



## **5 Challenges for Women Managing Major Life Transitions**

## Types of Financial Life Transitions



Widowhood

Retirement

Divorce

Inheritance

Sale of a Business

Career Change

*Nearly two-thirds of women between the ages of 40 and 79 have experienced a major financial transition, according to AARP.*



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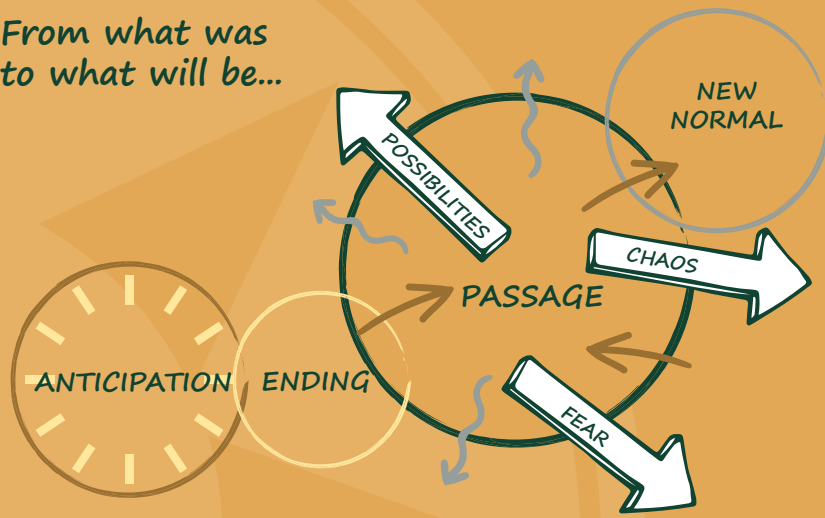
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Life transitions take longer and are more complicated than most people realize.



## Transitions have Four Stages

*From what was  
to what will be...*



## Why Is Change So Hard?

Individuals tend to move back and forth through the stages, re-cycling through them until the change becomes fully established.

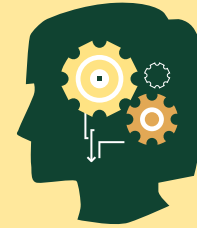
Leaving behind what we know and are used to is almost always stressful, even if we've made the change ourselves.

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Heightened emotions  
and stress can lead to  
poor decision-making.

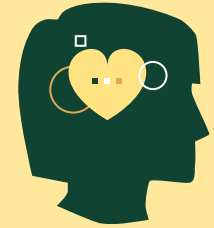
## Two sides of money

The personal side drives decision making.



### TECHNICAL

Taxes, Investments,  
Estate Planning, Cash  
Flow, Risk Management



### PERSONAL

Relationships, Emotions,  
Hopes & Dreams, Self-Esteem,  
Sense of Well-Being

## What's Going On?



**STRESS**



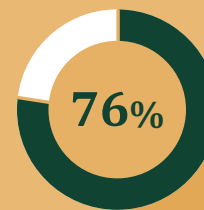
**EMOTIONS**



**RELATIONSHIPS**



**FINANCES**



76% of widows and  
divorcees wished they had  
been more involved in long-  
term financial decisions.

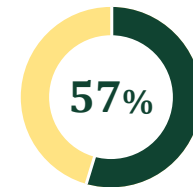
2019 UBS Own Your Worth Survey



# 3

## Life transitions expose financial vulnerabilities.

- Lack of experience causes stress.
- New choices create overwhelm.
- Risk of exploitation.
- Missed opportunities.
- Important decisions ignored or delayed.
- Hasty decisions.



### Confidence Gap

57% of women say they wish they were more confident in their financial decision making.\*\*

# 4

Personal well-being  
may be compromised.



- Physical and mental fatigue.
- Feelings of isolation and loneliness.
- Lost sense of identity.
- Difficulty making decisions.
- Easily overwhelmed.
- Drifting from core values.

*May experience a  
failure to thrive.*

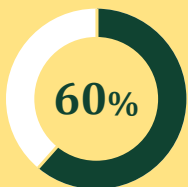
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## Women are under served by the financial services industry.

Women **invest** their savings 40% less often than men.



The number of wealthy women in the United States is growing twice as fast as the number of wealthy men.



Sixty percent of wealth in the United States is owned by women.



8 out of every 10 women will end up on their own and in charge of their own finances.

### Financial Services Industry Today:

- Only 15-20% of advisors are female
- Focus on performance and transactions
- Lack of transparency
- Use of jargon
- Lack of education directly relating to women's lives and challenges



Women think about money and wealth differently than men.



Focus more on family and charity.



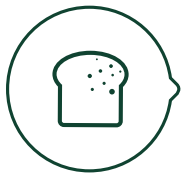
Want a personalized holistic approach.



Value education and don't want to be sold.



Want interaction and want to be part of the process.



They feel the squeeze of the Sandwich Generation.



Security and freedom are 15 to 20 times more important to women than status and respect, which are the two biggest motivators for men.





# Widow Case Study

Age 50, Two teenage children, Life insurance, Investments, Big Home and Lake home

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## Ending

### Absorbing the shock of change

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**Time Frame:** 2 years

#### How She Feels

Grieving, numb, emotional, overwhelmed. Difficulty making decisions, fear of her ability to care for her family. Lack of follow through. Desire to preserve the family lifestyle.

#### Challenges

Feelings of overwhelm and lack of attention. Decision making ability may be impaired by stress and emotions. Vulnerable to misguided advice. Health issues can arise with no self-care.

#### How We Help as CeFT®

Provide a safe and comfortable space to discuss what has changed. Validate how stress affects both your physical and emotional state. Assistance in change management; organize and prioritize the “to do” list, handle tasks, and determine if any big decisions need to be made. Create space to absorb your new reality.

#### How We Help as CFP®

Assess cash flow needs and income sources. File for benefits. Retitling and estate organization. Inventory accounts. Put life insurance proceeds in a safe account. Risk Management and Tax Planning so there are no surprises. Coordination with other advisors.

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## Passage

### Re-imagining and beginning to feel alive again

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**Time Frame:** 2-10 years

#### How She Feels

Cognitive function normalized. Re-defining sense of self and purpose. Discomfort in not being ready to move forward. Gaining confidence. When do I get to be me again, and not just a widow?

#### Challenges

Finding a community to support growth. Emotions and outside pressures can cause regrettable decisions. Low resiliency; transition fatigue. Not ready to make changes.

#### How We Help as CeFT®

Patience and understanding that transitions take time. Help her rediscover life on her own and what brings her joy. Defining her values and priorities to align her money decisions. Determine the importance of the houses in the life of her family. Small decisions help her build confidence. Help her manage the expectations of others. Provide resources and support options.

#### How We Help as CFP®

Financial plan to stress test her life and financial options. Create a plan for funding college. Develop and execute an investment strategy that fits her new reality. Work with her attorney to update her estate plan. Multi-year cash flow plan to help with decision making.

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## New Normal

### Emerging and reclaiming your wholehearted self

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**Time Frame:** 10+

#### How She Feels

Clarity with a new vitality. Independence. Consistent behavior. Confident decision making. Emotions may trigger relapses back to passage.

#### Challenges

Struggles with identity. Changing life too quickly. Setting appropriate expectations with children. Fear and family pressures may delay the start of her new life.

#### How We Help as CeFT®

Celebrating her successes. Identity strengths gained from this experience to build resilience. Work to help her visualize what’s next in reinventing her life. Gratitude and appreciation for her journey. Patience and understanding that transitions take time. Help her set clear expectations with friends and family. Provide resources and support options.

#### How We Help as CFP®

Long-term financial planning illustrating freedom to live new life. Advanced estate planning, charitable planning, and legacy discussions. Identify children’s needs and strategize how to help. Intergenerational wealth planning & management.

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At Northstar, we have the BOTH the personal and financial expertise to support women managing major life transitions.

Our advisors are **CERTIFIED FINANCIAL PLANNER™** professionals. The recognized standard of excellence for competent and ethical personal financial planning.

*Our unique service model helps to build resiliency and improve personal and financial well-being.*



### **Certified Financial Transitionist®**

Our advisors have the critical skills necessary to help clients manage the challenges and embrace opportunities for growth and renewal.

## How We Help

- ✔ Avoid costly mistakes that can have long-term consequences.
- ✔ Reduce complexity and overload.
- ✔ Identify goals, values, and priorities.
- ✔ Plan for the future.
- ✔ Grow, protect and preserve wealth.
- ✔ Think through options and possibilities.
- ✔ Industry knowledge of what needs to be done.
- ✔ Assistance with completion of tasks.
- ✔ A supportive environment to experience change.

## Outcome for Client

- ✔ Stronger sense of personal and financial well-being.
- ✔ Long-term financial security.
- ✔ Better decisions and reduced regret.
- ✔ Increased confidence and optimism.
- ✔ Freedom to focus on what matters most.
- ✔ Capacity to absorb a financial shock.
- ✔ A strong trusted relationship to discuss money and life.
- ✔ Peace of mind for you and your loved ones.

***[www.northstarfp.com](http://www.northstarfp.com)***





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Our dedicated team of Fee-Only CFP® professionals take a holistic approach to Wealth Management and Financial Transitions Planning and work collaboratively to provide the highest level of personalized planning and service.



\* "Own your worth." <https://www.ubs.com/content/dam/WealthManagementAmericas/documents/2018-37666-UBS-Own-Your-Worth-report-R32.pdf>. 21May 2019

\*\* June 24, 2019

Despite Rising Influence, Women Report Steady Decline in Financial Confidence  
New Findings from Allianz Life's 2019 Women, Money and Power Study Show Women Are on a Downward Trajectory with Money Matters.

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