This Women’s Day become friendly with Finance!!!

EXECUTIVE SUMMARY: Women today are getting competent with men in each and every field of work, yet when it comes to finance they feel insecure and transfer the responsibility of handling it on their family members. Financial matters are not discussed openly in families especially with women and this creates a sense of insecurity. This women’s day let us address some of the key reasons which do not let women become friends with finance.

Insecurity is a word that today’s women would not like to be associated with, at least not in the work space. Then why does it so happen that when it comes to finance this kind of insecurity is found in the majority of the women, despite being competent in each and every stream? When it comes to savings women are exceptional human beings who are best in cost-cutting, be it college tuition fees, finding better deals, etc. Today many of them have occupied a place in corporate world where some of them even earn better than their spouse. However when it comes to investment they admit that they are “not at all” aware of the market and different investment products. So what are the reasons for such low confidence in financial world even after having the ability to work for a huge amount of time? Let us look at some of the key reasons:-

1. Lack of open discussion on financial education: How many women were taught about finances when one was growing up? Due to traditional times, open discussion regarding financial matters is still not necessitated with women being a part of them. This inculcates a fact which may not be true in the minds of girls, which is, that men are the master-minds in this, and it’s only them who can handle these “important” matters. Women who are confident about investing opine that one should get the basic knowledge from the start, either by working on it individually or discussing it with a friend or a relative.

2. Women are always intimidated by investing: Women are risk averse in the job front, but they are more in money matters. In spite of knowing that women may live longer than men, they do not have enough investments made to be served on retirement. Many behavioural finance studies have shown that most of the women tend to have less confidence when it comes to investing than men do. Neither is one ready to do research on the investment matters, nor does one have the confidence to take risk of investing in the risky investments. The famous term namely “confidence gap” severely hinders a woman’s portfolio. More than 60 percent of the women only prefer investing in those financial products that gives guaranteed returns. Because of this, women tend to underinvest in
risky assets. Taking a lot of risk isn’t always a good thing. However, even no risk do not give the guarantee of safety of capital. So diversify and stay safe.

3. **Women consider themselves responsible for family planning**: Sometimes women do not prioritise themselves and always consider themselves responsible for taking care of the adult parents or the young children. It is necessary for them to consider their personal goals also while planning for future. One can make note of the standard airline advice to put one’s own oxygen mask before assisting someone else. If one is struggling to earn money and cannot take care of themselves, then it becomes difficult to take care of others as well. There are always goals like being an entrepreneur, travelling across the world, purchasing a house in the outskirts for staying during retirement, which can also be achieved. So prioritise your life and live your dreams.

Getting friendly with finance is not a difficult task. Anyone can become expert with knowledge and experience. Today’s women are the best examples of the maximum number of skills one can pursue, be it taking care of the family or work. Financial knowledge is a small difficulty that has to be crossed and with little interest it can also be handled by today’s women.