

Northwestern Mutual Study Finds Women are More Cautious with Their Finances than Men, Yet 63% Still Feel Their Planning Needs Improvement

MILWAUKEE, June 13, 2012 /PRNewswire/ -- While there is still more progress to be made, women have taken enormous strides in business, the workplace, on university campuses and more over the last several decades. Today, women are starting businesses at twice the rate of men[1]; they are more likely to graduate from college and hold a graduate degree[2]; and they have become the principal decision-makers when it comes to household finances[3]. Yet, according to results from a recent study sponsored by Northwestern Mutual, women's approach to financial planning may have some catching up to do with the rest of their lives.

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Northwestern Mutual found women are more likely than men to feel their financial planning needs improvement (63% vs. 54%) and more likely to consider themselves "informal" planners (41% vs. 35%). Perhaps most strikingly -- despite having longer lifespans than men, women feel less financially prepared to reach age 75 (48% vs. 65%), 85 (37% vs. 55%), and 95 (30% vs. 43%).

While women are more likely to feel their planning needs improvement, they're approaching their finances more cautiously than men. Far and away, for both men and women, the most preferred approach to saving and investing is "slow and steady wins the race" (36%). Yet women are more likely to have a strong preference for safe but lower returns with very low risk, over high returns with high risk (44% vs. 35%).

Moreover, among Americans taking steps to become more financially secure in 2012, women are more likely to make "building up an emergency fund" a financial priority (61%), as compared to men (54%).

"There are some good signs here -- particularly in women's recognition that their financial planning needs more attention," said Rebekah Barsch, Northwestern Mutual vice president. "But as is the case with everyone we surveyed, not just women, there is a distinct need to bring more focus and discipline to the financial planning process."

In other findings of the study, Northwestern Mutual found:

The majority of Americans are taking steps to pay down their debt (62%), develop a budget (61%), save a portion of their paycheck regularly (58%) and build up an emergency fund (58%).

Younger Americans (25-59) feel less prepared than older Americans (60+) to live to 75 (47% vs. 79%), 85 (37% vs. 66%), and 95 (29% vs. 52%).

Among priorities for improvement in 2012, finances (43%) jumped seven percent from 2011 and came second only to personal health (48%). This was well ahead of spending time with family and friends (31%), career (12%) and education (5%).

About the Research

Northwestern Mutual sponsored a series of studies to evaluate the state of financial planning in America, and people's progress toward reaching their long-term financial goals. Independent research firm [Ipsos](#) conducted the online survey of 1,015 Americans aged 25 or older between February 2 and February 13, 2012 via a systematic random sample of U.S. adults. Results were weighted as needed to U.S. Census proportions for age, gender, marital status, household size, region and household income. A full methodology is available on request.

About Northwestern Mutual

The Northwestern Mutual Life Insurance Company -- Milwaukee, WI ([Northwestern Mutual](#)) -- among the "World's Most Admired" life insurance companies in 2012 according to FORTUNE® magazine -- has helped clients achieve financial security for more than 155 years. As a mutual company with \$1.2 trillion of life insurance protection in force, Northwestern Mutual has no shareholders. The company focuses solely and directly on its clients and seeks to deliver consistent and dependable value to them over time. Northwestern Mutual and its subsidiaries offer a holistic approach to financial security solutions including: [life insurance](#), [long-term care insurance](#), [disability](#)

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[1] U.S. Department of Commerce Economics and Statistics Administration

[2] The White House Council on Women and Girls

[3] Catalyst

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