

# Women have unique needs in planning for the fiscal future

By TRACY SHERLOCK, Vancouver Sun February 20, 2012



From the time she is a teenager to the time she lives in an old age home, the No. 1 skill that will make a woman more financially successful is learning how to negotiate, says Tracy Theemes, a financial adviser who organizes the Wealth Academy for Women seminars.

“Whether it’s with her boyfriend at midnight, or at her first babysitting job, the first thing is not to be scared to have the conversation,” Theemes said.

Women often think the outcome of asking for what they want will be catastrophic, she said: They’ll lose their job if they ask for a raise, or they’ll get divorced if they ask their husband about the family’s finances.

Theemes, who co-owns Vancouver’s Sophia Financial Group, Raymond James with her partner Kamal Basra, said she focuses on women because they have fundamentally different financial needs than men.

They live longer, they earn less and they take more time out of the workforce to care for children. More importantly, they think about money differently, Theemes said.

Women think about money in terms of relationships — they consider it a tool to help the people they care about.

“Women see money as a means, not an end,” Theemes said, adding that when women come to see her for financial advice, the first thing they always mention is their family — whether they’re married, single or divorced and whether they have kids.

“With a man, it can be 45 minutes before I even know if they’re married, and then it’s usually because I can’t stand it any more and I ask,” Theemes said.

In many households, women take care of the task-driven money matters, like paying the bills or buying the groceries, but don’t have a sense of the big picture.

“Those same women who will know to a penny what their grocery bill is, will have no idea what type of mortgage they have, or what the asset allocation is on their RRSPs,” Theemes said.

“I consider that just part of the domestic drudgery — it’s not financial power at all.”

Money coach and certified financial planner Sheila Walkington, who co-founded Canada Money Coaches, agrees, saying it’s usually the women in the family who pay the bills and who worry about money.

“Men tend to look at the big picture, but it’s usually the women who do the detailed work. And usually they’re the ones who are willing to ask for help,” Walkington said. “Lots of people in Canada are feeling uncomfortable with their knowledge about money, but women tend to be less ashamed to ask for help.” One key difference between women and men is their retirement needs.

Women live longer than men, and those who make it to the age of 50 without a life-threatening illness have a life expectancy of 94, Theemes said.

According to Theemes, retirement occurs for women in four distinct stages, which are not age-specific. She’s termed them: productive engagement, Kilimanjaro, home is where the heart is, and living in community.

During the first productive engagement stage, women are working less, and often skimming the cream off the top of their jobs — doing the parts they love, but giving up the tasks they are not so keen on.

“These can be the happiest work years of your life because you’ve taken the stress out,” Theemes said, adding that income needs and spending remain about the same during this phase of retirement.

During the Kilimanjaro phase, women want to see the world and climb Mount Kilimanjaro. This will likely be the most expensive phase of retirement, Theemes said. The home is where the heart is phase sees women enjoy being close to home, while still live independently. Their income needs tend to go down during this phase.

In the community phase, income needs go up dramatically because women usually need to pay for care at that point, starting with a need for small supports.

“This is very different for men and women, because men tend to die first,” Theemes said, adding that women often end up paying someone to take care of them, just as they took care of their male partner.

Because of these fundamental fiscal differences throughout a woman’s life, Theemes organizes the Wealth Academy for Women, a one-day seminar to teach women what they need to know about finances. Theemes invites experts to speak on topics such as creating a banking relationship that works, or how to negotiate for what you want. The speakers volunteer their time, and all proceeds from the event go to Dress for Success, an organization that provides professional clothes to women in need.