

# Navigating Midlife



A SERIES DESIGNED TO MEET THE CONCERNS AND NEEDS OF OUR AGING POPULATION



## FINANCIAL STABILITY — TODAY AND IN THE FUTURE

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### FINANCIAL STRESSORS

Are these life stressors that you view in mid-life? Are you frightened by these concerns?

- Changes in regulations for Social Security benefits.
- Not having enough money at retirement to survive.

- Not having enough money in the bank to maintain a particular lifestyle. - Not being able to send kids to college.
- Is there the possibility that your place of employment will close or merge with another company with many jobs lost? - Can an individual cope with losing retirement or benefits after 30 years of employment?

### WANTING IT ALL

During the middle adult years there is a noticeable change in how adults view their finances and careers. By this time most individuals have settled into their careers and between the ages of 40 - 45 have ceased to advance up the career ladder.

In general, job satisfaction and commitment tend to be high and continue to increase into our sixties. But the unexpected can also happen. The closing of a factory or the downsizing of a company can cause major changes in an individual's or family's financial situation.

Eager to trim costs, corporations are cutting the middle - mid-managers, most all of them middle-aged.

According to a 1992 report in Business Week some two million middle-management positions have been permanently eliminated.

Another financial adjustment that tends to take place for many mid-life adults is the planning for children's future education and setting aside the necessary funds for this purpose. In response to these growing financial needs and greater free time, due to their children getting older, many women enter or reenter the workforce. The middle ages tend to be a time of career and financial readjustment and planning for both men and women.

## **WOMEN AND MONEY**

Women at mid-life and older lack basic information and initiative in managing their finances and often come up short in retirement saving according to a study from the National Center on Women & Aging at the Heller Graduate School, Brandeis University in May, 1998. The findings of the study (500 mid-life and older women) reinforced the belief that these women lack education in the basics of financial planning. This lack of knowledge can put women at a great disadvantage. Most women simply are not getting adequate information about specific types of investments. Another fact is that women live longer and traditionally have made less money and have fewer pension benefits to support their extended lives.

## **DO YOU HAVE A PLAN?**

Are you thinking about retirement? Are those thoughts filled with visions of sailing, starting your own business, or traveling the world? Or does your mind just go blank? Either way, you need a plan.

Before you get tied to a vision of your future, you need to assess where you are today.

A combination of increased longevity and decreased savings is leading to a retirement crisis. People might be longer in retirement than in their working years. The fact is that most baby boomers haven't saved enough for their golden years, and many don't want to slow down.

According to the 1998 Retirement Confidence Survey conducted annually by the Employee Benefit Research Institute, 37 percent of Americans have amassed a retirement nest egg of less than \$50,000, and 10 percent have saved less than \$10,000 for the Golden Years. To further complicate the problem, Americans could be living much longer in retirement than their ancestors. The same survey shows that Americans also are moving toward their later with high hopes – retiring by the traditional age of 65.

## **When Less is More**

“Here at midlife, it's time to work toward an idea of the well-lived life that has less to do with more and more to do with better.” — Lawrence Shames, journalist

## **References:**

National Center on Women & Aging's Study, Heller Graduate School, Brandeis University, May, 1998.



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