



Unveiling the Unspoken Truth

The Financial Challenges Women Face During and After Divorce



*Women currently control 51%, or **\$14 trillion**, of personal wealth in the U.S. and are expected to control **\$22 trillion** by 2020.*

*Despite increases in wealth, the path to **financial security** for divorced women has many obstacles.*



*Financial challenges as a result of divorce are common, as the income that supported **one household is split and must support two.***

Financial Headwinds of Divorce

Financial Headwinds of Divorce



After divorce, the average woman's income falls by more than a **fifth**.

Money After Divorce

Over half (52%) of respondents experienced a downward shift in their standard of living.



Financial Headwinds of Divorce



3 out of 4 divorced mothers do not received full payments for child support.



Financial Headwinds of Divorce



Research suggest that women usually do not fully recover from the financial consequences of divorce.



About the Study

Francis Financial conducted a study on women who have gone through, or are in the process of going through, divorce.





Goals

Reveal the emotional, legal, and financial challenges that women face.

Better support divorcing women and educate industry professionals on how to best work with clients going through this process.



About the Participants

About the Participants

150

Participants

49

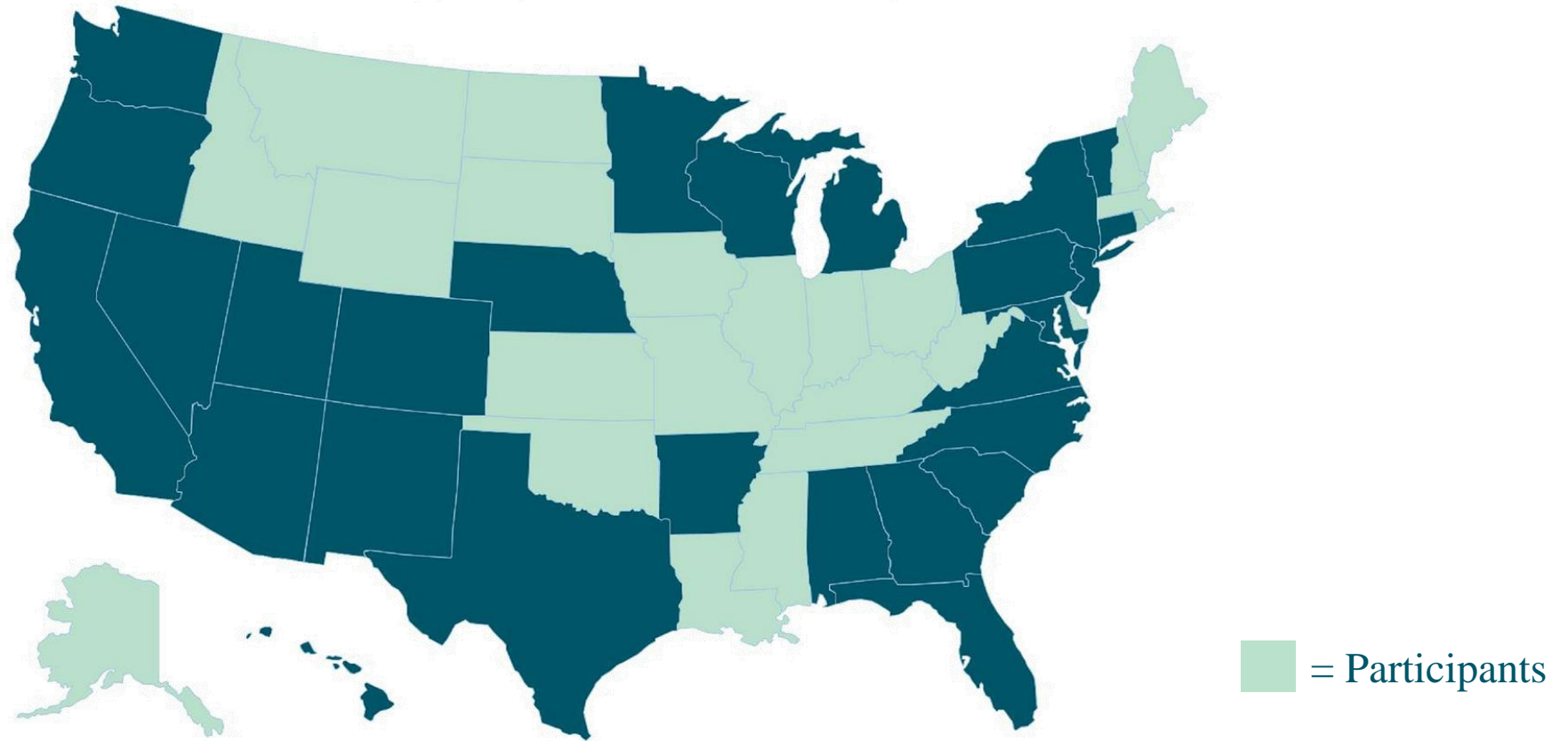
Average Age

10 years

**Average Length
of Marriage**

About the Participants

Geographic Diversity



About the Participants

85%

**Employed Full
or Part-Time**



81%

**Divorce
Finalized**



84%

**Had
Children**



About the Participants

About half
\$500K
Net Worth



Money Concerns During the Marriage

What was the WDM participants biggest financial concern when they were married?

Children & Family **A**

Debit & Credit Cards **B**

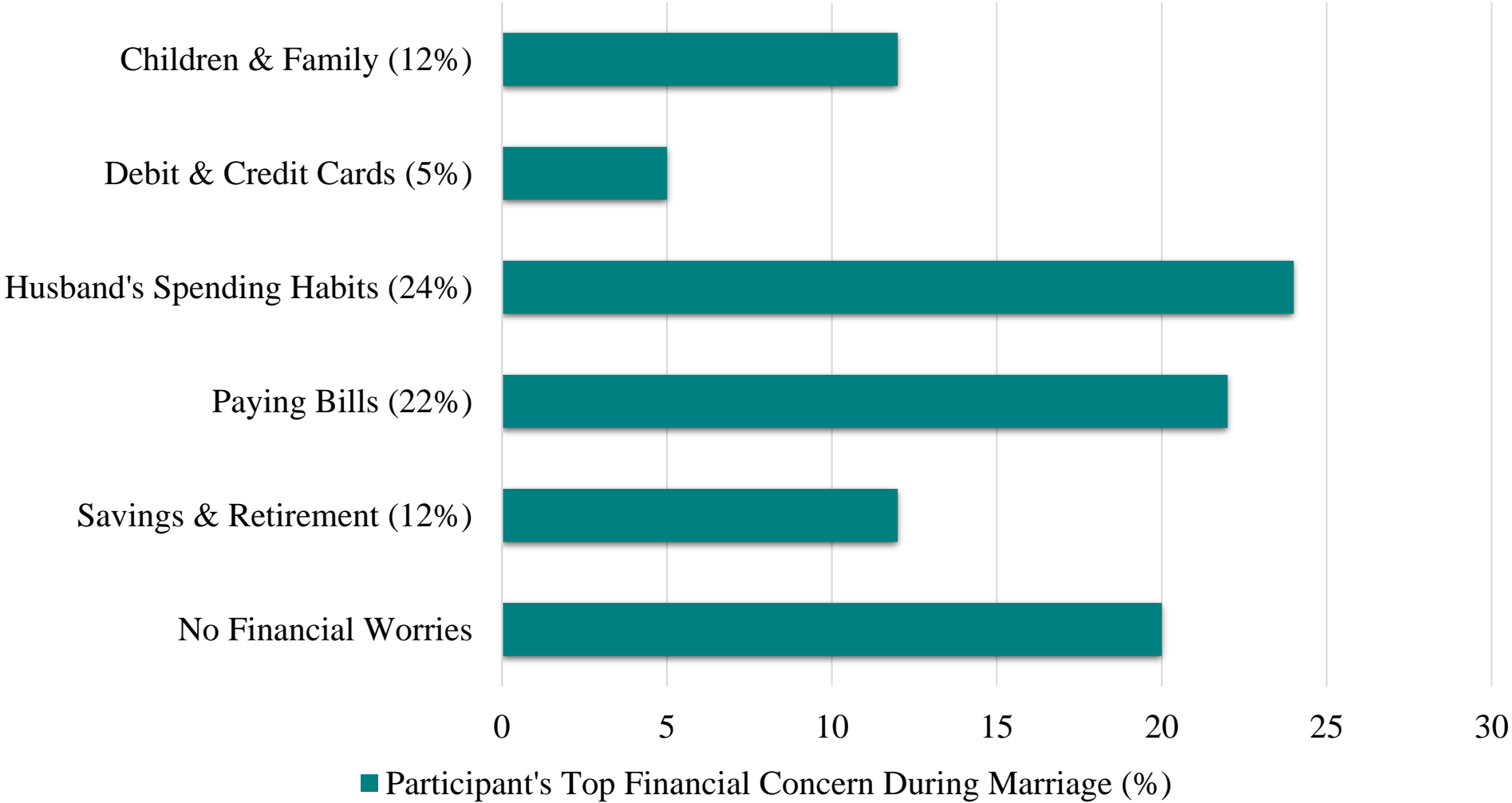
Husband's Spending
Habits **C**

Paying Bills **D**

Savings & Retirement **E**

No Financial Worries **F**

Money During the Marriage



Money Concerns During Divorce

Biggest Concerns During Divorce

#1

***MONEY** issues ranked as the number one worry for women during divorce.*



Even topping concerns about children.

What was the WDM participants biggest concern during divorce?

Living Situation **A**

Health Insurance **B**

Career **C**

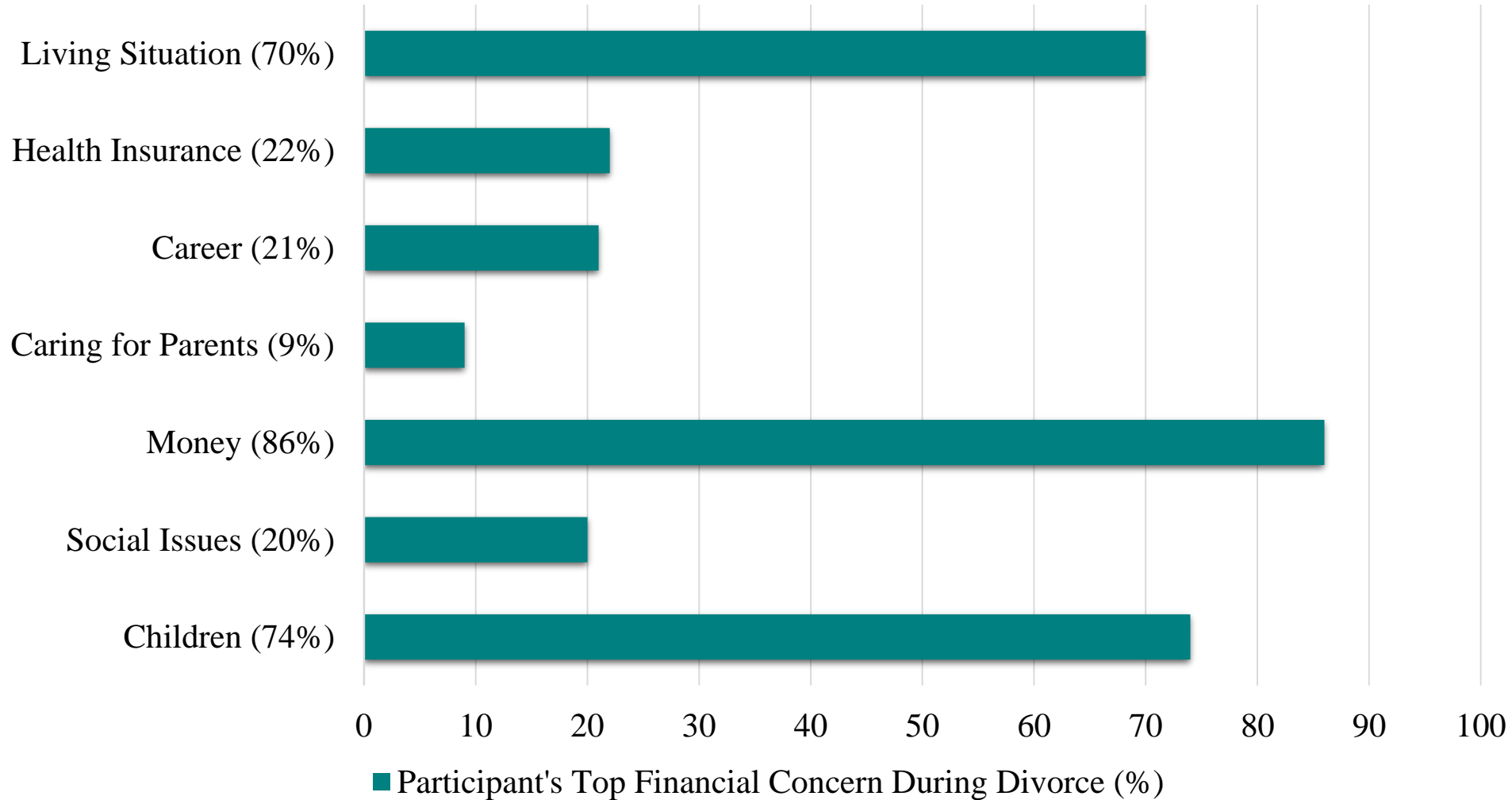
Caring for Parents **D**

Money **E**

Social Issues **F**

Children **G**

Money During Divorce



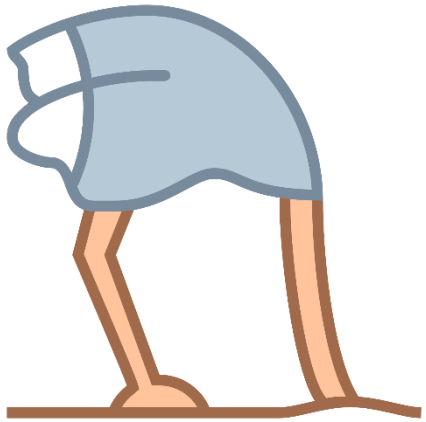
Money Concerns After Divorce

Money After Divorce



52% Do not feel financially secure.

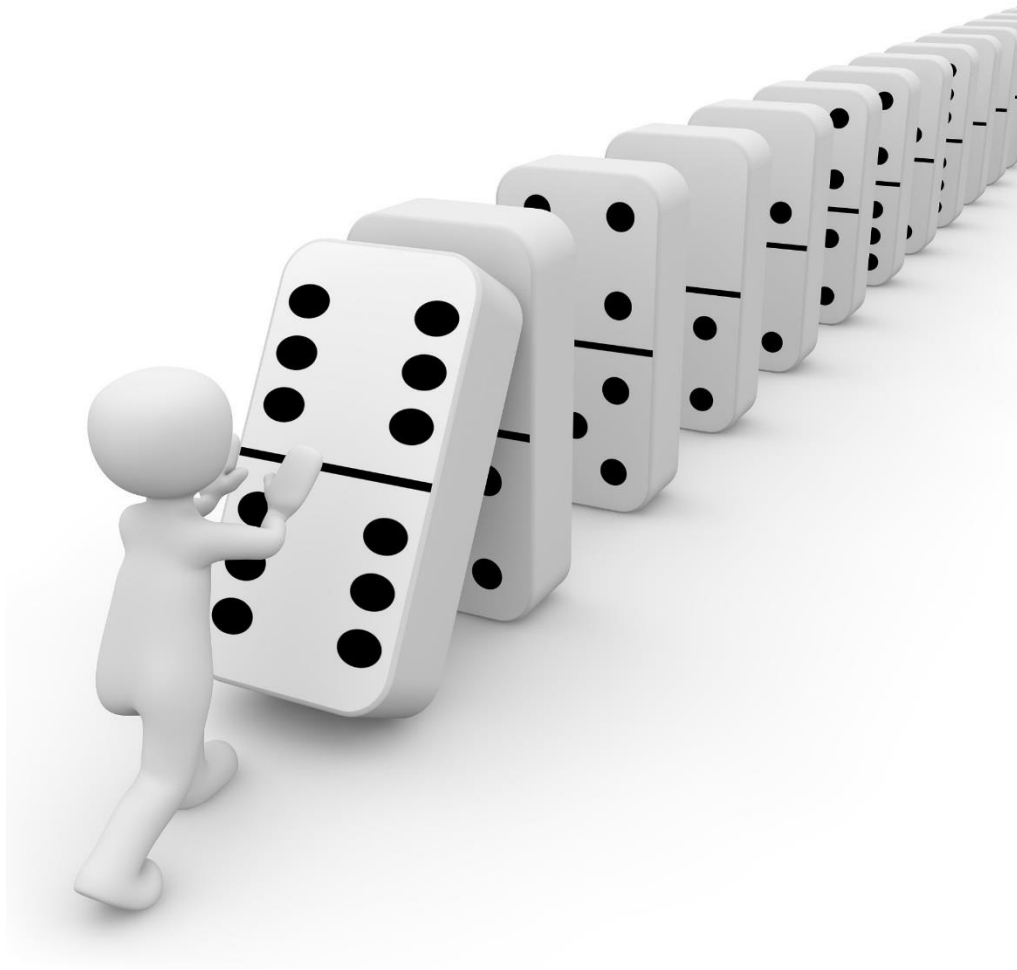
15% Do not understand their financial situation enough to know if they should be worried.



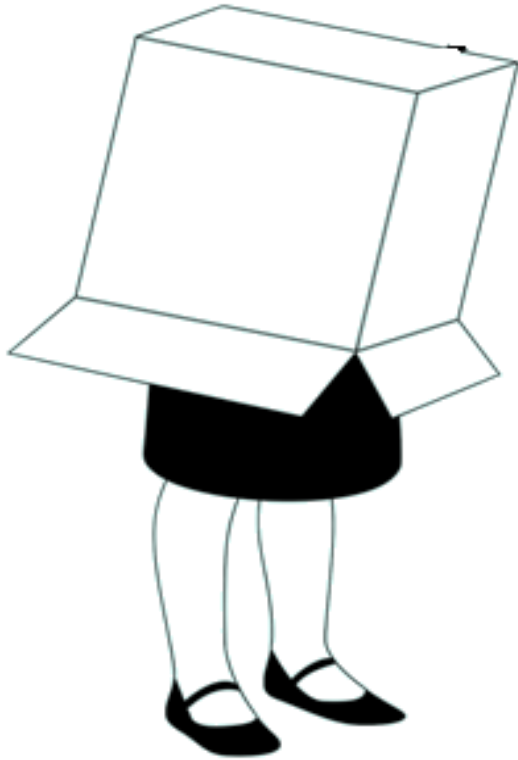
33% Feel financially secure.



Money After Divorce



Over half of the women (66%) knew that they were not saving sufficiently.



11% admitted that they were in the dark about their financial situation and had no idea if they were saving enough and on track.

What was the WDM participants biggest financial concern after divorce?

Children's Education **A**

Outliving Money **B**

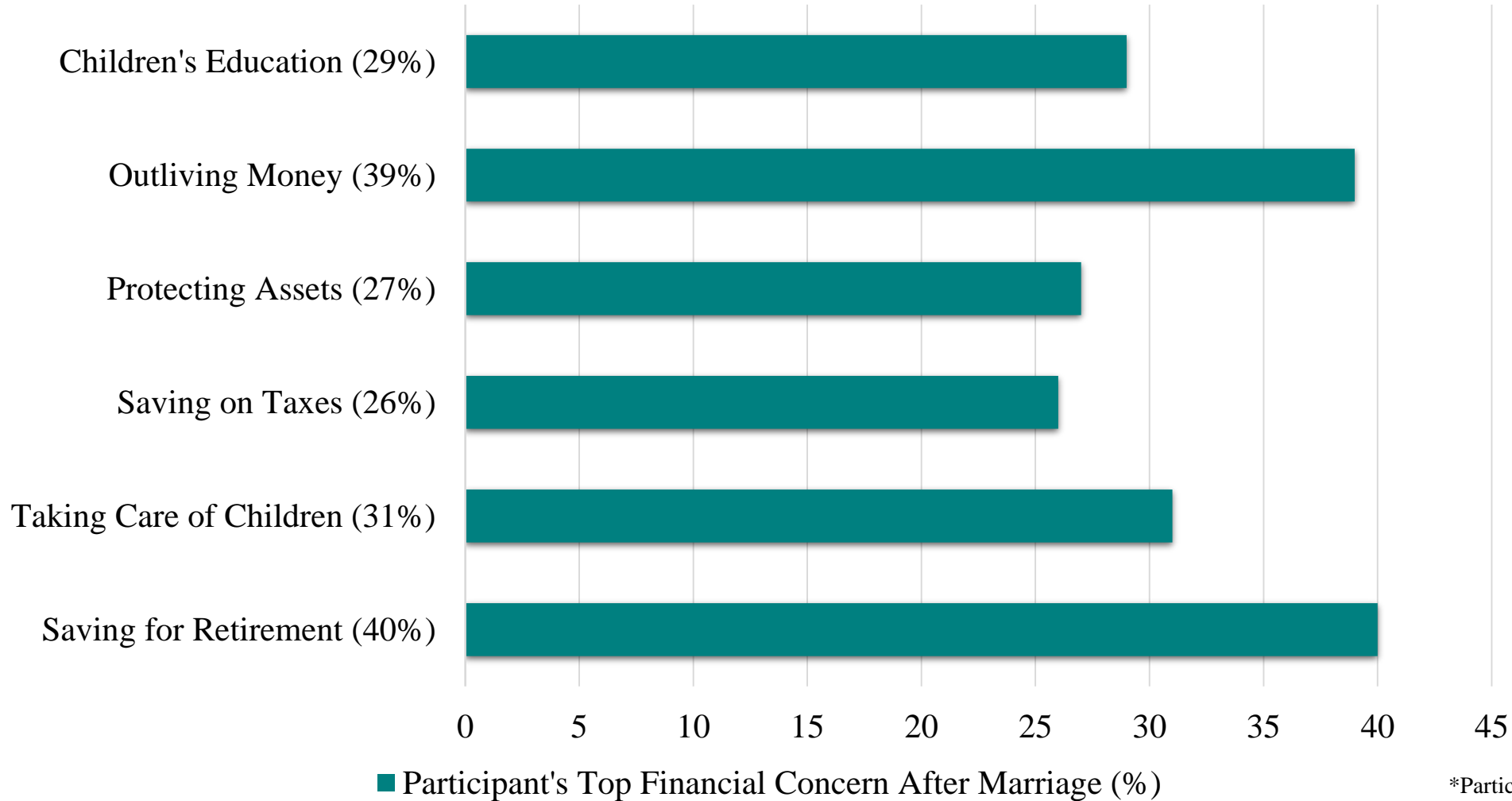
Protecting Assets **C**

Saving on Taxes **D**

Taking Care of
Children **E**

Saving for Retirement **F**

Financial Worries After Divorce



*Participants were give the option to rank all that apply

Day-to-Day Finances After Divorce

While the survey paints a troubling picture of the women's long-term financial preparedness, respondents were relatively satisfied with their day-to-day finances.



Women Have More Experience With Bill-Paying

40% of the respondents reporting that they paid all of the bills without the help of their husband.



37% shared the bill-paying role with their husband before the couple divorced.

90% of the WDM members at the time of this study had a clear understanding of their own cost of living.

Financial Satisfaction

When did WDM contributors feel they were most satisfied with their financial situation?

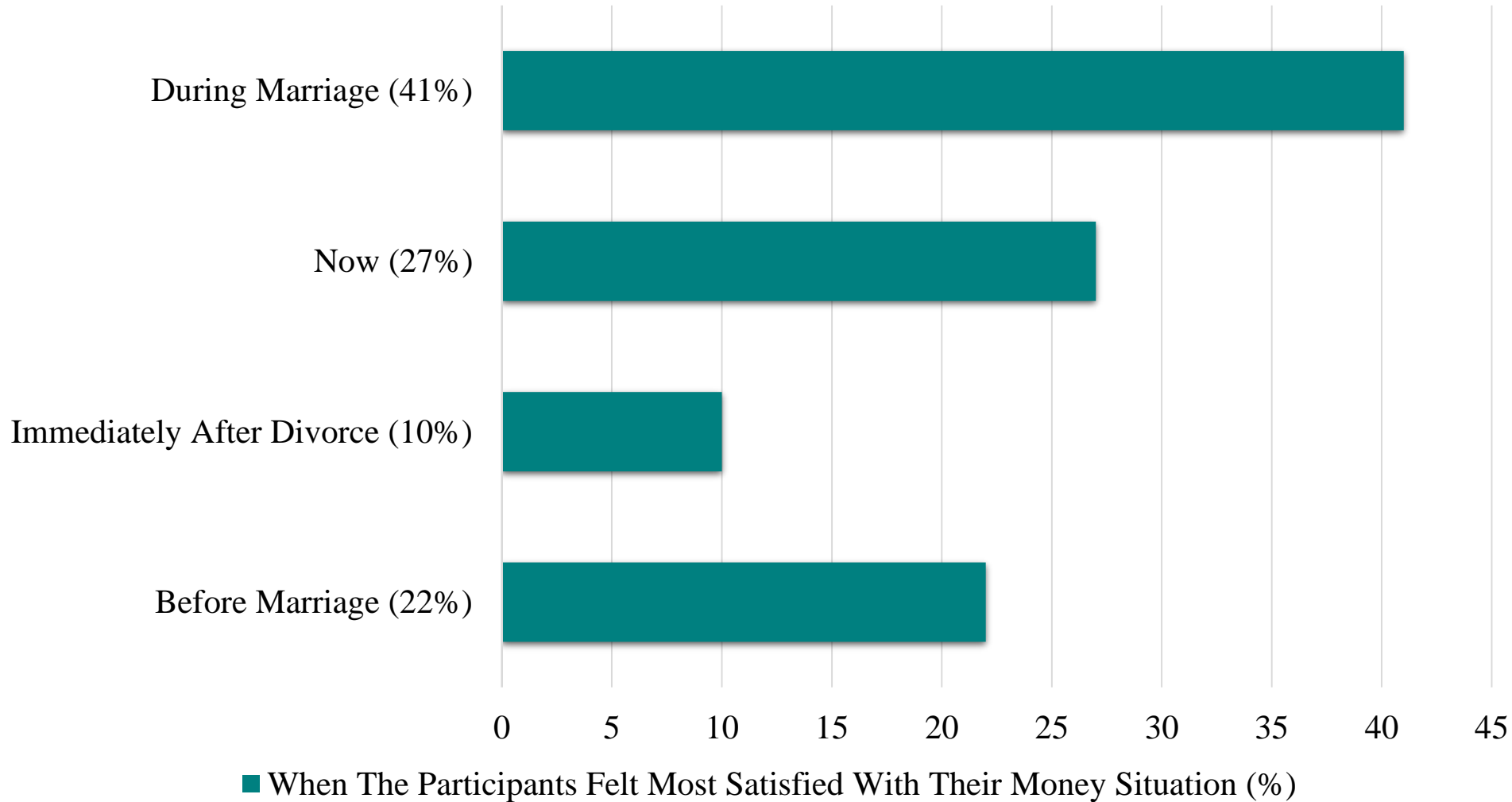
During Marriage

Now

Immediately
After Divorce

Before Marriage

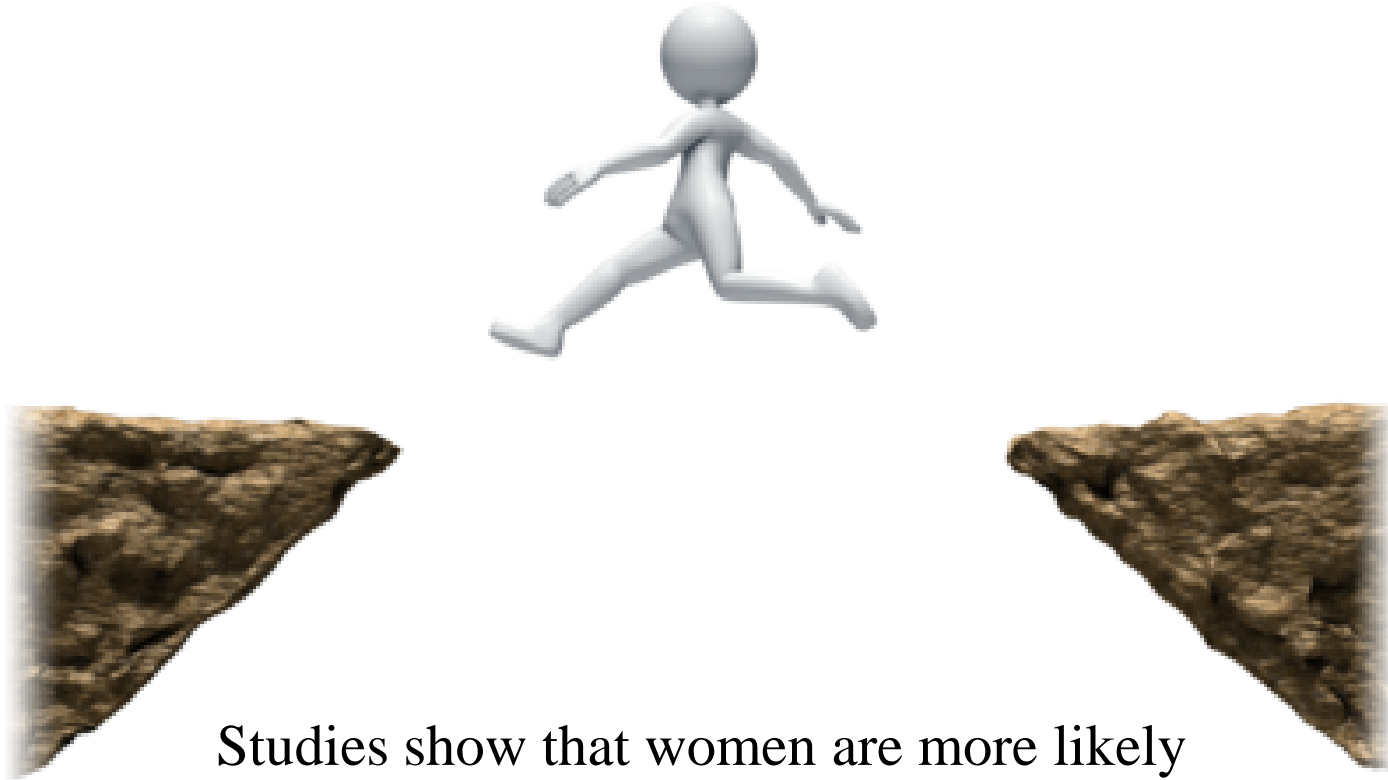
Money Satisfaction



Divorce signaled financial freedom and a respite from the frequent money-related disputes with their former spouse.



Financial Satisfaction



Studies show that women are more likely to recognize their gaps in financial knowledge and are more open to learning than men.

Women and Investing

Women and Investing

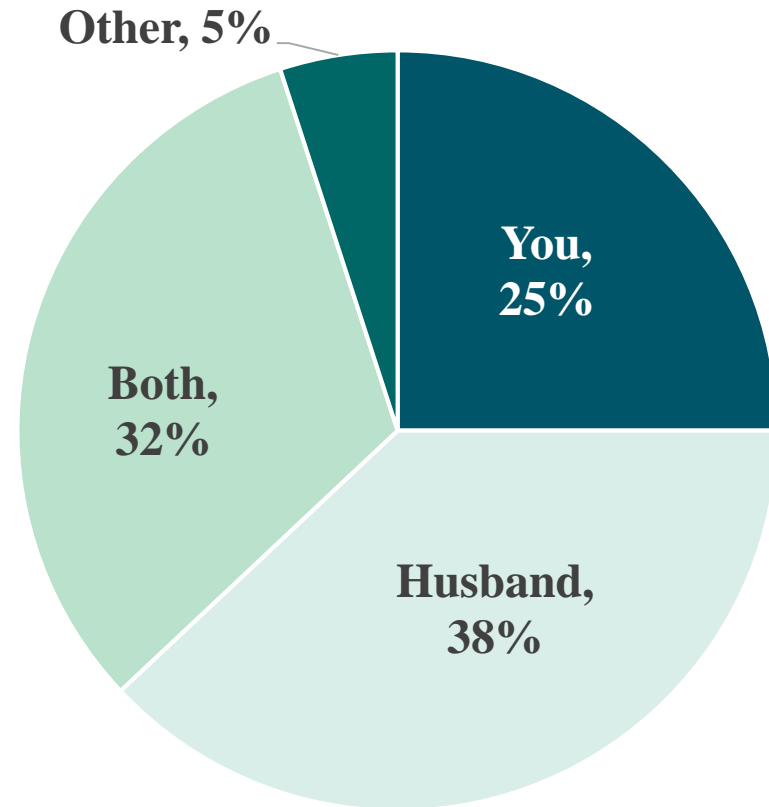
While most women are confident that they can balance a checkbook (79%) or manage the family budget without help (72%), they are less confident about selecting the right investments (28%).



Money Behavior During the Marriage

Who was responsible for making investment decisions?

Due to this lack of experience, women tend to feel confident in, and understand, their investment portfolio and investment strategy, after their divorce.



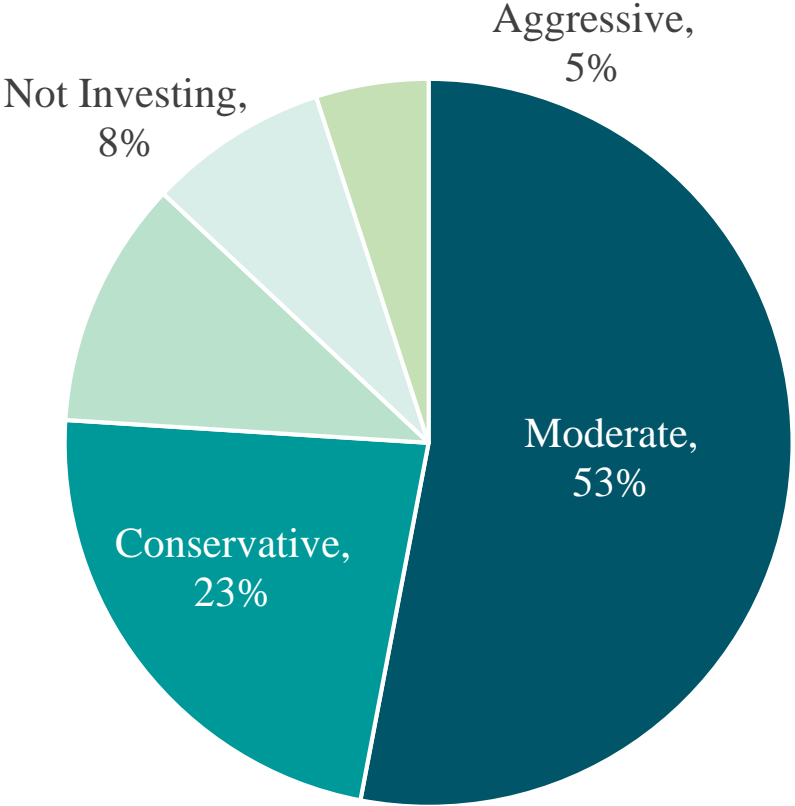
Lack of Investment Knowledge and Experience

Only 35% of WDM respondents felt confident in, and understood, their investment portfolio and investment strategy.



Women and Investing

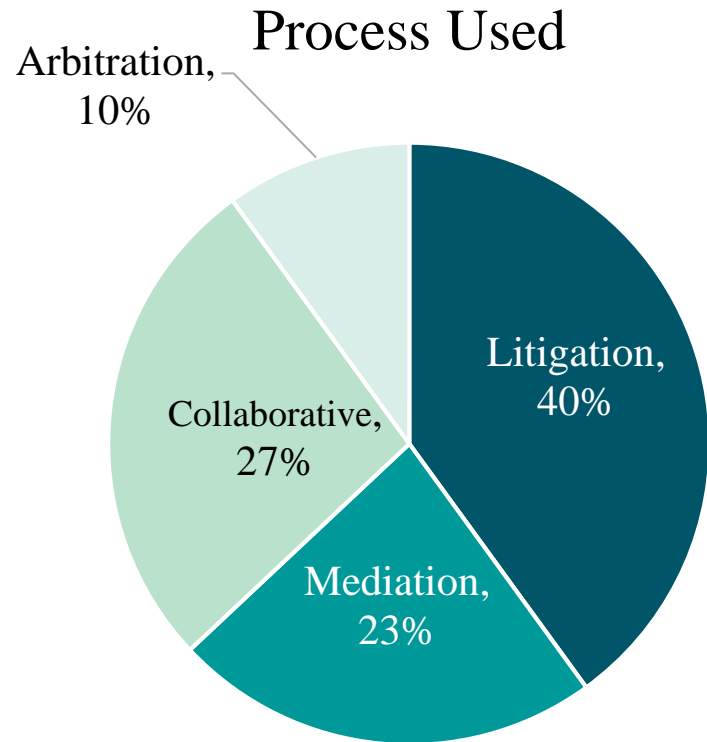
How is your portfolio invested?



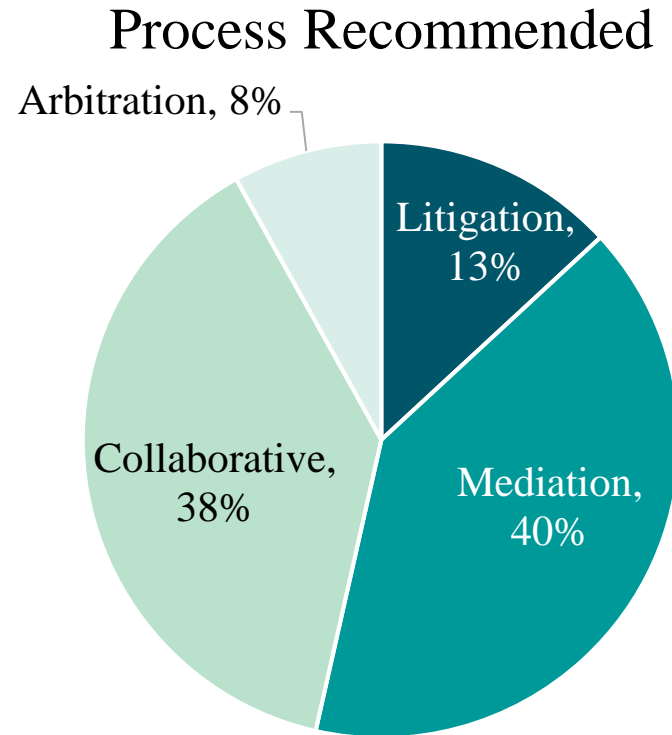
Only **5%** of the WDM members considered themselves aggressive investors.

Divorce Processes Used and Outcomes

Process and Outcomes



VS



Process and Outcomes

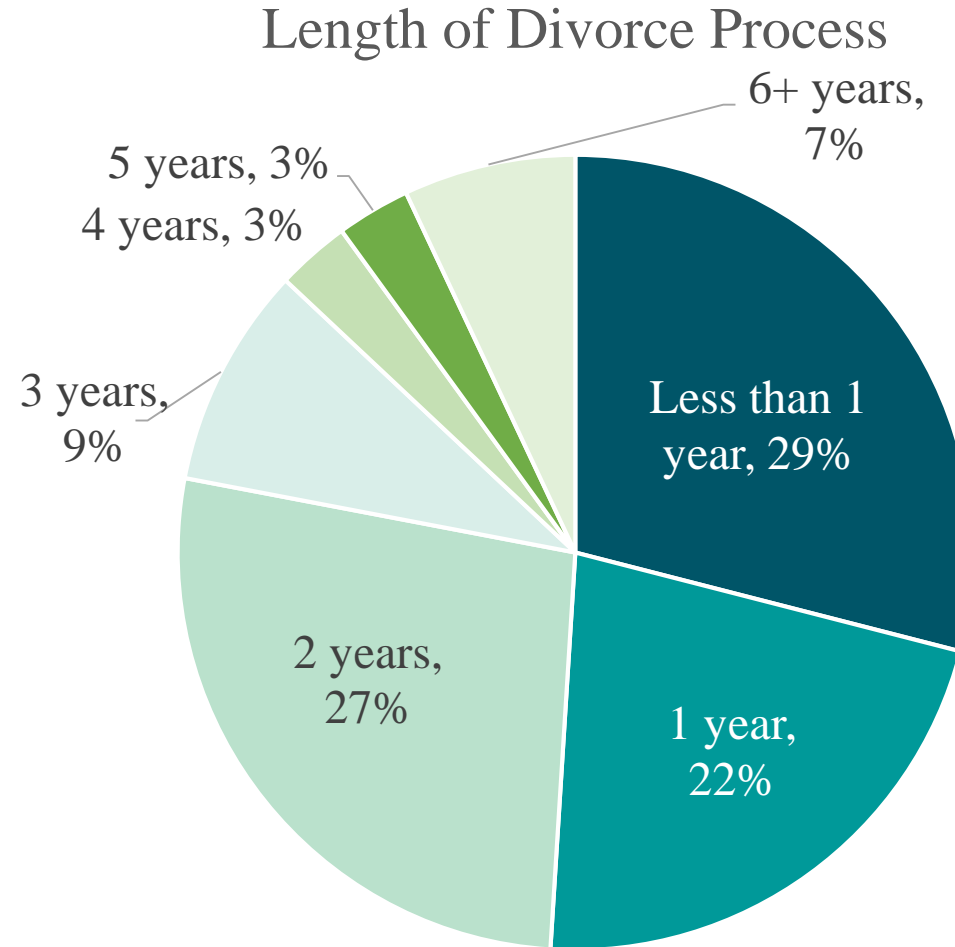
The average time it takes to get through the divorce process is **10.7** months.

Cases that go on trial take up to **17.6** months to resolve.



Process and Outcomes

42% of participants wished that their divorce took less time.



Top Divorce Mistakes

Frequent Mistakes During Divorce

22% wished that they had had a better understanding of money

Not
Understanding
Spending

Failing to
Consider the
Long-Term

Taking the
Home

Not Knowing
All of the
Assets

Not
Understanding
Tax Impact

Not Understanding Spending



Failing to Consider the Long-Term



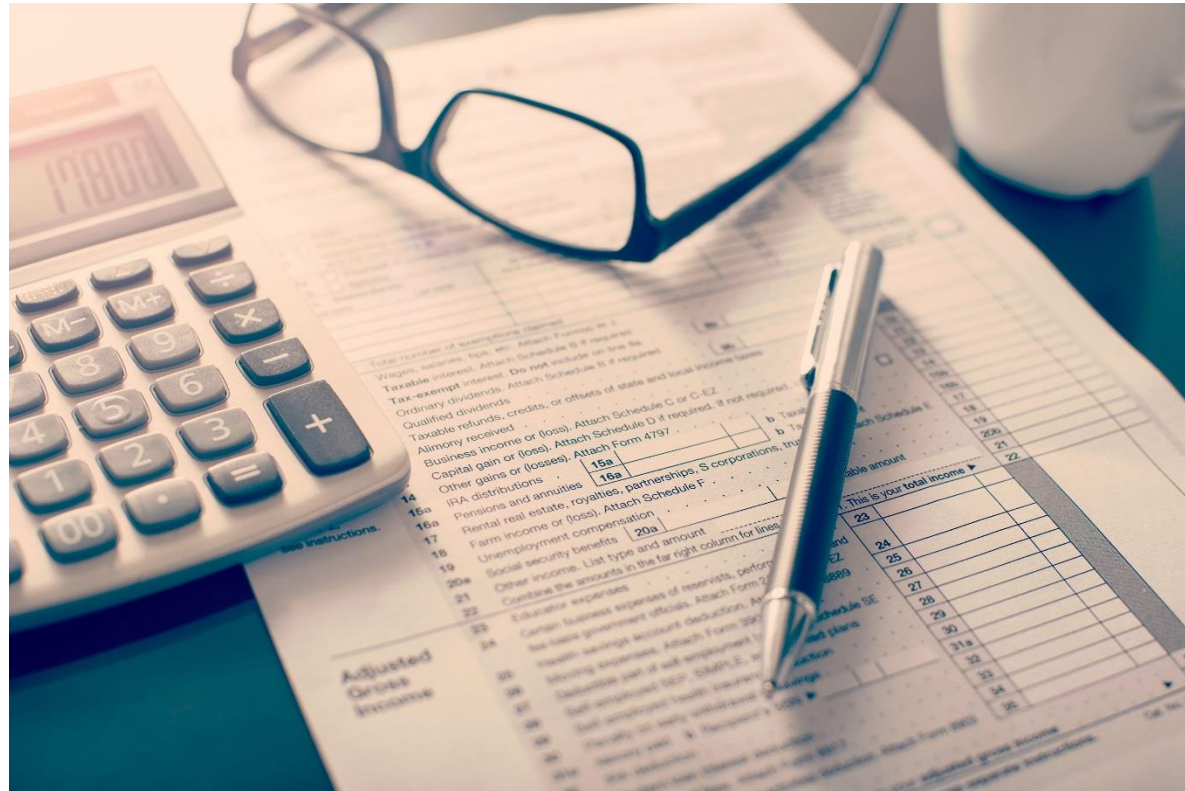
Taking the House



Not Knowing All of the Assets



Not Understanding Tax Impact



What Women Wished Was Different About Their Divorce

What do you think the WDM participants would like to have been different during their divorce?

Different Asset Agreement

Better Understanding of Finances

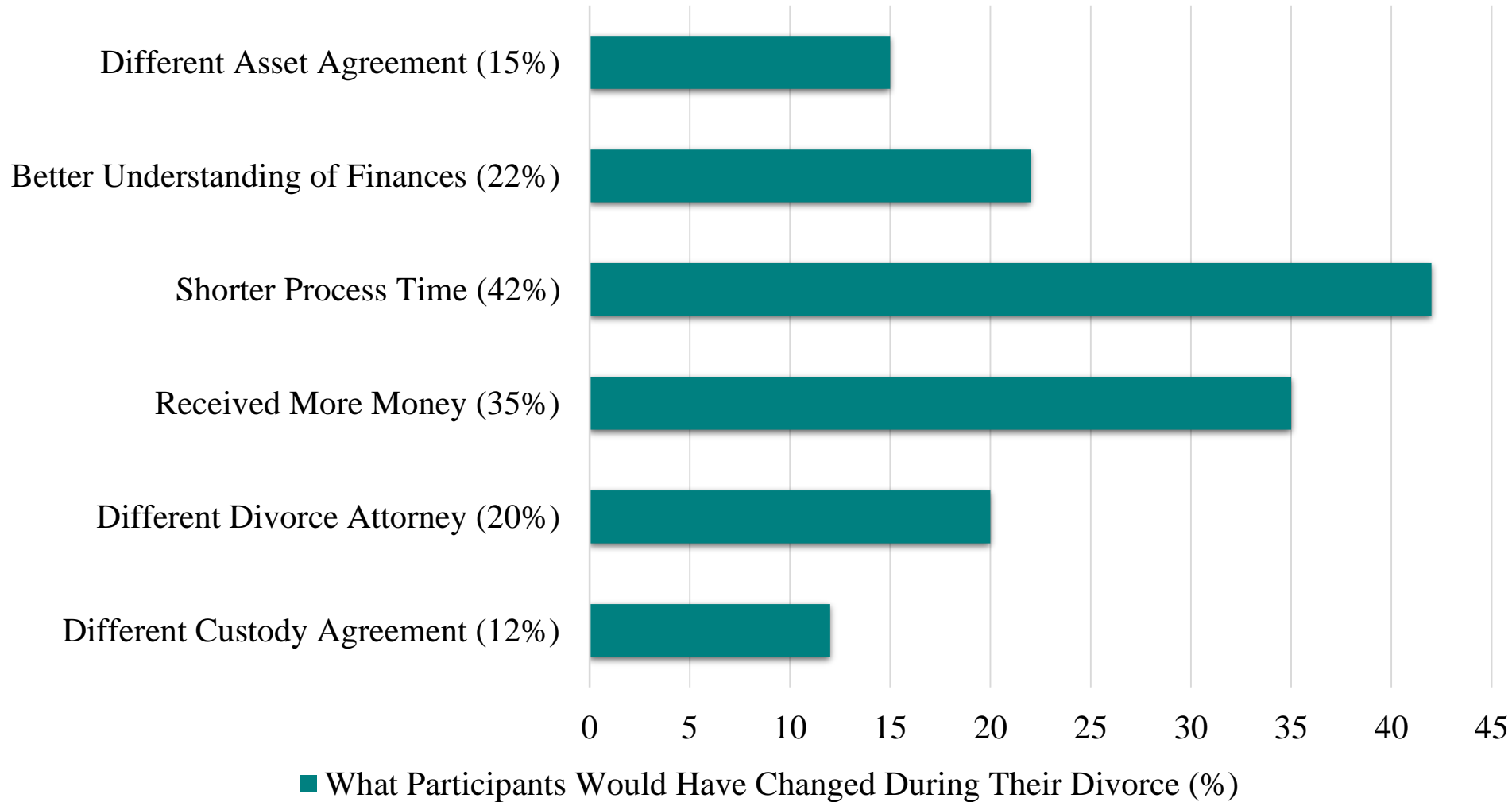
Shorter Process Time

Received More Money

Different Divorce Attorney

Different Custody Agreement

Changes During Divorce



Women Lacked
Enough Support

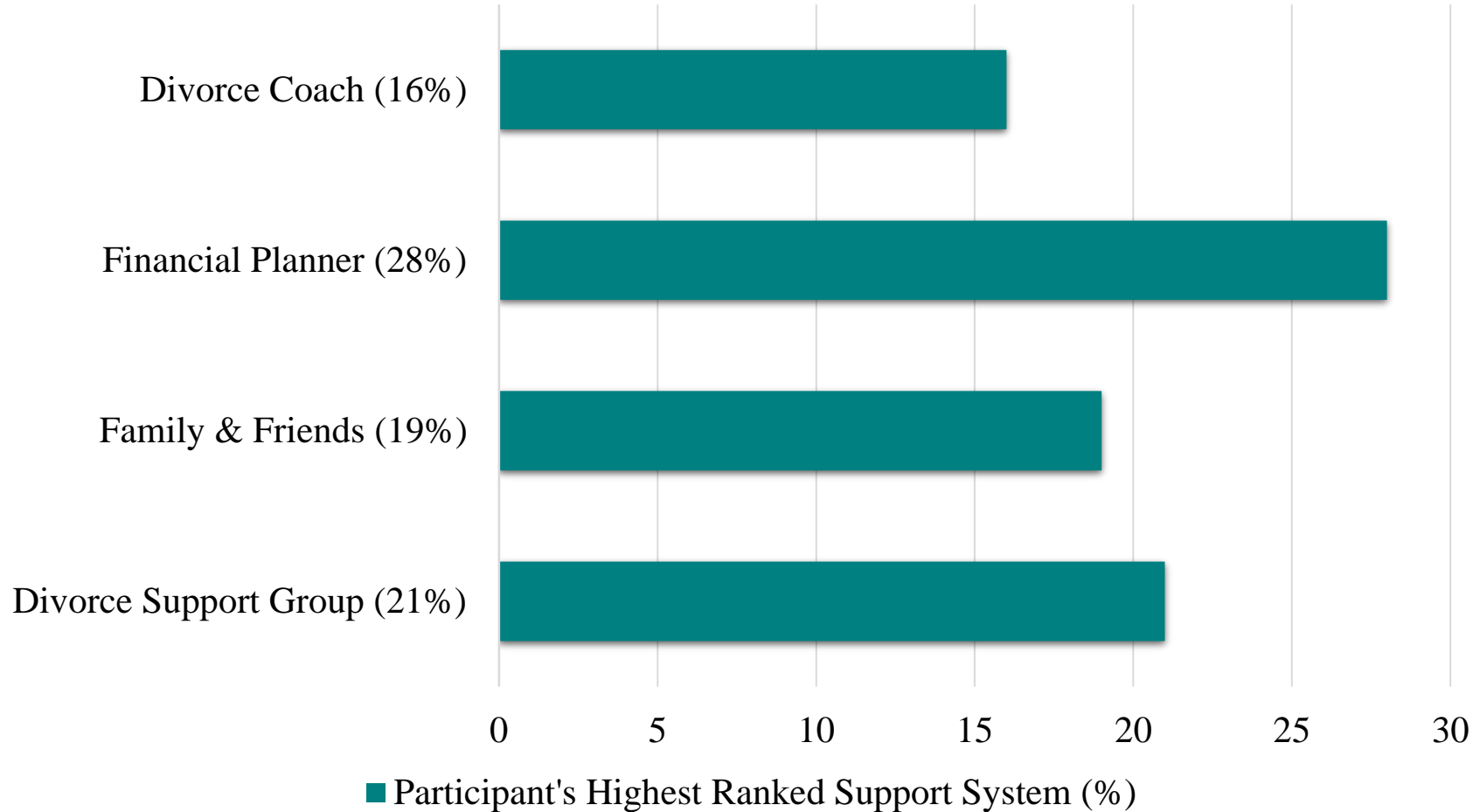
What was the highest ranked support system wanted from the WDM respondents?

- Divorce Coach **A**
- Financial Planner **B**
- Family & Friends **C**
- Divorce Support Group **D**

“I wish I had someone who would have helped me look at the entire financial picture.”
– Deborah R., Married 35 years

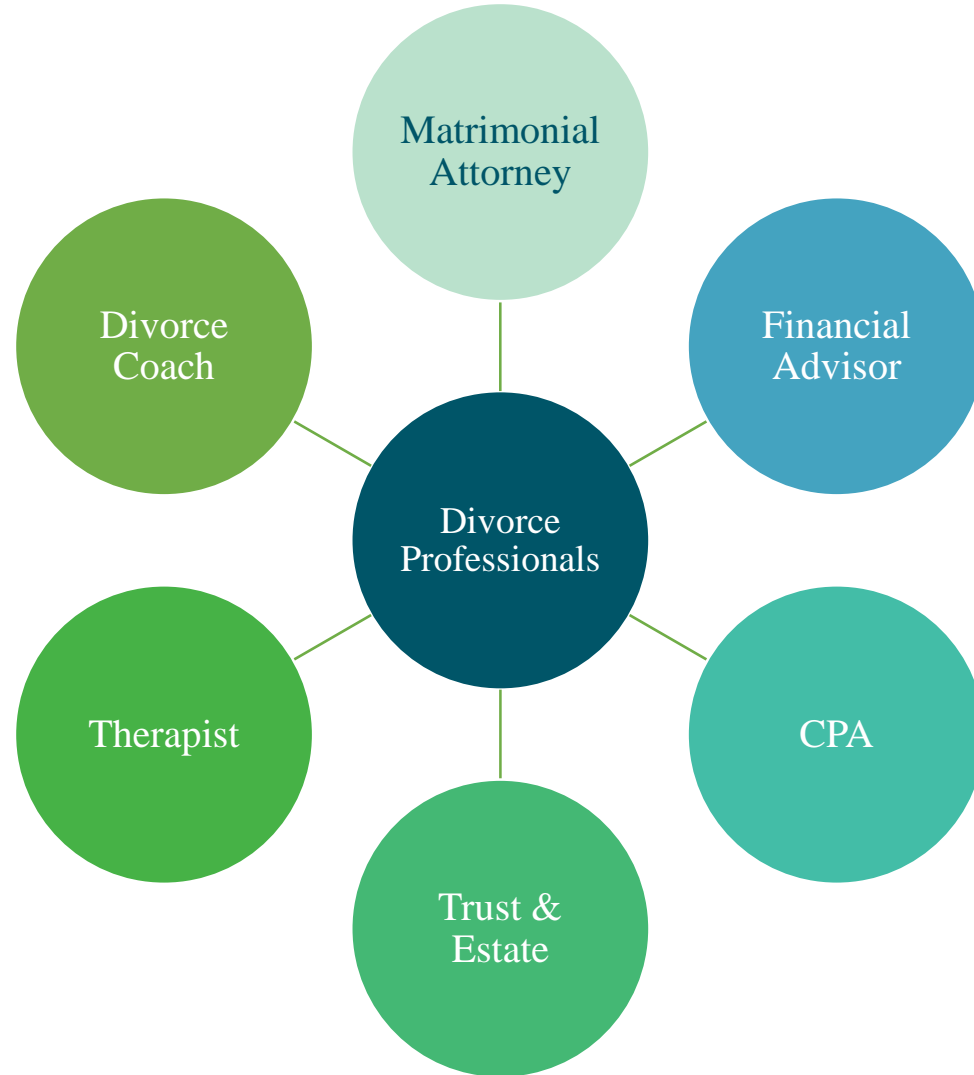
Support Systems

“I wish that I had some guidance on finances and fair division of assets while drawing up the divorce papers.”
– Robin L., Married 9 years



What Participants Thought About Their Divorce Professionals

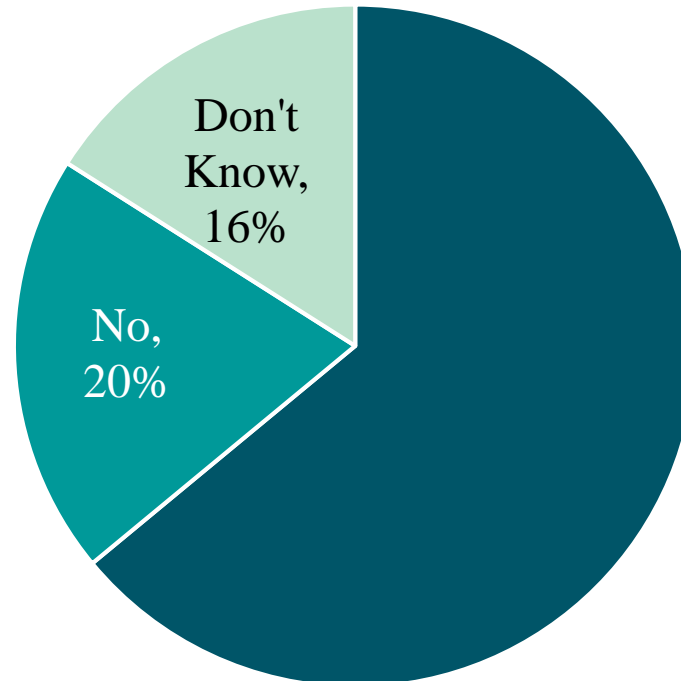
Divorce Professionals



Financial Advisor

Financial Advisor

The majority of respondents (**64%**) said a financial advisor would have been helpful to them during their divorce.



Financial Advisor

Why use a financial advisor?

The WDM participants shared many reasons why a financial advisor could have been helpful during and after their divorce.

“My lack of financial aptitude.”

“Helping me budget and spend wisely.”

“Saving for retirement.”

“Saving for college for my kids.”

“Fear that I will outlive my savings.”

“Investing money from a house sale.”

“Allocating current funds wisely.”

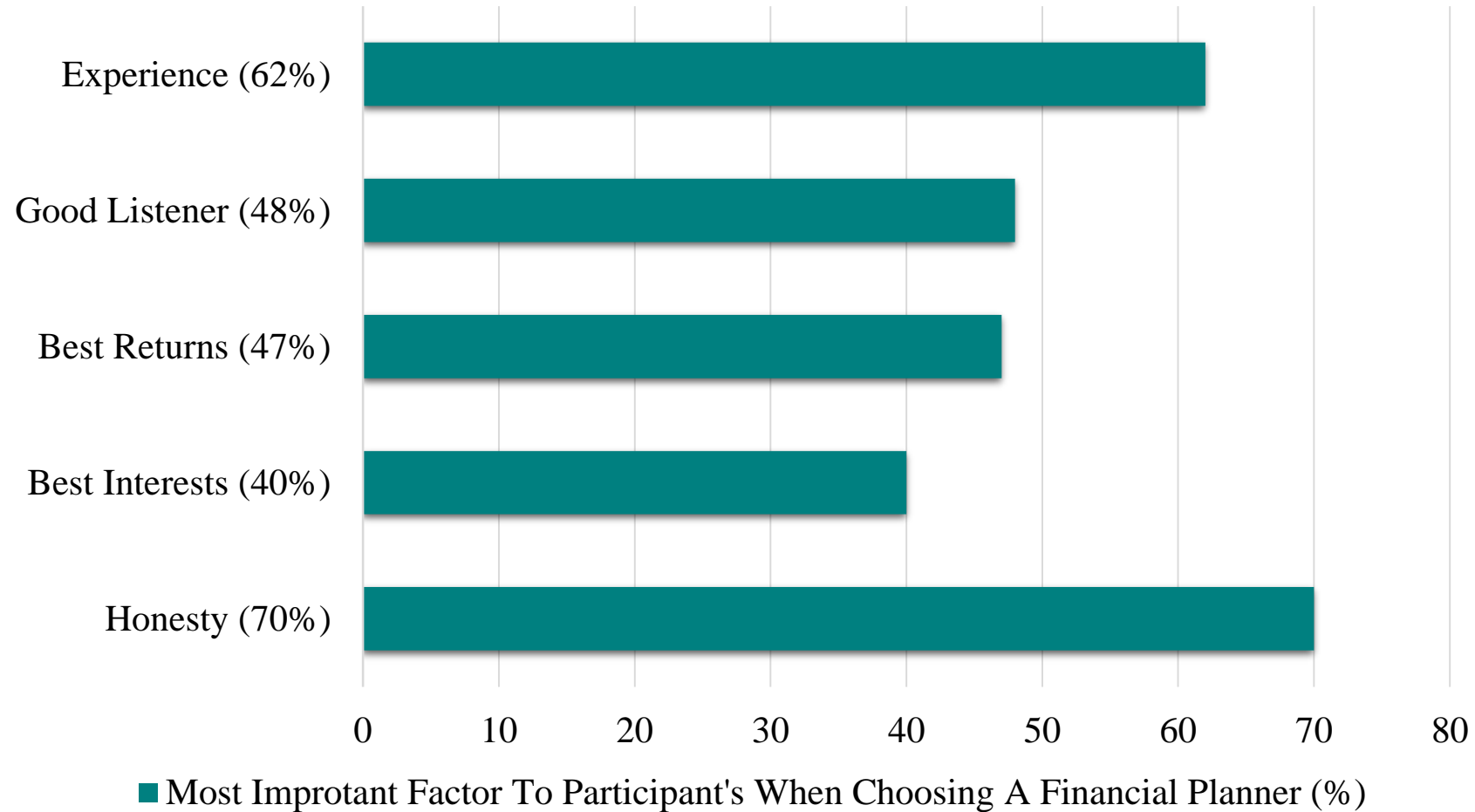
“Having a financial roadmap I can follow.”



What was the most important factor considered by the WDM participants, when assessing the suitability of a financial planner?

- Experience **A**
- Good Listener **B**
- Best Returns **C**
- Best Interests **D**
- Honesty **E**

Financial Advisor

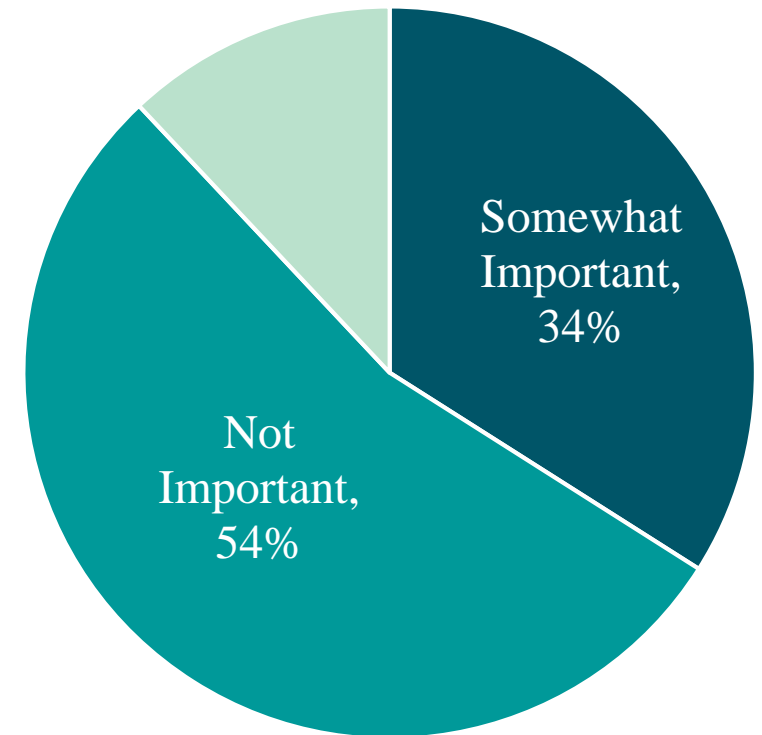


Financial Advisor

46% believed it was critical or somewhat important that their financial advisor be a woman.



Importance of Having Female Advisor



Financial Advisor

97% Important for financial professionals to understand other parts of their lives in addition to their financial picture.



92% Looking for personalized financial plan and strategic investment allocation.

Matrimonial Attorney

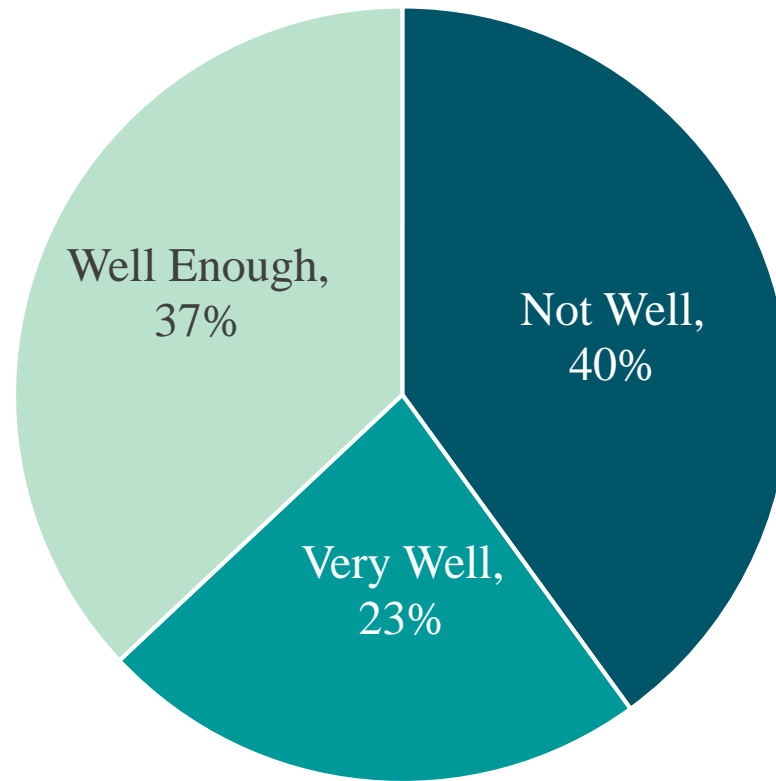
Matrimonial Attorney



Experience was the factor WDM participants considered most important when hiring a matrimonial attorney.

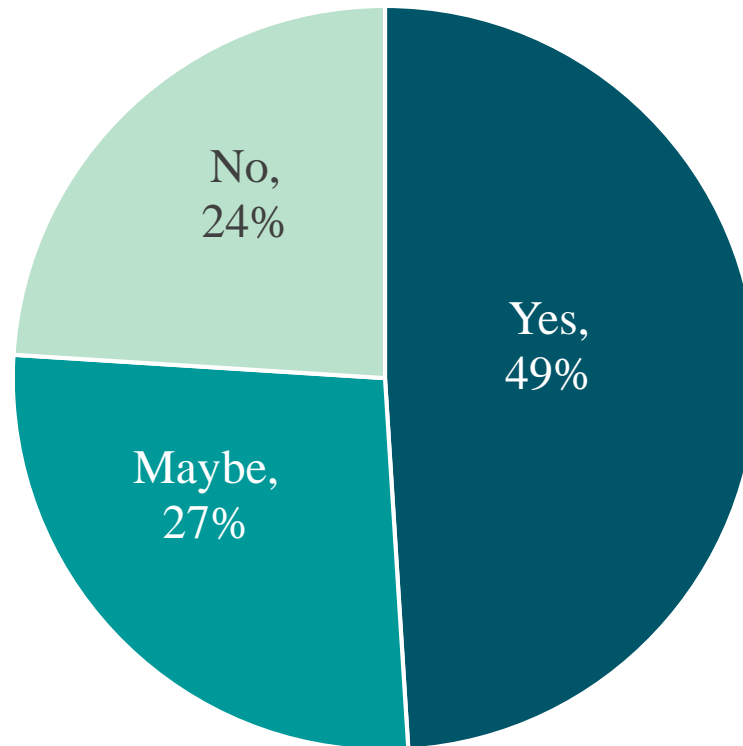
Matrimonial Attorney

How well did you attorney know you?



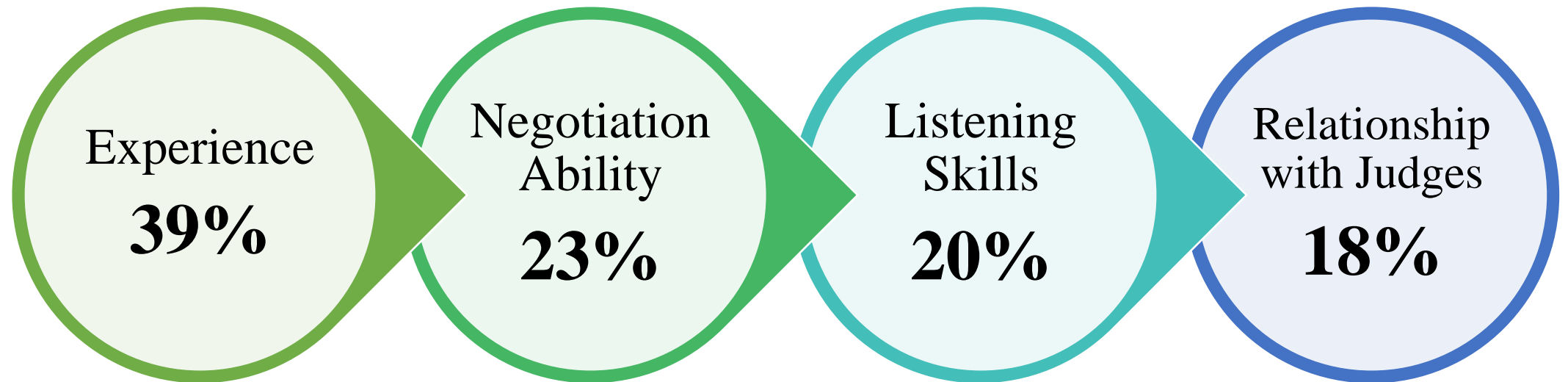
Matrimonial Attorney

Would you recommend your matrimonial attorney to a friend?



Matrimonial Attorney

The WDM contributors considered several key areas when determining which lawyer to hire for their divorce.



Support Systems

Support Systems



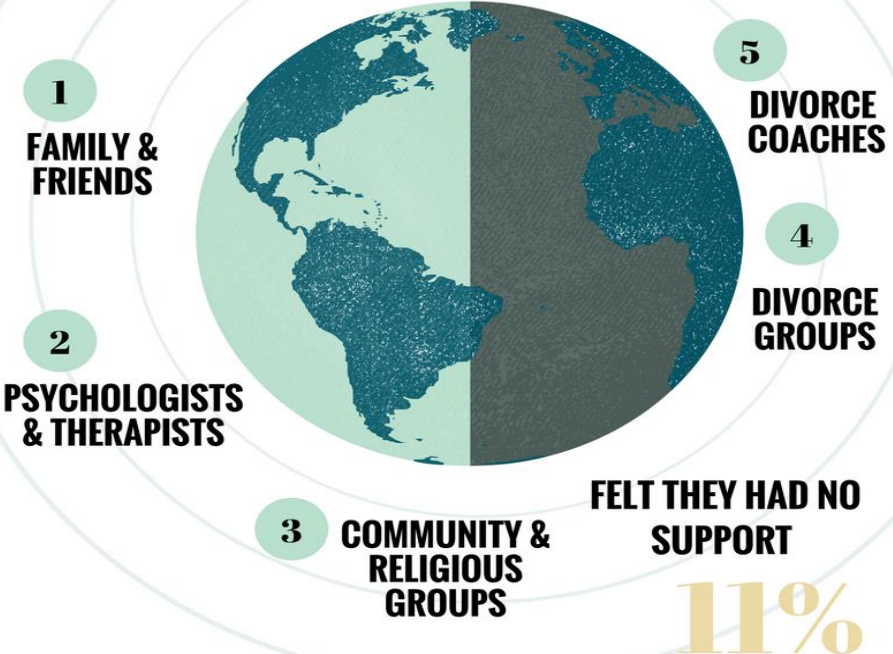
SUPPORT

SYSTEMS & PROFESSIONALS

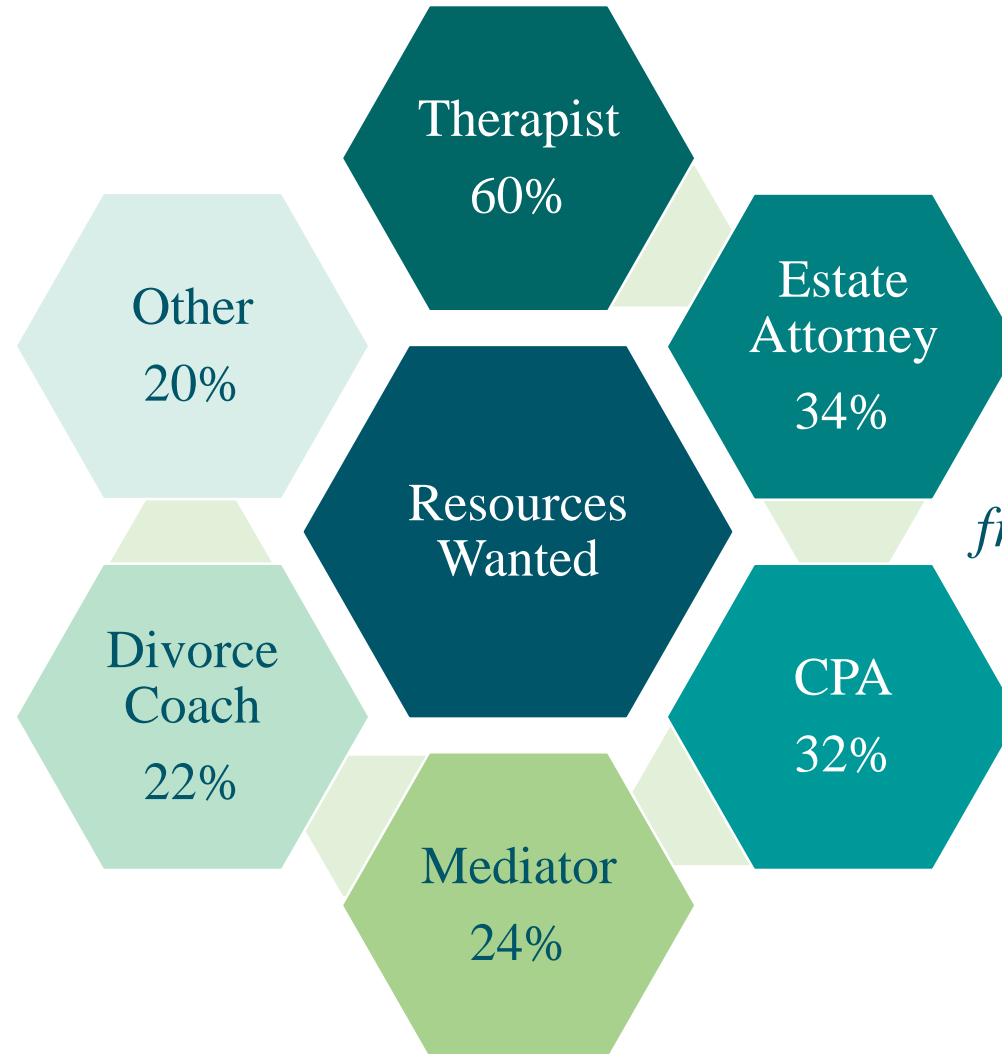
38%

"I wish I had talked to more women who had gone through divorce successfully."

FELT THEY DID NOT HAVE ENOUGH SUPPORT



Support Systems Other Than Financial Planners



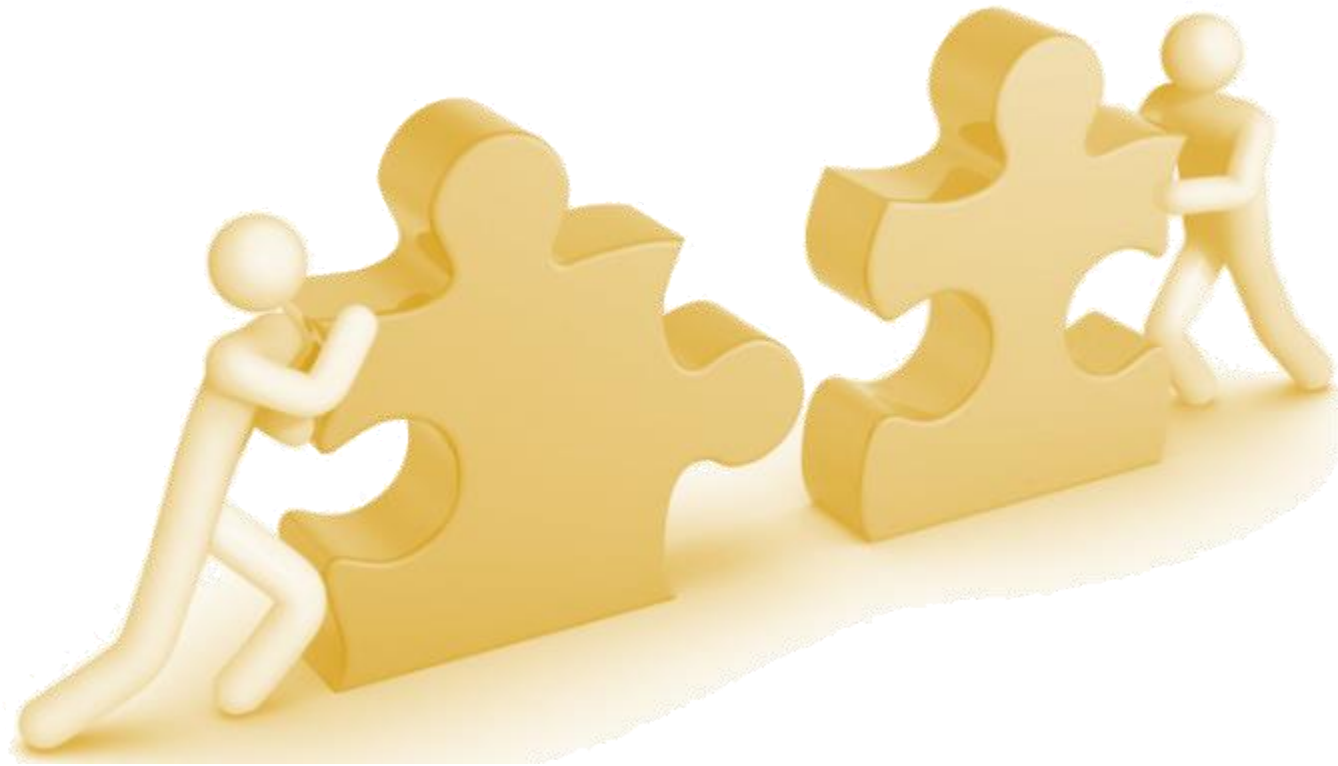
“I needed someone to support me around the adjustment of suddenly being single.”
- **Kate N., Married 9 years**

“I would have really benefited from a therapist, financial advisor and divorce support group.”
- **Olivia P., Married 4 years**

*Participants were give the option to rank all that apply

How We Can Better Support Our Clients

How can we better understand and support divorcing women?



Women Need a Team



STACY FRANCIS

Financially Ever After.

ELINOR TATUM



Women Need a Confidence Boost



Women Need a Confidence Boost

Studies show that women who do choose to invest actually realize higher returns than men.



Women's tendency to stay the course, and make fewer trades, is a more profitable and wiser strategy.

Women Need a Judgment-Free Zone



Women Need a Judgment-Free Zone



**KEEP
CALM
THIS IS A
JUDGMENT
FREE ZONE**

Women Need To Talk About Money



Women Need To Talk About Money

Women who are better educated about money fare better in life and in divorce. You cannot make smart decisions about your financial situation if you do not understand the money issues.



In Conclusion...

Women face many challenges as a result of divorce with money being a top concern.

Women feel confident in the day-to-day household finances, yet have a lack of investment knowledge.

Women felt the most financially satisfied at a time when they were not married.

Women felt that they didn't have enough support.

In Conclusion...

Women need a **team**.

Women need a **confidence** boost.

Women need a **judgement-free zone**.

Women **need** to talk about money.

Questions?



PODCAST

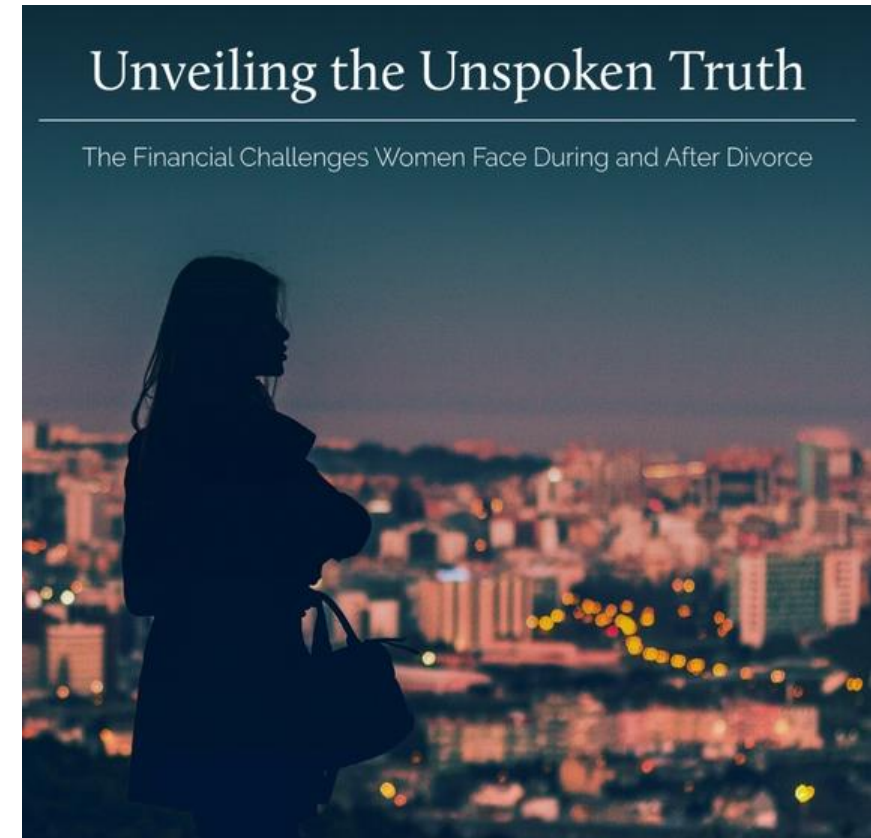
For 30 minutes, every other week we'll bring you savvy tips and words of wisdom on how to secure your financial future before, during and after divorce. You'll hear personal stories from women who have either faced or are currently facing this transition. In addition, you will soak up knowledge and inspiration from the industry's top legal, financial, residential and mental health professionals.



<http://francisfinancial.libsyn.com/>



Francis Financial conducted one of the first studies focused solely on women who have divorced or are in the process of divorcing. The results shed light on emotional, legal, and financial difficulties women face during and after divorce.



<https://divorce-white-paper.eventbrite.com>



STAY IN TOUCH!

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