

Money Mindset

How women are redefining financial independence

BY DONTAIRA TERRELL

ACCUMULATING ONE PAYCHECK from one job straight to retirement is no longer the game plan for seeking financial independence, as more women are taking a broader approach to building wealth than previous generations. Creating new opportunities beyond 9-to-5s is helping more women secure multiple income streams and launch new business ventures while leveraging their personal brands outside of traditional career paths.

THE WEALTH PLAYBOOK

In a survey conducted by RBC Wealth Management, nearly two-thirds of millennial women consider business ownership and innovation as crucial to their wealth creation versus 20% of Gen X women and 10% of baby boomer women. Additionally, 43% of millennial women credit their wealth to serving in leadership roles, compared with 22% of Gen X women and 14% of baby boomer women. But how much women earn is only one piece of the puzzle. Their relationship with money, and how they manage it, can be shaped by beliefs formed long before they receive their first paycheck.

Jacqueline Howard

ALLY BANK; BRETT LINDSAY MURPHY; FRAME IT MEDIA; GETTY IMAGES (2)

"The themes that you get or notice from your parents show up for you consciously or subconsciously when you're older," says Jacqueline "Jack" Howard, head of money wellness at Ally Bank. "Oftentimes, we don't look at money through the lens of wellness and understand that it is part of your well-being," she says.

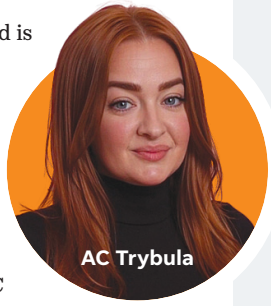
So how do you get to the root of your money mindset and better understand your emotions around money? Howard suggests asking yourself: "'Are your emotions around money negative?' 'Do you have a scarcity mindset?' 'Do you feel like you're in a place of abundance?'"

That awareness, she says, can help women recognize their financial triggers and weak spots, as well as their strengths, before making financial decisions. Even taking a closer look at your spending can help determine whether your financial choices align with the life you want to create.

"If I were to look at my bank statement, the person I say I want to be will show up in that bank statement," Howard says.

However, being intentional about your money habits is only part of the equation. Increasing your earning potential is another pathway to financial flexibility, bringing comfort, security and peace of mind to everyday life.

'GROWING YOUR NETWORK AND ... NET WORTH'


AC Trybula

"One thing I've learned is that diversification isn't only about having multiple checks coming in. It's also about building genuine relationships and ecosystems where people can grow together," says media executive and content strategist AC Trybula.

"My approach to multiple streams of income today isn't simply 'have a side hustle.' It's to diversify what I earn, own more of what I create, invest in assets and people and build relationships where opportunity can circulate," she says. "Growing your network and growing your net worth aren't separate exercises."

But expanding your earning potential isn't only about adding more income streams. Knowing your worth, negotiating for it and investing in increasing your value can also make a difference.



LEVEL UP

Here are four tips to help you invest and pursue wealth:

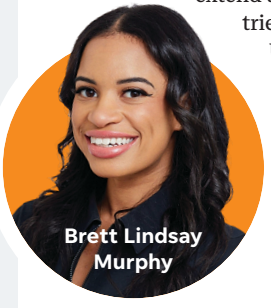
- **Make investing a habit.** Start building an emergency savings fund, even if you start with just $100, and set up automated transfers to an investment account. Also, take advantage of compounding — the sooner you invest, the more time your money has in the market.
- **Assess and manage your risk.** Determine how much risk you're comfortable with depending on your life stage and financial goals, and diversify your portfolio to help balance risk and reward.
- **Increase your nest egg.** Consult with a financial adviser and stay informed by educating yourself about financial strategies and news.
- **Manage debt and build credit.** If you're paying off debt, come up with a debt payoff strategy, and don't forget eliminating debt also helps build credit.

SOURCE: Ally Bank

"One of the biggest financial lessons I've learned is to know your value, add tax and then be willing to invest in increasing it," Trybula says. "Over time, I've learned to negotiate not only compensation, but opportunity, ownership, access and the long-term value of my work."

FROM IDEA TO ASSET

For entrepreneur Brett Lindsay Murphy, founder of SOW Business, ownership has been an important part of leveling up her finances. Her entrepreneurial endeavors extend across several industries, including founding Unity Schooling; developing The Bawdy Filter, a patented soothing and shaping compression garment; and launching children's brand Bittyrina.


Brett Lindsay Murphy

"Ownership spans across multiple aspects of every business and leads to increased value when you consider the different categories of assets that you create as a result of operating," Murphy says.

But she cautions aspiring entrepreneurs to take an honest look at their finances and resources before making the leap.

"It's important to be honest regarding your personal finances and feasibility," she says. "If you need support and outside resources, use your network and do not hesitate to pursue opportunities to obtain them. Using your own resources should only be a temporary plan."

Murphy also considers what she stands to gain before committing her time and resources to an opportunity, weighing the pros and cons to measure its sustainability and profitability.

"I tend to invest my time in the opportunities that will be challenging and teach me new skills, but I especially focus on the opportunities that lend to the highest (return on investment) and require the least effort," Murphy says. "Balance is key."

Ultimately, building long-term wealth doesn't come down to a singular approach. From understanding your relationship with money to expanding your income base and building ownership, every decision you make today is one step closer toward taking better financial control of your future. ■