

Your Financial Wellness – Tips to boost the Health of your Wealth



56%

of the population do not have a will

43%

of Canadians said they were not financially well, or didn't know whether they were financially well, if they, their spouse or dependents were to die

Did you know your financial wellness is closely tied to your physical and emotional well-being? Being worried about money is a huge stressor that can impact your health. It can also make you less engaged at work – in Manulife's recent [Financial Wellness Survey](#), 70% of respondents said they worry about their finances often or sometimes, and 33% said it distracts them at work.

Poor financial health doesn't just impact your mental health. It can be hard on you physically, too. It may keep you from visiting the dentist, from updating your glasses, and from having physiotherapy. And those types of unaddressed health concerns can impact productivity; it's harder to bring your full self to work if you're in pain or discomfort all day long.

The [2015 Manulife / Ipsos Reid Health and Wealth study](#) shows that people struggling with their finances were 16% less productive on the job. For an employee earning \$50,000 a year, that works out to \$8000 paid in salary for sub-optimal work. For ten employees, it's \$80,000.

For 100? Those zeros really start adding up.

What is financial wellness, exactly?

“It's not about how much money you have,” says [Charles Guay](#), Executive Vice-President and General Manager, Institutional Markets, Manulife Canada and President and CEO, Manulife Quebec. “A person who has a high level of financial wellness is someone who is confident and knowledgeable about budgeting, retirement planning, investments, debt and insurance.”

It's possible to have a high income AND be financially unhealthy. It doesn't matter how much you make – if you aren't planning for the future or you're constantly worried about money, your financial wellness needs work.

So how do you boost your financial health?

Start young. 50% of survey respondents under 25 said they weren't saving. But it's never too late to start. Becoming adept at managing your money is a learned skill; getting a good understanding of savings, investing and insurance will give you the knowledge you need for a lifetime of financial wellness. And starting early will get you ahead faster. According to [Forbes](#), if someone invests \$5,000 a year from ages 25 to 40 at a 5% rate of return, they will have \$130,000 more at 65 than if they had started at 40.

Be prepared for the unexpected. Your financial wellness is only good if it can weather a storm (like a job loss or a divorce). Survey respondents with high financial wellness were more likely to be prepared in case of death, serious illness or disability.



45%

of the financially unwell said that their financial concerns distracted them at work

Educate yourself. 32% of men and 50% of women said they had “beginner” level financial knowledge, and 66% of men and 74% of women said they would like to feel more confident making financial decisions. Everyone can benefit from improving their financial know-how. Do your research. Learn what’s out there. Ask friends about their strategies. And [talk to an advisor](#) about the best options for your situation.

Make retirement a priority. Only 19% of people surveyed said they were meeting their retirement goals, and 44% said they didn’t know if they were on track. Those are some sobering statistics. Saving for your post-work years is vital for your financial health – and your personal wellness. Not only is it stressful knowing your finances aren’t where they should be, but you may have to work longer than you intended, which can also impact your health.

Think long-term. The greater the financial wellness of our respondents, the more likely they were to be working towards long-term financial goals. Participants who scored low were more focused on short-term savings and paying debt. While it is important to pay down debt, it’s also vital to understand the difference between good and bad debt (a mortgage vs. credit card, for example), and balance long-term savings with short-term goals.



Financially well

53%

consult an advisor

Financially unwell

18%

consult an advisor

Talk to an advisor. You don’t have to have high net worth to benefit from an advisor’s knowledge. Survey respondents who have an advisor are overwhelmingly in better financial shape than those who manage their own finances. The study also found a connection between do-it-yourself investors and low financial wellness, which just underscores the benefit of getting professional help.

Financial wellness is achievable – all you need is knowledge, some good advice and a long-term plan. And you don’t have to be a money expert to create that plan. You just have to be willing to make the effort. [Talk to an advisor](#), and start building your financial wellness today.