

72% of SA women are living in 'survival mode'

South Africa: 18 September 2020: An online survey of South African women conducted by Sanlam has found that 72% consider themselves to be living in 'survival mode'. This means that the surveyed women find it challenging to focus on the long-term, particularly planning their finances, given the focus on daily needs. Could there be a way for women to rebound from survival mode and navigate the challenges they are facing?

The study also found that:

- Six in 10 women's income has reduced due to the pandemic
- Four in 10 women have already adopted money conscious behaviours in response to the reduction in their income
- Five in 10 women were spending significantly more on food and other expenses than before lockdown

The survey was conducted by Sanlam and had a sample size of over 2 000 women across South Africa. Findings echo a recent [United Nations Development Programme \(UNDP\) socio-economic study](#), which talks to household financial vulnerability and found that 34% of middle class South African households were likely to drop below the poverty line as a result of COVID-19.

[Kenosi Magosha](#), Head: Client Solutions Savings says individuals rebounding from the pandemic, particularly how women's personal economies rebound, is a key part of helping the economy and individuals get back on their feet as [research has shown](#). "One of the important tools in coming out of survival mode is access to financial advice and savings. Our study showed that only two in every 10 women have a financial adviser. This means women are not tapping into financial expertise when it comes to their financial planning in the short-, medium- and long-term which impacts on financial health and resilience."

Survey results also showed that women were 3 times more likely to consider themselves to be in survival mode when they didn't have access to financial advice. Magosha notes, "This is compared with only 1.3 times for women who do have access to financial advice. We believe this shows that advice can help women rebound and close the gap on financial resilience."

Magosha offers some tips for women trying to practically rebound and plan their way out of survival mode when it comes to their finances:

1. Adopt [zero based budgeting](#)

For anyone who has reduced income, taking a bottom up approach to budgeting that looks at spending priorities is critical.

Magosha explains, "Zero-based budgeting is a way of budgeting where you start from zero, rather than tweaking an existing budget when reviewing spending priorities. One needs to ask, "what should I spend on that can enable me to make progress and enable financial resilience?"

"When doing this exercise, do not neglect how to invest in self-development to access opportunities or start side hustles to diversify your income. The UNDP report and other research also highlighted how this can help reduce the chances of falling into poverty."

2. Engage a professional financial adviser to set up a rebound plan

A rebound plan will allow you to start building up emergency savings which are a vital part of financial resilience. This is particularly important for the four in 10 women surveyed who are

currently not able to save at all. The rebound plan will ensure that they can become financially resilient and avoid the debt trap.

Magosha explains that with the help of a financial adviser, we can shift focus from the short to long term and give attention to savings for enabling our future. This will include saving for retirement and education, which ensures our future and opportunities for the next generation are secured, a very important aspect of long-term financial resilience.

“Working with an adviser can also help ensure that protection is in place in the form of insurance to ensure that gains made when rebounding are not lost should unexpected events happen.” A financial adviser will also help with managing debt carefully by working out a debt repayment plan and critically evaluating whether additional debt being considered aligns with the rebound plan.

3. Don't neglect your holistic health

When working on recovering from a set-back, it is important that women don't neglect their holistic health - mental, emotional and spiritual. “If someone is not in a strong state of mind, it can quickly derail any progress in the sphere of financial health”, explains Magosha.

Clinical psychologist Nozibusiso Nyawose says that as a result of lockdown, women have had to unexpectedly juggle extra roles such as home-schooling children while still focusing on their existing responsibilities. “These increased responsibilities can be frustrating and overwhelming, leading many women to feel like they are stuck in survival mode.”

When it comes to living in survival mode, Nyawose advises women to be mindful of their own thoughts and to find ways to manage emotions effectively. She also adds that women should try to engage in physical exercise and mindful activities such as meditation. “This helps to keep energised both physically and mentally.”

Breaking out of survival mode requires a systemic response. One in which government, employers, financial services institutions, the community, and women work together to execute plans to ensure women's participation in the economy is enabled and continues to grow to help women catch up on lost earnings. “This can play a key part in creating a resilient middle class, increasing savings rates and enabling our economy's resilience,” says Magosha.

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