



HERMONEY

**Alliance for
Lifetime
Income**

The State of Women in 2022

Chapter 5

Nov 14, 2022

Outline

	<u>Page</u>
▶ Objectives, Methodology & Top Findings	3
▶ Insight 1 Two-thirds of women see a U.S. recession ahead, but plan to double-down on retirement savings	6
▶ Insight 2 Women seek control of the purse strings—and clock	11
▶ Insight 3 Working women are willing to make short-term trade-offs for their financial futures	15

Objectives & Methodology

How do women feel about their money? Their work? Their futures? A Recession?

After years of making progress on closing gaps, climbing ladders and shattering ceilings, we're learning (and hearing) how the pandemic has set women back. It's why HerMoney and the Alliance for Lifetime Income went straight to the source to survey The State of Women in 2022.

Our Goal: Determine how women are really feeling – especially when it comes to their finances.

METHODOLOGY

Chapter 5 of The State of Women 2022 is based on an online study conducted in October of 2022 of over 1,100 women who are members of the HerMoney community. They range in age from 18 to 75, most are college educated and employed full time. Nearly two-thirds are married or partnered.

Throughout this report numbers are rounded to the nearest whole number and may not sum to 100%.

Meet the HerMoney Community

An engaged group of problem-solvers, and proud of their financial accomplishments.

- ▶ **Over 1,100** female members from the HerMoney community.
- ▶ They represent a broad mix of ages and stages:
 - 27% are Millennials, ages 25-44
 - 32% are Gen X, ages 45-54
 - 39% are Boomers, ages 55-74
- ▶ They're highly educated: **49%** have graduate degrees.
- ▶ They're affluent: **40%** have annual household incomes of **\$150,000 or more** – **25%** have incomes of **\$200,000 or more**.
- ▶ They have money to invest: **67%** have household investable assets of **\$250,000 or more** – **26%** have **more than \$1,000,000**.
- ▶ **52%** are married and another **11%** are in committed relationships, while **16%** are single (never married), **16%** are divorced and **5%** are widowed.

Top Findings

Ninety-two percent plan to maintain or increase their 401(k) and IRA contributions even if the U.S. enters a recession.

01

Two-thirds of women see a U.S. recession ahead, but plan to double-down on retirement savings

02

Women seek control of the purse strings—and clock

03

Working women are willing to make short-term trade-offs for their financial futures

A woman in a white lab coat is looking out a window at a clothing store. The scene is dimly lit, with the window showing various garments hanging on racks. The overall mood is contemplative and professional.

Insight 1

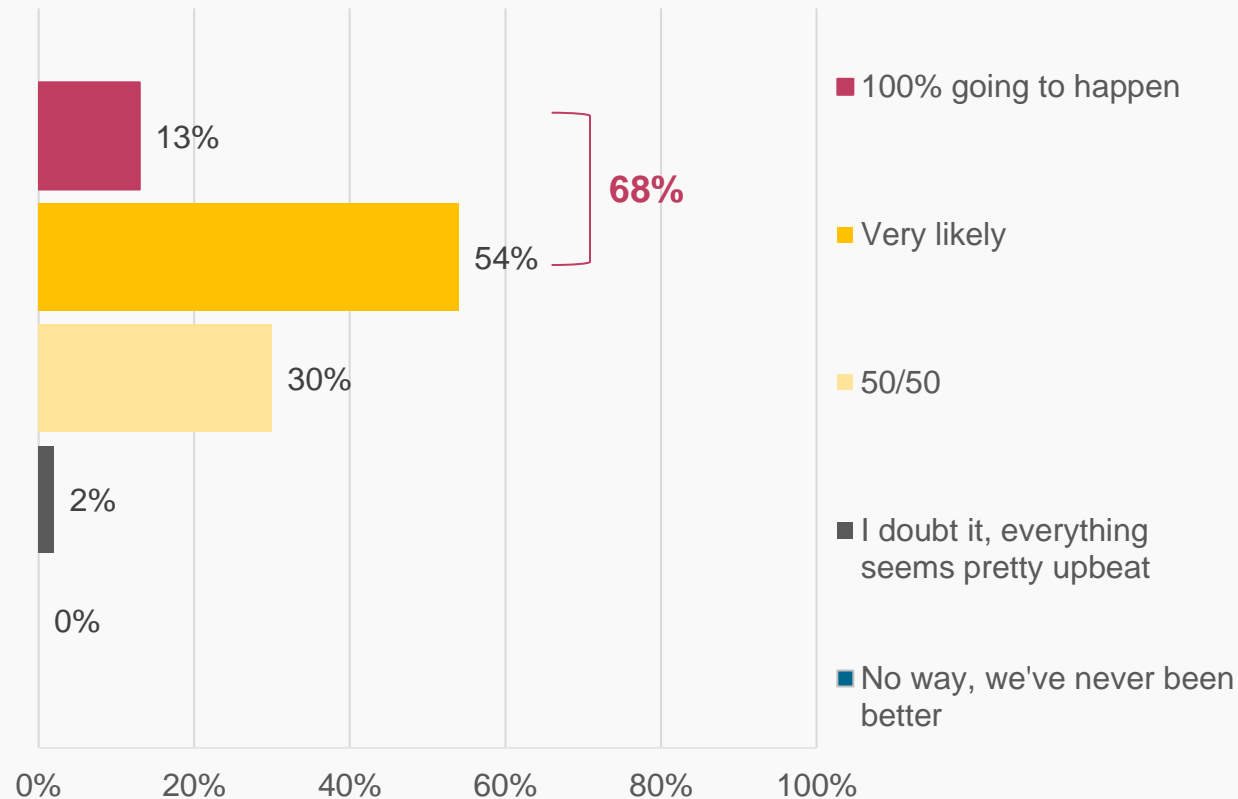
Two-thirds of women see a U.S. recession ahead, but plan to double-down on retirement savings

Two-thirds of women see a U.S. recession ahead, but plan to double-down on retirement savings

Sixty-eight percent of women see a U.S. recession ahead.

Q.

What are America's chances of a recession before the end of the year?



2%
say they doubt
a recession is
imminent

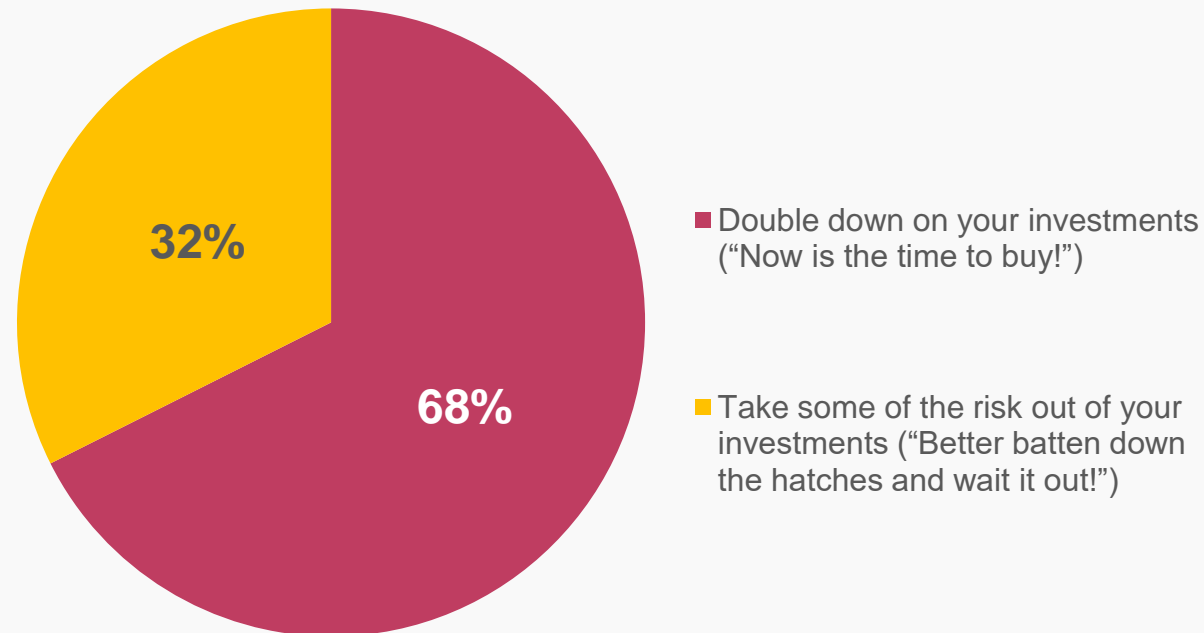
Two-thirds of women see a U.S. recession ahead, but plan to double-down on retirement savings

Over two-thirds of women plan to double down on investments during an economic slump.

Q.

When the country is in an economic slump, do you...

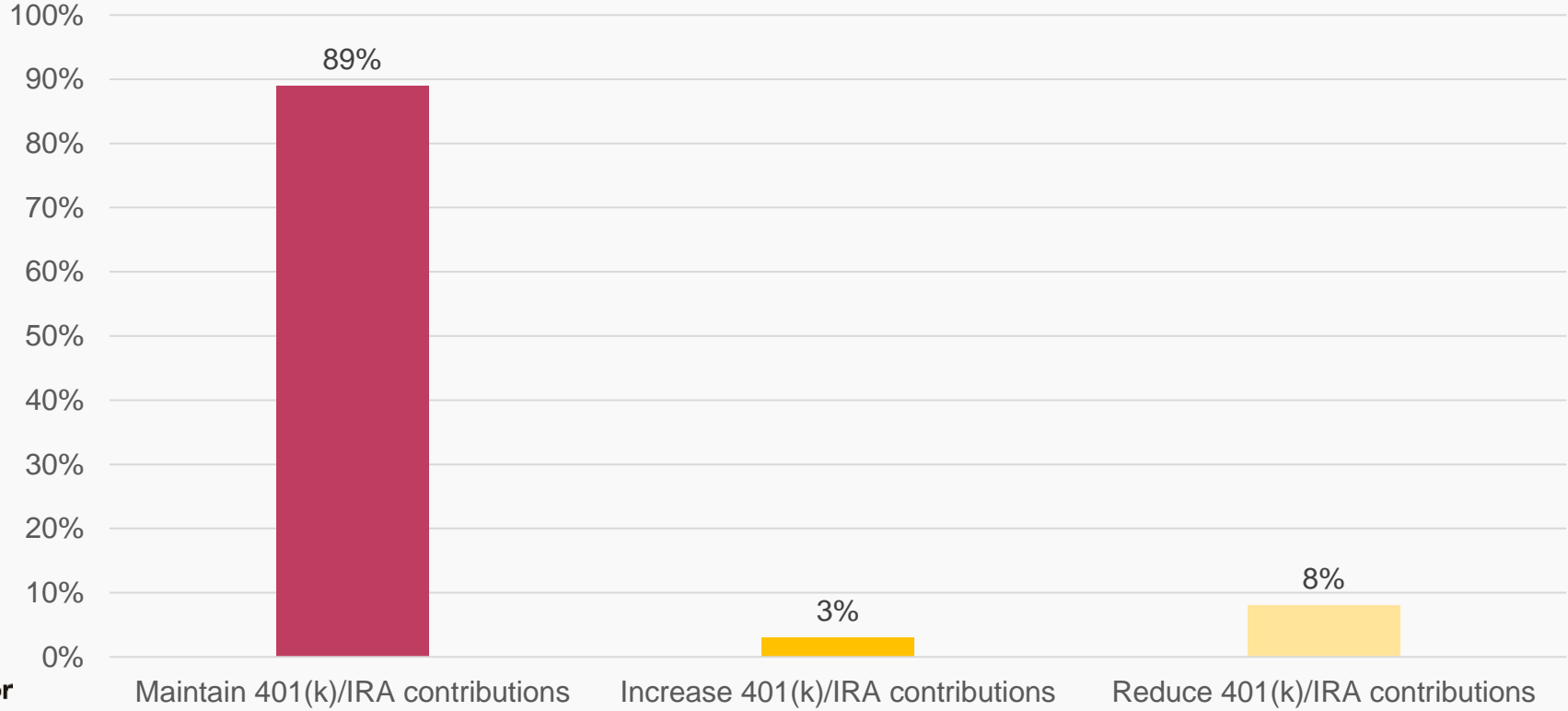
Double Down vs. Batten Down the Hatches



Two-thirds of women see a U.S. recession ahead, but plan to double-down on retirement savings

Despite a cloudy outlook, 92 percent of women plan to maintain, or even increase, their contributions to retirement accounts including 401(k)s and IRAs.

Q.
If the U.S. enters a recession, will you:

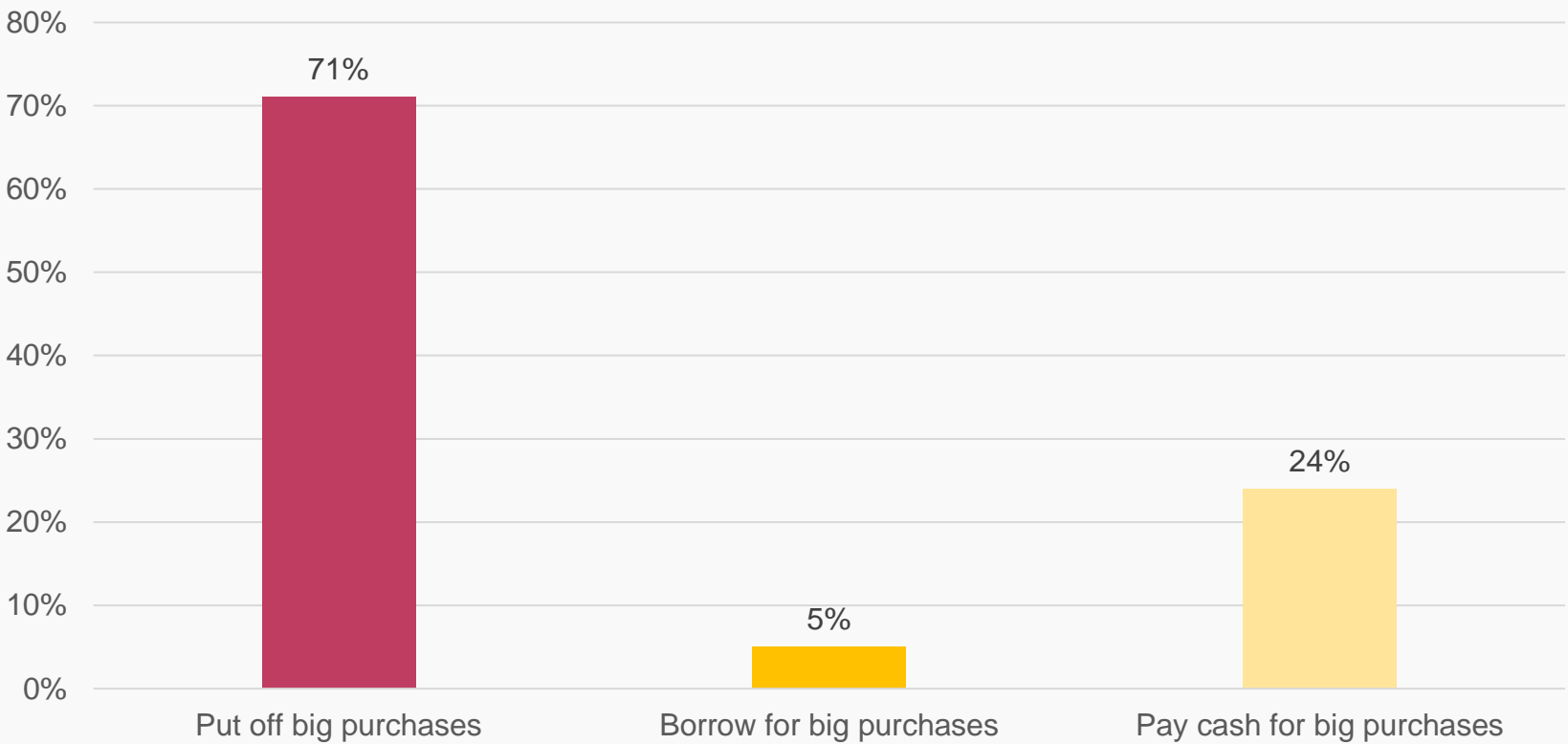


Two-thirds of women see a U.S. recession ahead, but plan to double-down on retirement savings

If the U.S. enters a recession, women are willing to be conservative elsewhere.

Q.

In terms of big purchases in the coming year, if the U.S. enters a recession, will you:





Insight 2

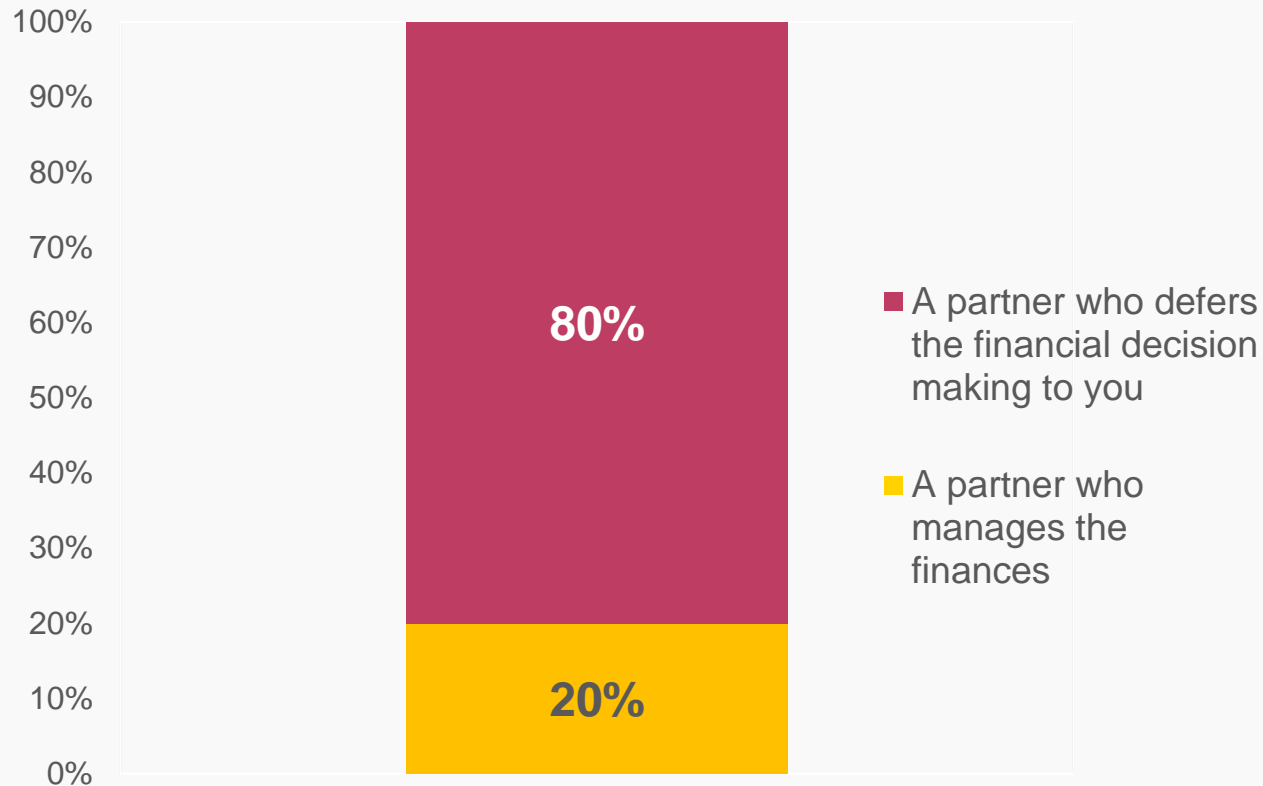
Women seek control of the
purse strings—and clock

Women seek control of the purse strings—and clock

Four out of five women prefer making the financial decisions themselves versus deferring to a decision-making partner.

Q.

Which would you choose?



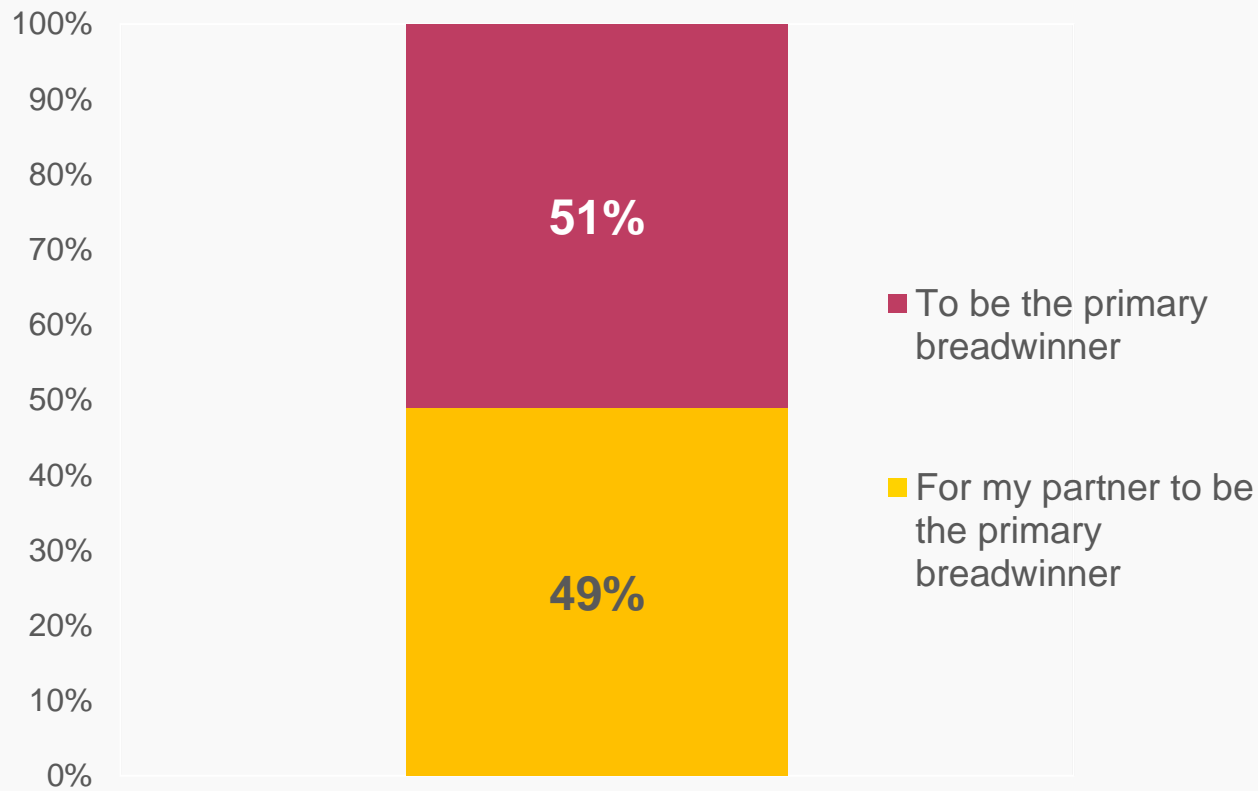
This belief is consistent whether currently partnered or single:
81% Partnered
79% Single

Women seek control of the purse strings—and clock

However, they don't mind sharing the breadwinner role.

Q.

Which would you choose?



This belief is consistent across generations:

- 48% of Millennials**
- 52% of Gen Xers**
- 47% of Boomers**

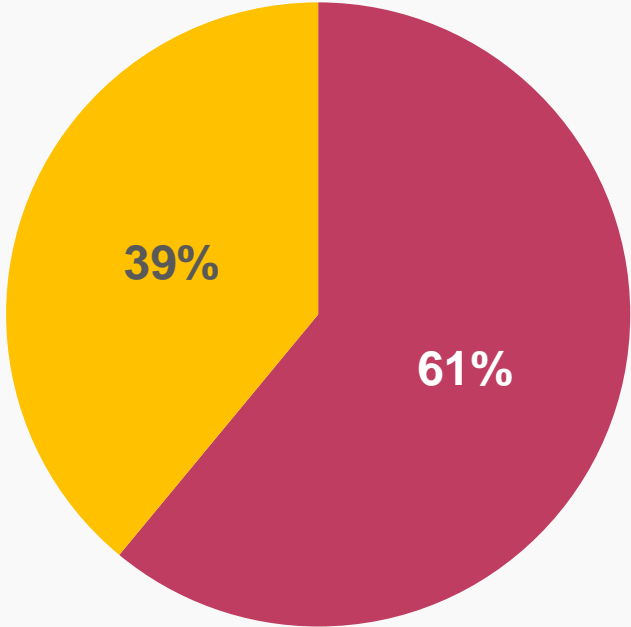
Women seek control of the purse strings—and clock

Women are also overwhelmingly focused on taking control of their time.

Q.

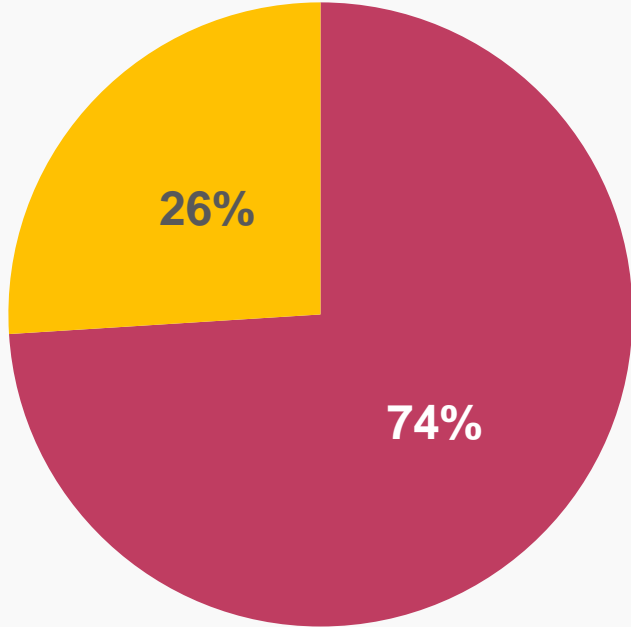
Which would you choose?

Money vs. Time



- Earning 10% less money, and having 10% more time
- Earning 10% more money, and having 10% less time

Money vs. Stressful Job



- Earning less money in a low-stress job
- Earning more money in a stressful job

A photograph of two women in business attire, one with white hair and glasses, the other with dark hair, engaged in a conversation. The image is dimmed and serves as a background for the text.

Insight 3

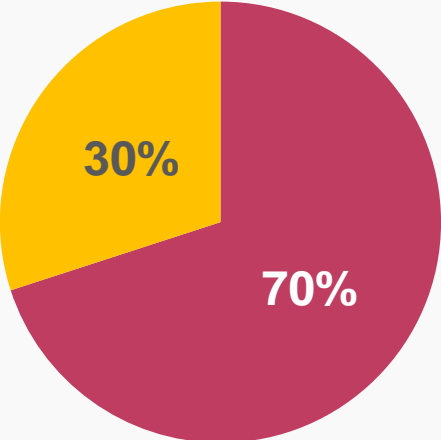
**Working women are willing to
make short-term trade-offs for
their financial futures**

Working women are willing to make short-term trade-offs for their financial futures

A notable majority of working women are willing to make the following short-term sacrifices for their retirement.

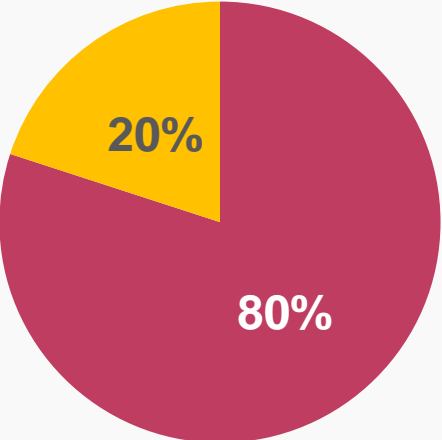
Q. Which would you choose?

Max Out 401(k)



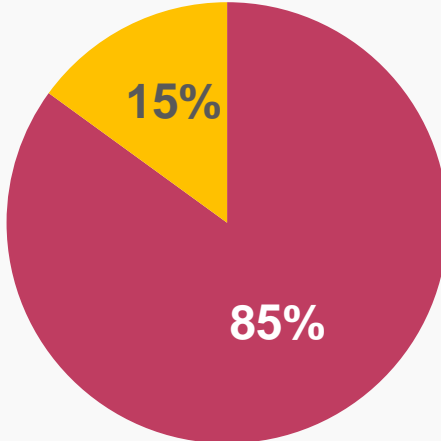
- \$20,500 for maxing out your 401(k) this year
- \$20,500 to achieve a short-term goal this year

Max Out IRA



- Maxing out your IRA for the year
- A \$6,000 luxury item or experience

Delay Social Security

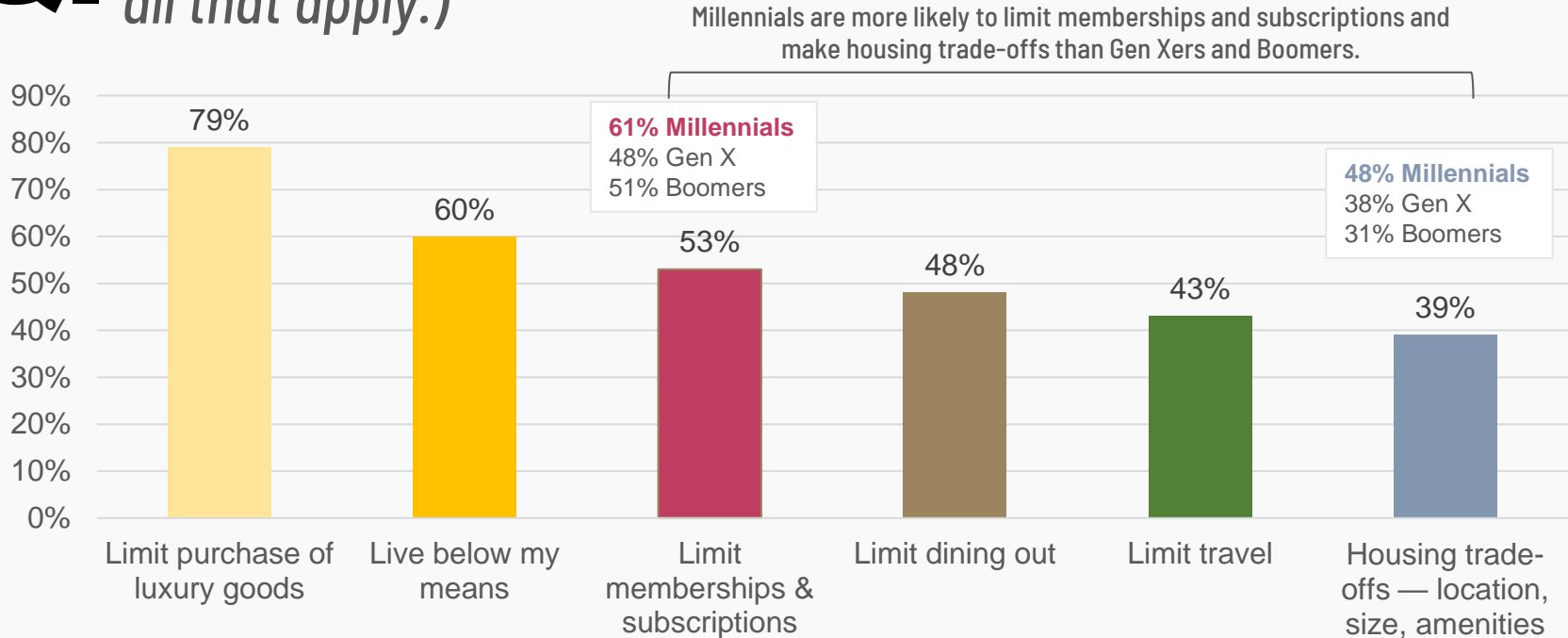


- Delay Social Security to increase the amount of your benefit over time
- Take Social Security to get your money right away

Working women are willing to make short-term trade-offs for their financial futures

The top trade-offs working women make to save for retirement are limiting purchases of luxury goods, followed by living below their means.

Q. Which trade-offs do you make to save for retirement? (Select all that apply.)



83% would choose a portfolio with reliable retirement income over a risky portfolio with potential for higher returns