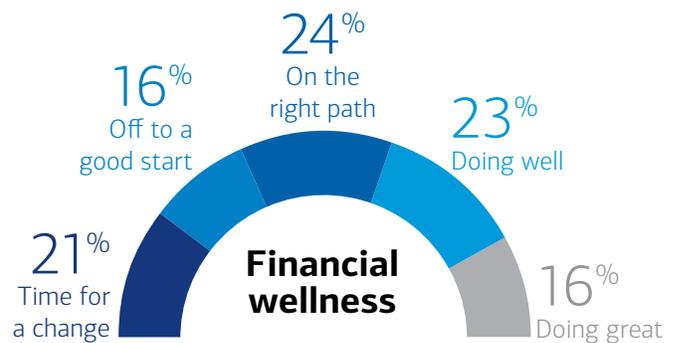


Financial report card: A self-assessment

One in five women say it is time to make a change to their finances.

How do women rate their financial health?

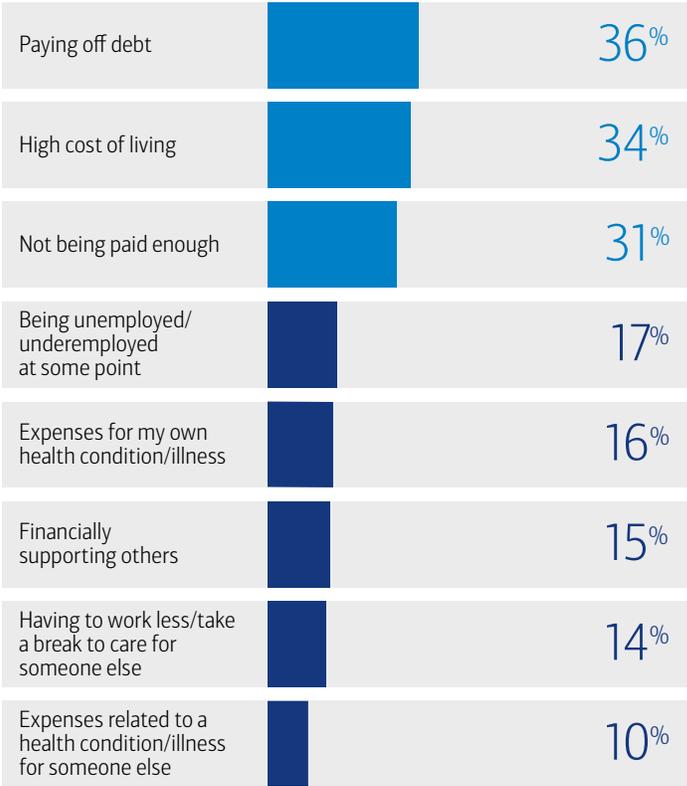
Areas where women are struggling the most include saving for emergencies, saving for retirement and building wealth—activities that could be supported with an increase in investment knowledge and confidence.





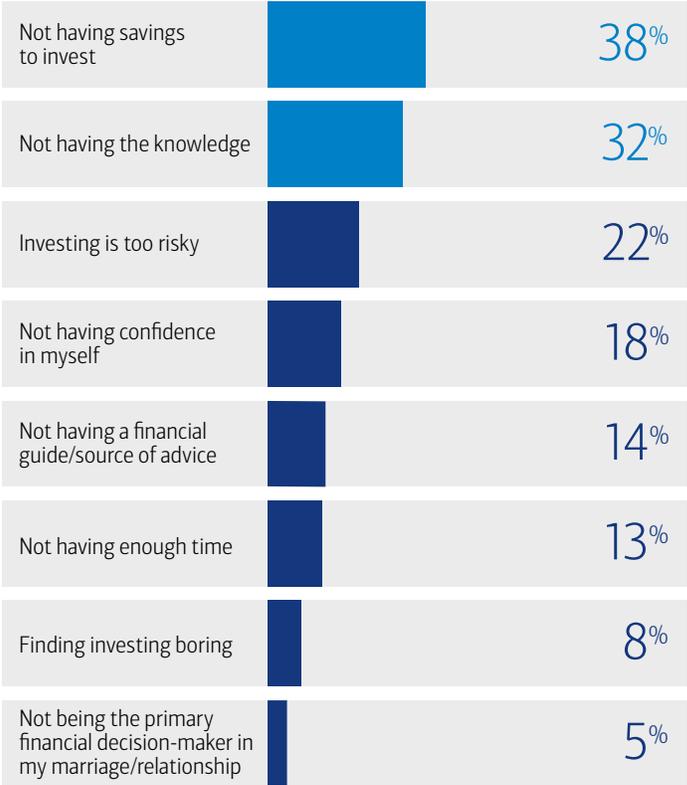
Barriers to improving financial wellness

Paying off debt, not being paid enough and the high cost of living are the top issues holding women back from pursuing greater financial well-being.



Lack of investment knowledge plays a role in keeping women from investing

While not having enough savings is an obstacle to investing, lack of investment knowledge and perceptions that investing is too risky also play a role.

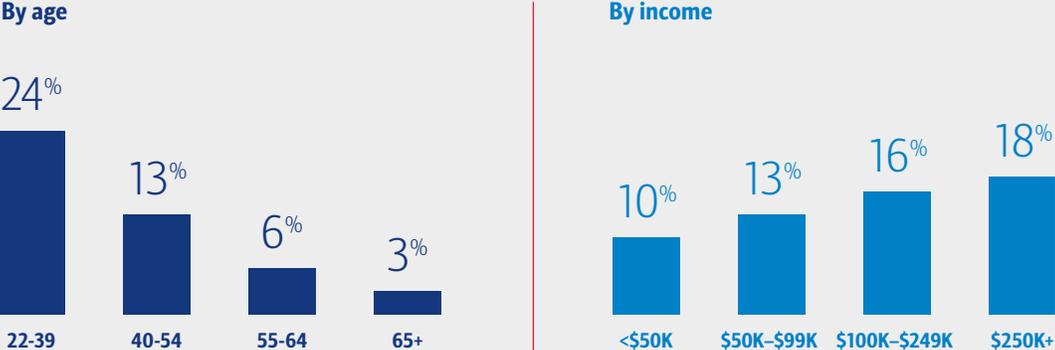


Lack of knowledge is a barrier to investing, regardless of income

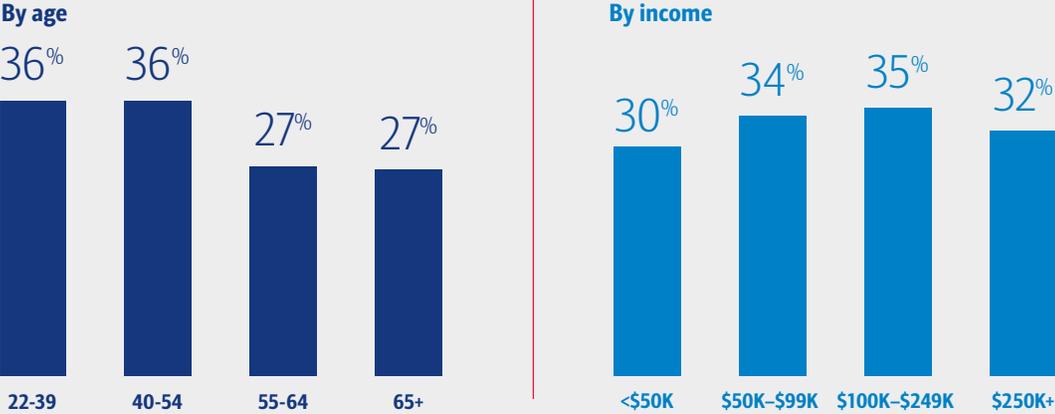
Younger women (possibly with other priorities) and those with higher incomes (perhaps working longer hours) are more likely to say there isn't enough time to invest. Not having investment knowledge is cited as a barrier to investing consistently across income groups, while perceptions of risk are similar across age groups.

Barriers to investing by age and income

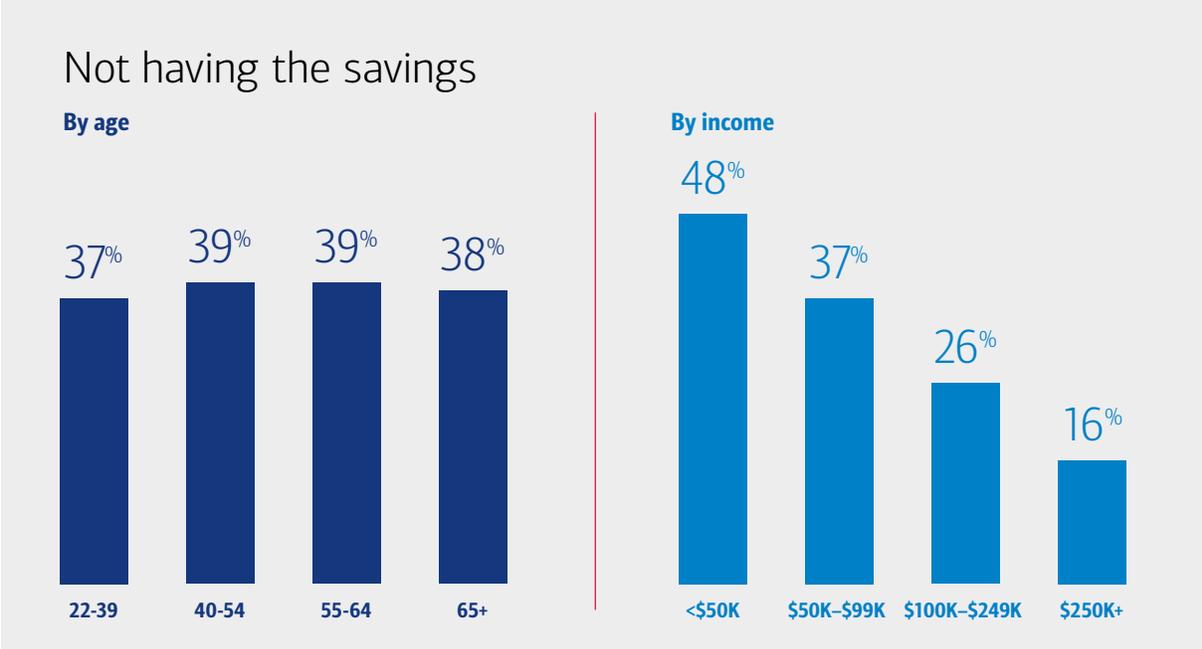
Not having enough time



Not having the knowledge



Barriers to investing by age and income (continued)



 These findings may highlight an opportunity for women to learn more about risk/reward trade-offs and diversification strategies that can help them better understand investment risk.



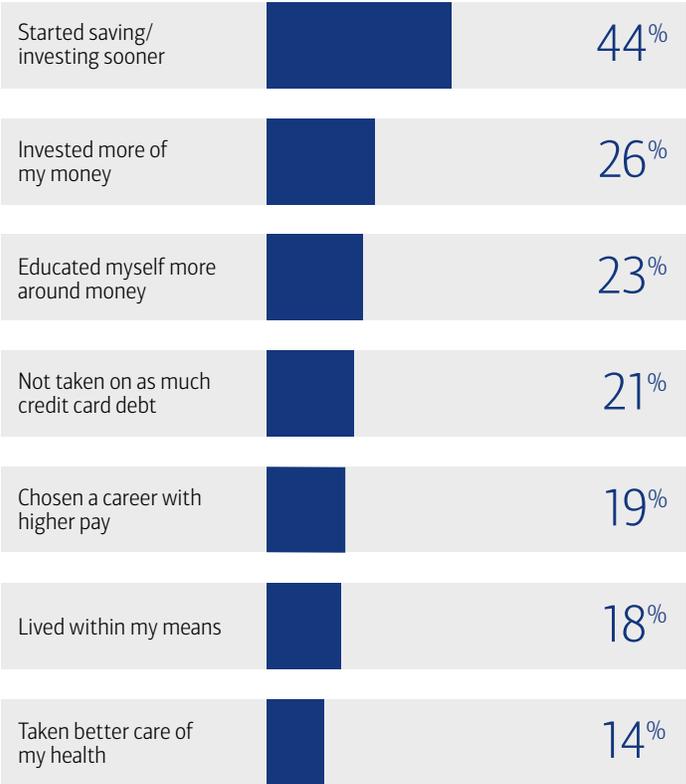
What would women do differently?

Nearly a third of women participating in the study shared that their biggest financial regret was not saving and investing sooner. Getting started sooner with saving and investing also tops the list of what women say they would do differently, closely followed by educating themselves more around money.



50% of women age 65 and over said that their biggest financial regret was not starting to save or invest sooner.

29% of women ages 22-39 say that they regret not educating themselves more about money.





Financial goals and planning for the future

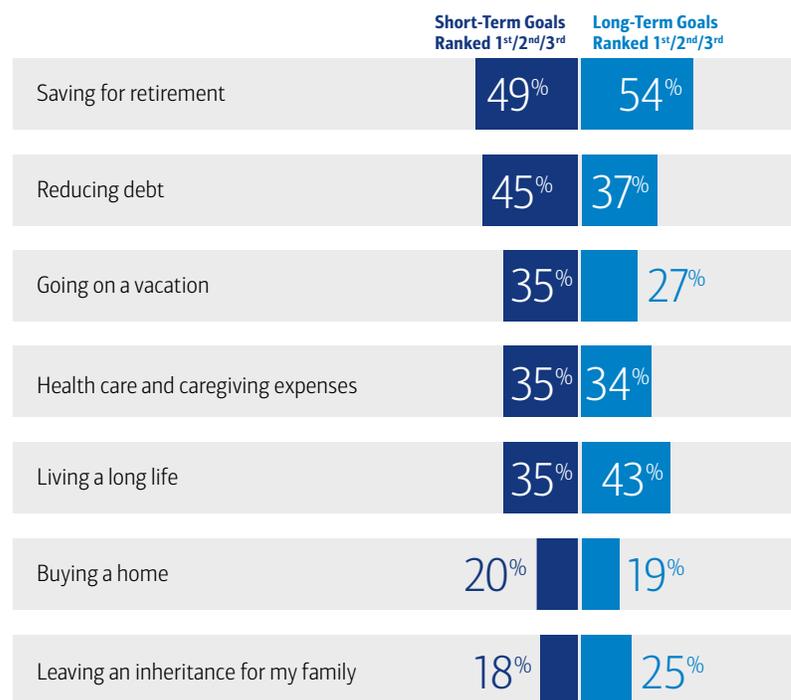
Saving for retirement is the most important short- and long-term goal for women. Yet 1 in 5 women approaching retirement say they do not have a financial plan.

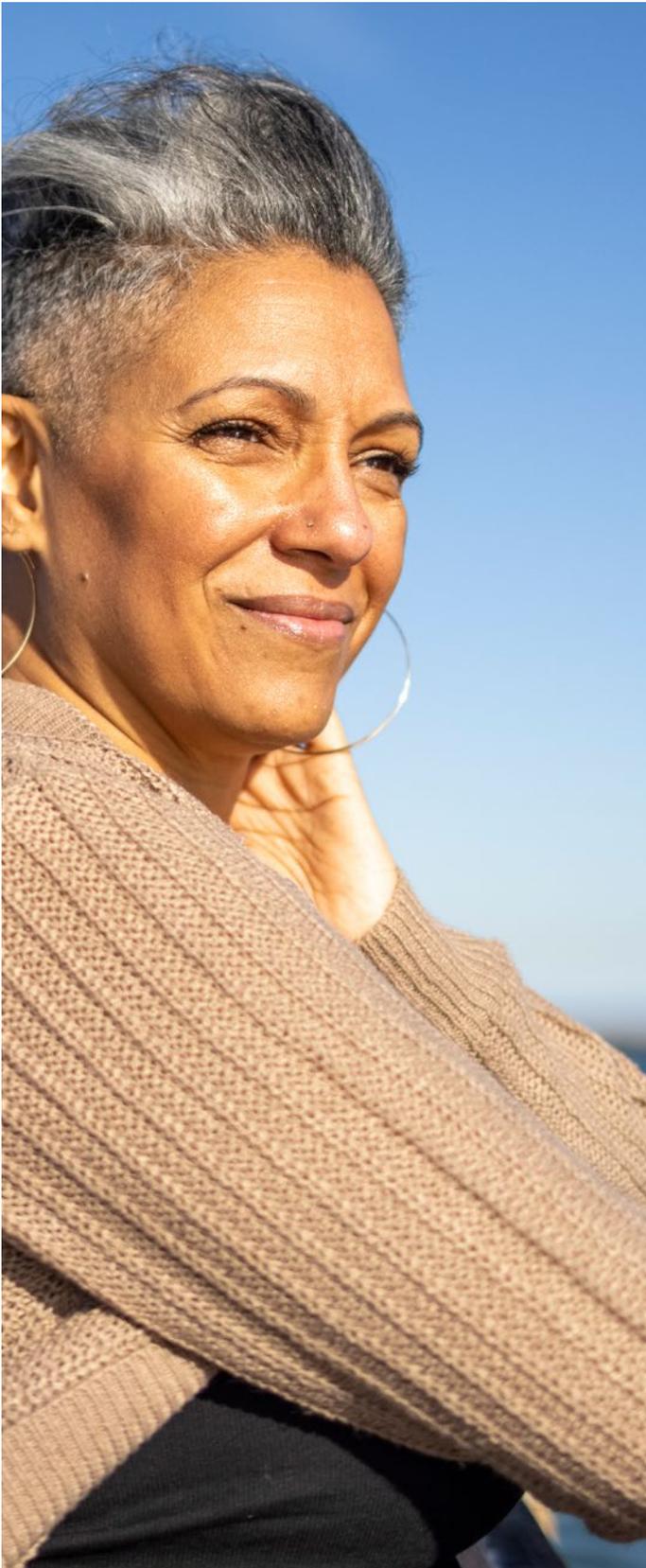
Women rank their top financial goals

Saving for retirement tops the list of women's financial goals. Living a long life, reducing debt and paying for health care and caregiving expenses are also among their longer-term priorities.



The 46% of women who do not list retirement among their top three long-term goals may risk not being financially prepared by not starting to save early enough.



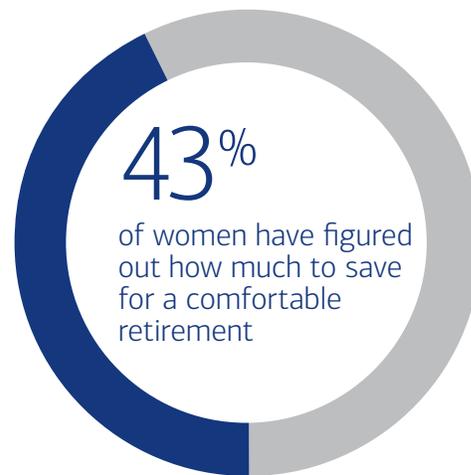


Saving for retirement

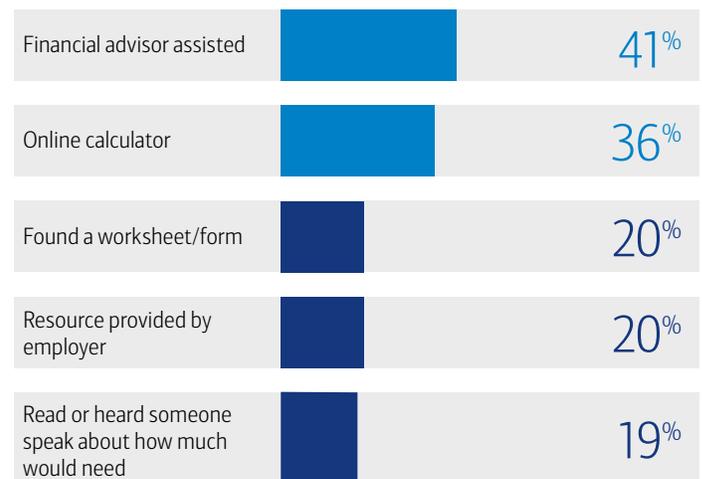
Most women have not yet determined how much money they need to live comfortably in retirement.

Among those women who have determined how much they would need in retirement, many relied on a financial advisor or an online calculator.

Those who haven't determined how much they will need in retirement could either be "overconfident" they'll have enough or intimidated by the scope of the problem, leading to delayed action.



How did they make that determination?

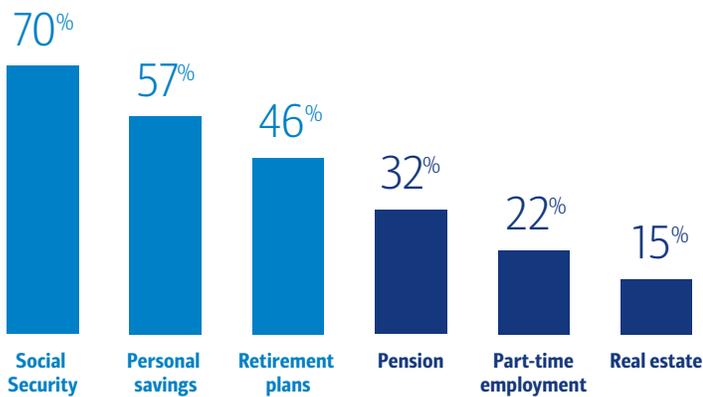


Many women expect Social Security to be their main source for retirement income

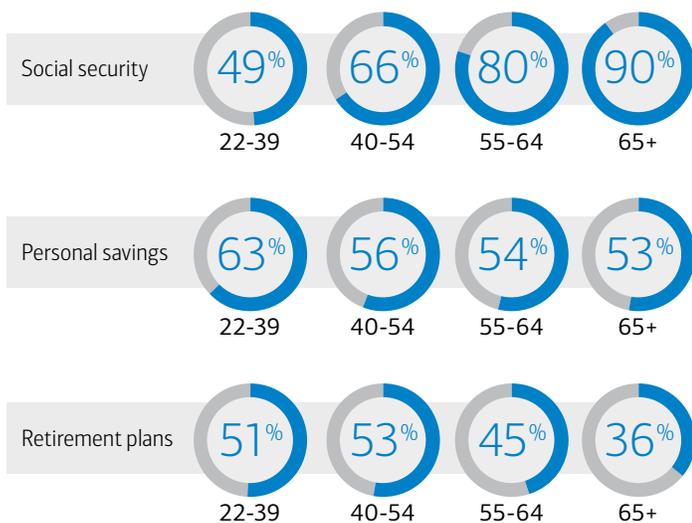
Women age 65 or older are significantly more likely to be reliant on Social Security in retirement, while most younger women ages 22-39 are planning on using personal savings to fund their retirement. Women 22-54 plan to use a combination of personal savings and money in their retirement accounts.

The heavy reliance on personal savings among younger women may simply be a matter of many women of this age not yet having thought through how they will fund their retirement.

Sources of retirement income, all women



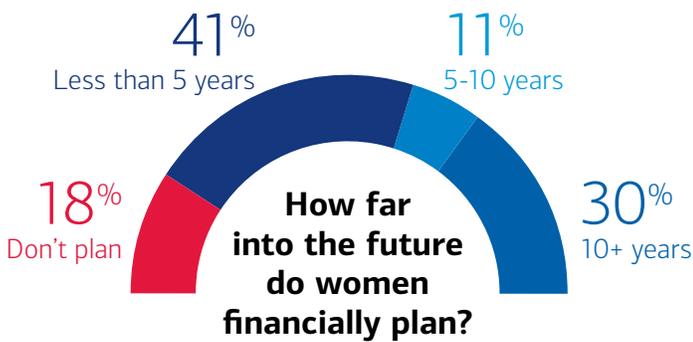
Sources of retirement income vary significantly by age



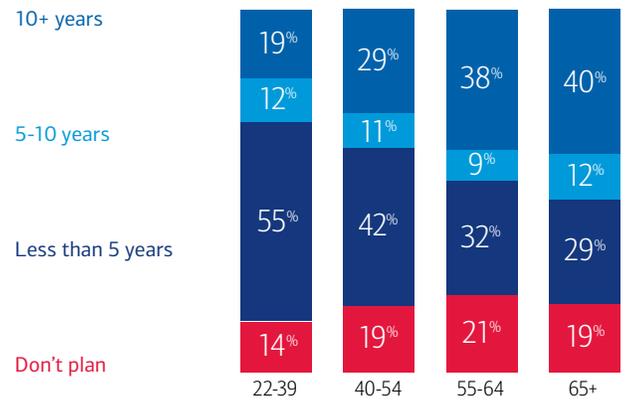
Some women are more likely than others to plan for the long term

The majority of women who do have a financial plan have only prepared for the near term. As women age, they are more likely to plan further into the future. However, one-fifth of women near or in retirement (age 55+) say they do not have a financial plan.

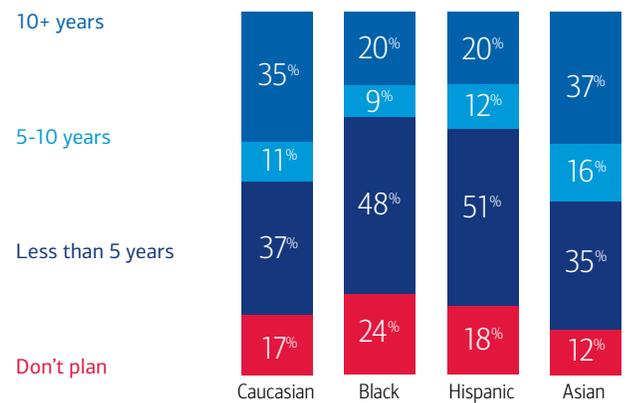
Caucasians and Asian Americans are more likely to have long-term plans than Blacks or Hispanics. Those who identify as LGBTQ+ and/or aren't married or with a partner are also less likely to have a plan.



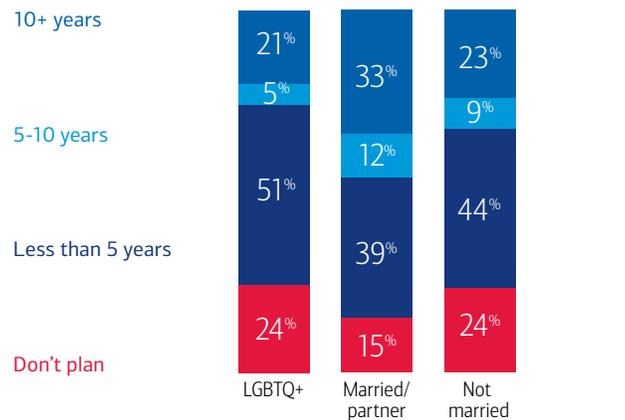
Age



Ethnicity



Other





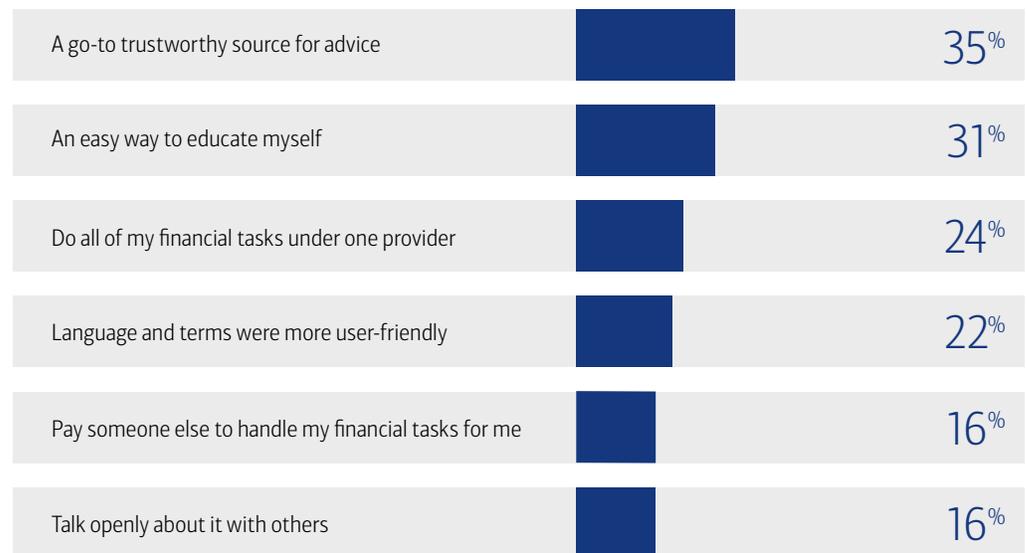
Trustworthy sources of advice

One-third of women say it would be easier to manage finances if they had a trustworthy source of advice.

Help managing finances

Women are looking for reliable sources of advice to help them on their financial journeys. Many seek ways to educate themselves and say it would be helpful to have easy-to-use resources that convey financial terms and concepts in more user-friendly language.

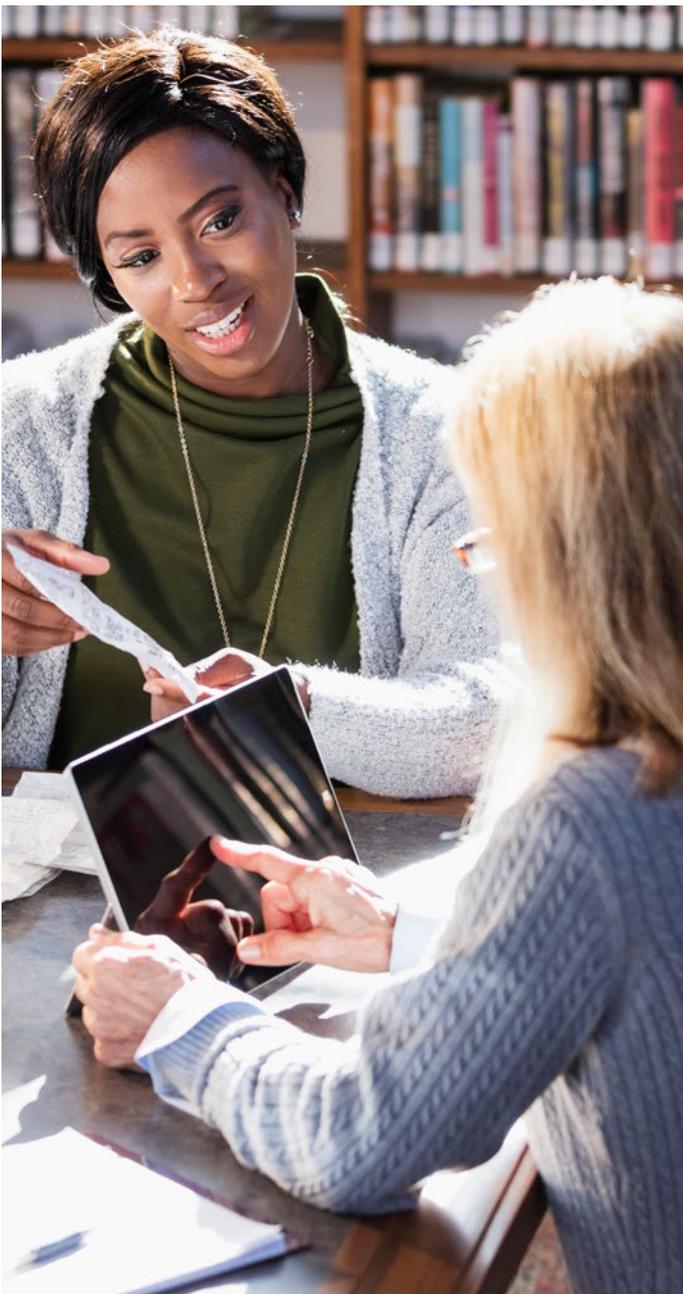
What would help make managing finances easier?



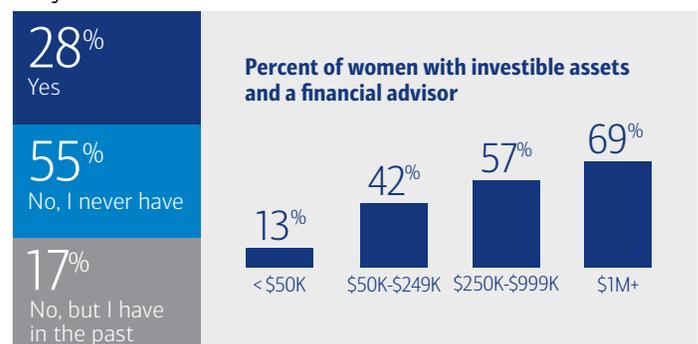
Working with a financial advisor

Women consider a financial advisor a key resource to help them with investment decisions. While 44% of women see a financial advisor as a resource, more than half of women have never worked with one. In addition, very few women who have less than \$50,000 in investable assets have an advisor, which may indicate that women perceive “financial planning” and “wealth management” to be activities only for the wealthy.

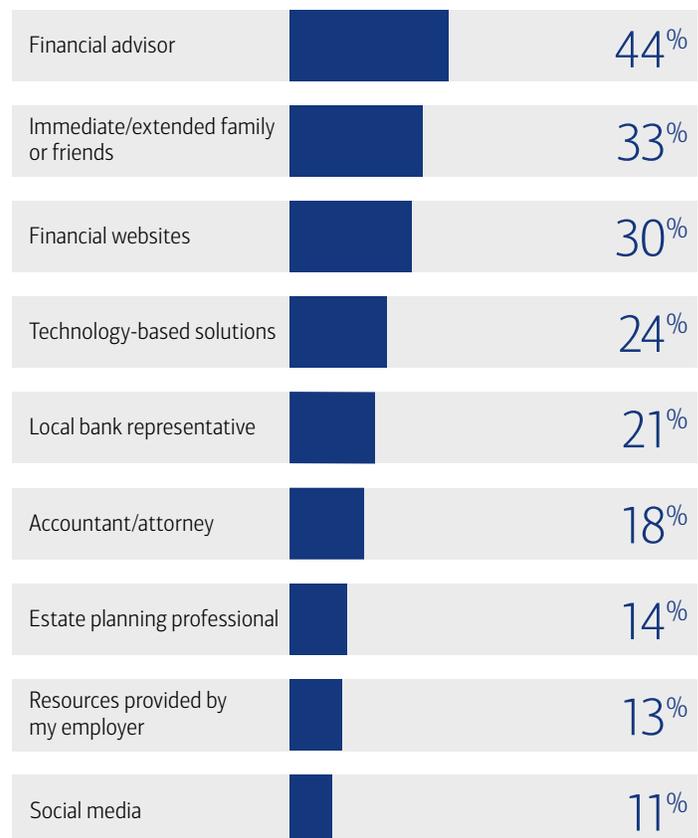
The 17% of “lapsed” users may include some that were dissatisfied with a prior experience or feel an advisor is no longer needed.



Do you work with a financial advisor?



Key resources for investment decisions



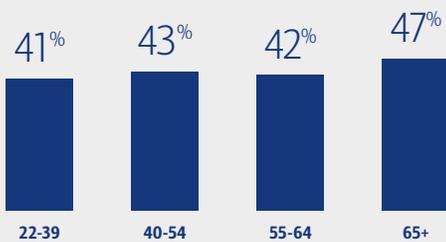
How age and income affect which resources women use

Reliance on an advisor does not increase with age, but it does with income. Not surprisingly, younger women prefer technology-based resources while older women shy away from them.

Key resources for investment decisions

Financial advisors

By age

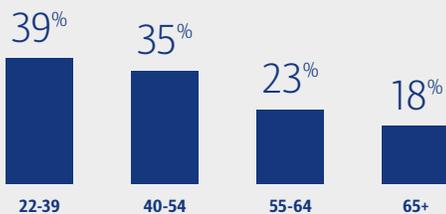


By income



Financial websites

By age

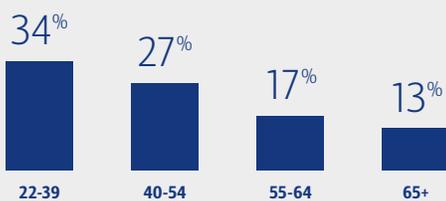


By income

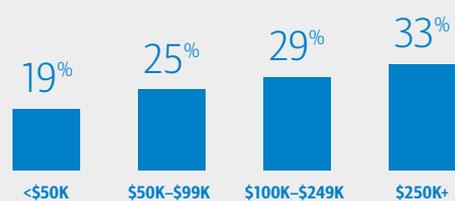


Technology-based solutions

By age



By income





Actions to consider

Taking steps to address women's unique financial challenges and improve financial wellness.

Take advantage of educational programs and resources to build knowledge of money matters, from basic finances to a focus on investing. Access resources online, on-demand or in the workplace to align with busy lifestyles.

Understand the benefits of starting financial planning early and consider products and services that can be helpful in planning, saving and investing for the future.

Seek out guidance and tools to help calculate how much might be needed in retirement and to identify sources of retirement income.

Access career guidance that can help manage career interruptions and minimize their impact.

Participate in women employee networks and events to share experiences and learn from other women.

Consider the advantages of working with a financial advisor vs. "going it alone."

Look for individualized resources and experiences that can meet needs across different ages, income levels and ethnicities.

About this study

Methodology

Ipsos conducted a 21-minute online survey among a representative sample of more than 3,500 women and more than 1,200 men age 22+ in February 2022. Quotas were enforced to ensure results were representative within gender by age, race, income and assets, marital status, employment status, and education. Survey content was developed by Ipsos in consultation with the Bank of America team. Bank of America, Merrill, their affiliates, and advisors are not affiliated with Ipsos.

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