



RETIREMENT RESEARCH & INSIGHTS

Women, money, confidence—A lifelong relationship

The importance of planning for career interruptions

While women are making progress on their journey to greater financial confidence and independence, they continue to confront pay disparity in the workplace and headwinds as they strive to balance career with family.

A recent Bank of America study, *Women, money, confidence—A lifelong relationship*, reveals that more women than men leave the workforce to care for children or elderly parents—for longer periods of time—and one-third return to lower pay. While the majority of women don’t regret taking time out of the workforce, many find themselves grappling with the impact on their careers and finances.

Even among women, experiences differ. The study delves into the impact of career interruptions across demographics, with findings that suggest an individualized approach to support women in their ongoing efforts to achieve financial equality and well-being. The following results from the study help portray the disproportionate effect of job disruptions on women and encourage actions to help women anticipate and plan for them.

More women than men leave the workforce to care for children or elderly parents—for longer periods of time—and one-third return to lower pay.

Source for all data: Ipsos survey. Bank of America, 2022.



Bank of America, Merrill, their affiliates, and advisors do not provide legal, tax or accounting advice. Clients should consult their legal and/or tax advisors before making any financial decisions.

Retirement and Personal Wealth Solutions is the institutional retirement business of Bank of America Corporation (“BofA Corp.”) operating under the name “Bank of America.” Investment advisory and brokerage services are provided by wholly owned non-bank affiliates of BofA Corp., including Merrill Lynch, Pierce, Fenner & Smith Incorporated (also referred to as “MLPF&S” or “Merrill”), a dually registered broker-dealer and investment adviser and Member [SIPC](#). Banking activities may be performed by wholly owned banking affiliates of BofA Corp., including Bank of America, N.A., Member FDIC.

Investment products:

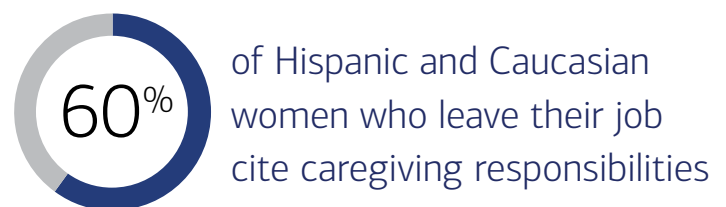
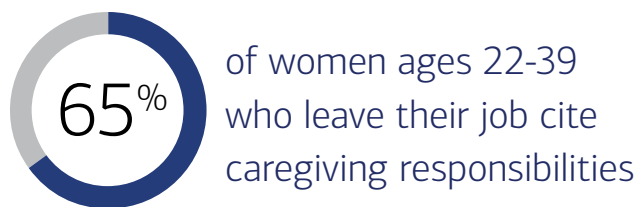
Are Not FDIC Insured	Are Not Bank Guaranteed	May Lose Value
----------------------	-------------------------	----------------

Women are more likely than men to have to plan for career interruptions

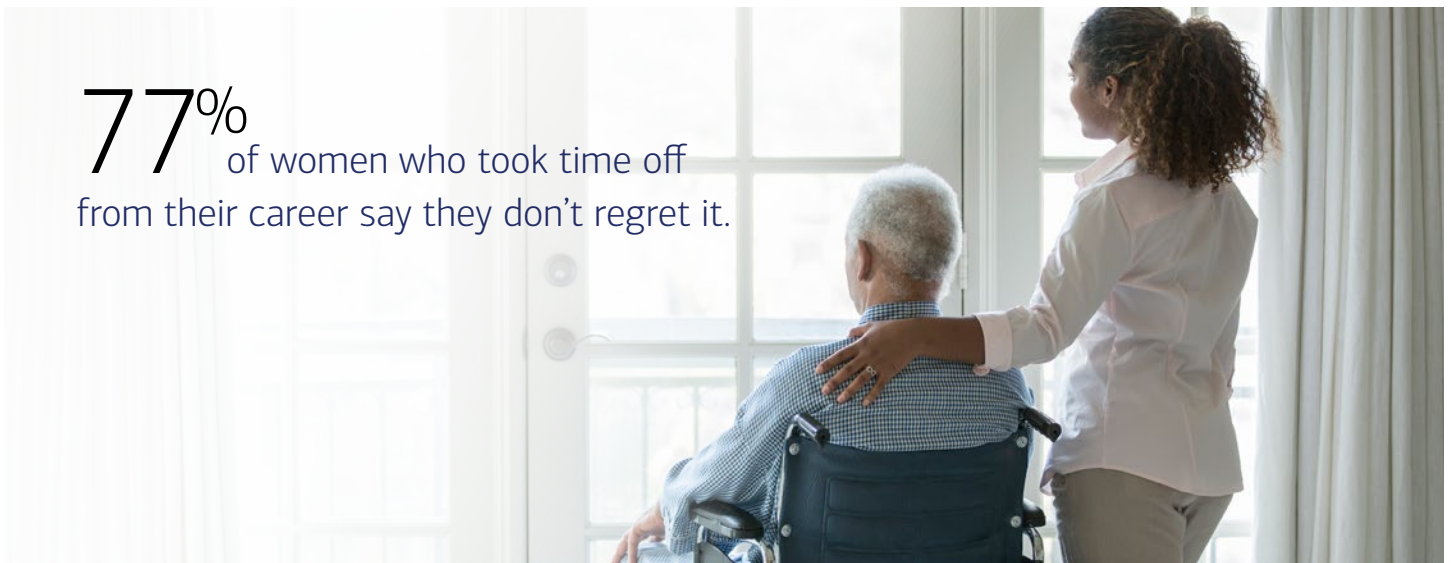
-  **Almost half of women have left the workforce at some time, compared to 42% of men—the #1 reason being caregiving.**
-  **58% of women who took time away did so to focus on caregiving, compared to 34% of men.**

As women start families, they often take time out of the workforce to be at home with younger children. For many women, leaving their jobs is a difficult decision; for others, it's simply essential as women serve as the primary caregivers. In fact, 58% of women who left the workforce did so for caregiving, compared to 34% of men. Interestingly, the majority of women continue to take time off for caregiving even in later phases of life, while the percentage of men taking time off for caregiving decreases over time. This trend could potentially be attributed to more women than men taking on caregiving of elderly parents or aging spouses.




Younger women and Hispanic and Caucasian women are more likely to take time out of the workforce for caregiving.



77% of women who took time off from their career say they don't regret it.



Long employment gaps put women at a financial and professional disadvantage

-  **Women are 2x as likely than men to be out of the workforce for over 10 years.**
-  **LGBTQ employees take the least amount of time off, with 40% leaving the workforce for under one year.**
-  **Caucasian women are out of the workforce longer than any other group.**

Not working or collecting a regular paycheck for an extended period of time can put women at a financial disadvantage, especially when that time could span more than 10 years for some women. In addition, time out of the workforce could mean women are missing out on professional growth opportunities; and a large gap in their job history could also make them less attractive to employers when they're ready to go back to work.

After taking time away from their career, women may find it challenging to pick up where they left off

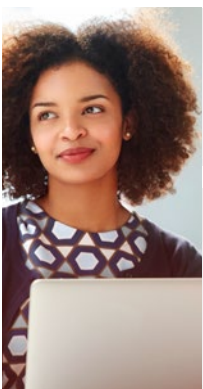
Women can't always return to the same job.

Those who return to the same job



Women are more likely than men to return to jobs with less pay.

Those who return to jobs with less pay



Return-to-work experiences differ by ethnicity.

More **Hispanic** women return to a job that **pays more**.

More **Black/African American** women return to a job that **pays less**.

Return-to-work pay by income level.

43% of women with **higher incomes** return to the **same levels of compensation**; however, **40%** of women with **lower compensation** return to jobs with **even less pay**. Those making less are also less comfortable asking for a raise.

When it comes to advocating for higher wages, men feel almost 20% more comfortable than women when asking for a raise. And among working women, Hispanic women feel most comfortable asking for a raise.

Actions to consider



- **Understand the impact** job interruptions could have on a woman's career and finances and start taking steps to help offset income gaps.
- **Use Merrill's [personal retirement calculator](#)** to help women estimate how much they will need to save, factoring in time out of the workforce.
- **Consider the advantages of working with a financial advisor**, vs. "going it alone," to get professional guidance and personalized strategies to plan, save and invest for the future.
- **Access career guidance** that can help manage career interruptions and minimize their impact.
- **Consider maintaining professional licenses** and connections with professional association groups.
- **Participate in women employee networks and events** to share experiences and learn from other women.
- **Continue to educate yourself** on current and relevant topics as time permits; strive to keep your knowledge and skills fresh and evolving.
- **Look for individualized resources and experiences** that can meet needs across different ages, income levels and ethnicities.
- **Ask your employer about benefit programs** that may help, such as caregiving resources, approved time away from work, or accommodations that may minimize your time away and support a return to work when ready.

About this study

Methodology

Ipsos conducted a 21-minute online survey among a representative sample of more than 3,500 women and more than 1,200 men age 22+ in February 2022. Quotas were enforced to ensure results were representative within gender by age, race, income and assets, marital status, employment status, and education. Survey content was developed by Ipsos in consultation with the Bank of America team. Bank of America, Merrill, their affiliates, and advisors are not affiliated with Ipsos.

About Ipsos

Ipsos helps clients achieve a total understanding of society, markets, and people. At Ipsos, we represent the voice of all people as citizens, customers, audiences, and patients. We sound the full spectrum of voices in the rooms where decisions are made. We do this so that our clients make better, bolder decisions based on our data and our underlying understanding of the communities and individuals that data stands for. Our client's success is built from our understanding of people. Our strength lies in our people who bring this understanding. Founded in 1975, Ipsos is the third-largest company in the world in market and public opinion research. Listed on the Paris Stock Exchange, Ipsos has 16,000+ employees working in 90 markets for over 5,000 clients.