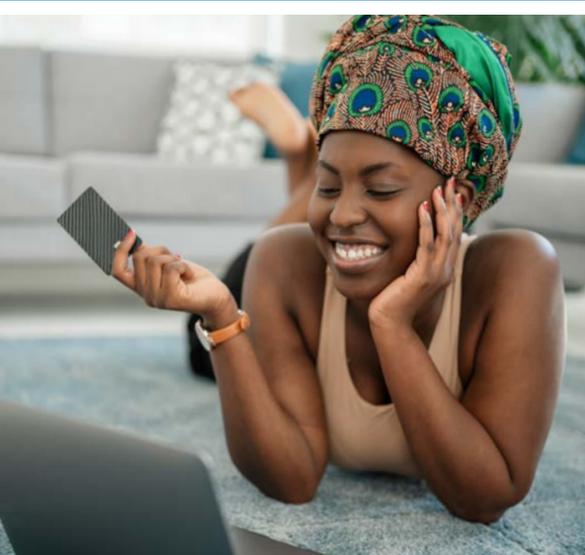


FIERCE, FEMALE AND FINANCIALLY EMPOWERED



It used to be that money management was considered the domain of the 'breadwinning male'. Women would manage the household and generally avoid discussing money matters. As we celebrate **National Women's Month this August**, let's seize the moment to take stock of how financially empowered we are, and find out how to get started on the road to financial freedom.

Financial literacy = financial freedom



In recent years, women have discovered how liberating it can be to be financially independent and involved in the planning and managing of their family's budget. Therefore, we are putting an emphasis on educating women about managing their finances.

Being financially empowered is not about how *much* money you have, but how you *manage* it. According to a 2021 Deloitte report, around seven out of 10 South Africans spend all their income (or more than they earn) every month. The South African Reserve Bank estimates that over 75% of our income goes towards paying off debt, while less than 30% of us manage to save anything at all. While this is partly due to our high unemployment and inflation rates, it is also because many of us lack financial literacy (knowing and understanding how to manage money), particularly regarding debt management, investment and retirement planning.

Why don't women put money first?

Women often place the needs of their families before their own, which may have a bigger financial impact on their lives at a later stage. An estimated 41.8% of South African households are headed by women. This shows just how essential it is for every woman to understand her financial position and secure her financial future.



Get financially empowered today



Financial literacy empowers you and those around you. So, how do you get started?

- **Keep an eye on debts** and make sure your expenses don't get out of control – spend for necessity rather than luxury.
- **Maintain a good credit record** so that you can have access to credit, should you need it.
- **Evaluate your current situation.** How much do you know about the household finances? What would happen in an emergency or the death of a family member?
- **Educate yourself.** Even if you're not a 'numbers person', there are resources available such as books, online apps and courses. Speak to a financial advisor at your bank or contact your employee wellness programme.
- **Communicate confidently and openly about money** with your family. Share and discuss your financial goals and plans.
- **Draw up a simple budget** to keep track of income and expenses. It should be flexible to accommodate unexpected expenses and include short- and long-term savings.
- **Assess the type of bank account** you have and whether it is appropriate for your stage in life i.e. student, married, have children etc.
- **Start saving for your retirement** as soon as possible.

Strategies for financial independence

- Check out **A Financial Literacy Masterclass by Momentum and FinEazy.**
- Read one of these books by South African authors:
 - *Smart Woman: How to gain financial independence and create wealth* by Sylvia Walker
 - *From Debt to Riches: Steps to financial success* by Phumelele Ndumo
 - *You're Not Broke, You're Pre-Rich* by Mapalo Makhu
- See this **Hello Doctor** article on making financial independence your goal.
- Remember that you can contact your employee wellness programme for financial planning advice.



The more financially literate you become, the more you can work smart choices into your life and the closer you will get to financial empowerment.

References

Global Financial Literacy Excellence Centre
Prosper.com
Personal Capital

The Banking Association South Africa
UBS Bank

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Let us stay mindful of caring for one another and ourselves