

# RETIREMENT PLANNING TIPS FOR WOMEN



Women have different retirement concerns than men, which is understandable when you consider the challenges they face in achieving a financially secure retirement. Income disparities and time out of the workforce are among factors that will reduce retirement savings as well as Social Security and employer-provided retirement benefits. At the same time, longer lifespans will necessitate more savings to produce additional years of retirement income.

According to a recent study\* on women's retirement-planning perspectives by the Insured Retirement Institute (IRI), 8 in 10 women have concerns about saving enough for retirement, with the majority, 54 percent, saying they are "very concerned." The report also found that women, compared to their male counterparts, have more concerns about financial issues and their ability to retire. For example, 54 percent of women are very concerned about being able to retire when they want to, and 53 percent of women are very concerned about being able to afford the lifestyle they want throughout retirement. This compares to 34 percent and 36 percent of men, respectively.

**Longer life and longer disability:** According to the IRI study,\* women outlive men who are the same age by three to four years on average, and as a result, make up the majority of older Americans. And more of their longer life is expected to include some form of disability. Males age 65 are expected to spend 1.5 years with mild or moderate disability and 1.5 years more severely disabled. In contrast, women age 65 are expected to spend 3.0 years with mild or moderate disability and 2.8 years more severely disabled.

**Planning horizons inadequate:** Although women are expected to live longer, they tend to plan for about the same period of time as men

To overcome these challenges, women need to channel their concerns into positive actions. Here are some tips for women to better address these issues:

1. Participate with your partner in employee benefit plan decisions and in elections when there are choices.
2. Think about the retirement security issues that apply when making decisions about leaving or taking a job, and about getting married or getting divorced. Pay particular attention to retirement issues at the time of divorce.

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3. Build a retirement plan that works not only for you as a couple, but also for both individuals if you are not together. You should also plan for the remaining life of the longer-lived member of the couple.
4. Consider risks and shocks including the need for long-term care, disability, major health expenses and investment risk planning.

Be sure to talk to your financial professional who can help you and/or your spouse understand the risks women face and plan for a successful financial future.

*\*Information taken from “Women’s Perspectives on Saving, Investing and Retirement Planning,” a study conducted by the Insured Retirement Institute (IRI), November 2015. [Click here to view the full study.](#) The facts from the source used herein are believed to be true and accurate, but DBHC and the authors of this newsletter cannot guarantee accuracy.*

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