LONG-TERM INVESTING

how to take money matters into your own hands

Curious about investing but don't know where to start? Marina Giblin, Director, Wealth Management at Key Capital Private, explains how to devise a financial plan and grow your wealth.

words **Katie Byrne** portrait by **Mark Harrison**

While more women are investing than ever before, female investors still face a number of barriers. Valuing flexibility in their careers, choosing to take time out of the workforce to care for family and spending longer in retirement, combined with differing risk tolerances, can result in women having less money overall to meet their financial goals. One of the ways to address this gap is with a sound investment approach to boost your income and protect you from inflation.

"Women tend to be more risk-averse than men," explains Marina Giblin, Director, Wealth Management at Key Capital Private, "and while this inertia can benefit them in volatile markets it can also be a disadvantage if women don't make the decision to invest in the first place. In the long run, it means they can have less financial freedom, less disposable income at retirement and less security.

Investing can seem intimidating, but can be demystified by being practical and methodical. "The biggest difference between men and women when it comes to investing in my experience is that women in general fail to bring it from the concept to implementation," says Marina. "This decision paralysis lies at the heart of it. All the elements are there for women to be great investors: they're good savers, good planners and they're consistent and resilient, but they struggle with making the final decision to implement an investment strategy."

Marina and the team at Key Capital Private help clients move beyond the paralysis by empowering and often educating them on their investment journey. Marina works primarily with high net worth clients but her experience and insights will be useful to all who are interested in taking matters into their own hands. Whether you are investing with an expert or teaching yourself, she shares her key insights for women investing for the first time.

1 SET TIME ASIDE It's important to carve out time to devise an investment strategy. Block this time off on your calendar and use it to establish your objectives, financial goals, review your finances, determine the time you expect to hold the investment and familiarise yourself with asset classes. If you're investing with a partner, have a conversation to ensure your goals are aligned. If you haven't started yet, don't worry. "It's never too late to start investing," says Marina, whose clients are generally between the ages of 40 and 60. However, she also has clients in their eighties who are "still looking for capital growth".

2 RESEARCH, RESEARCH, RESEARCH While it's important to seek financial advice, it's equally important to financially educate yourself, says Marina, who advises books, newsletters and investing. "We have run many events focused on this aim, including our Key Capital 'Women in Investing' series". It's also important to research your current investments and understand the level of risk involved. "You wouldn't believe the amount of clients who... can't tell me what their pension is invested in," she says.

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3 FIND THE RIGHT FINANCIAL ADVISOR To craft your financial plan, an advisor should help you get to your goals faster, much like a personal coach. A good financial advisor won't push you into making a quick decision, says Marina. "The focus should be on guidance and education." Marina encourages people to ask themselves three key questions after consulting with a financial advisor. "Have I understood everything that has been proposed or explained? Have I asked all the questions I wanted to ask? Do I feel there is a relationship of trust where I can ask anything?" It's also important to examine their fee structure. "Be wary of products linked to the remuneration of the advisor and make sure you understand the fees being charged." Fees are inevitable and will depend on the service required but should be both transparent and fair.

4 ASSESS YOUR ATTITUDE TO RISK Having a good understanding of your level of risk tolerance is important as it informs better decisions. What level of risk are you comfortable with? What level of loss are you willing to endure? A good emotionally invested financial advisor will spend time with you, learn about you and what you are trying to achieve. They will assess your risk appetite, says Marina. Ensuring the initial asset allocation of the portfolio is correct before you implement it means there will be no surprises and your investment portfolio will meet your long-term objectives.

5 THINK LONG-TERM Marina advises a minimum time horizon of five years with all her investment clients. "They shouldn't need access to funds for five years, so part of that will include evaluating their liquidity needs," she explains. "We try to leave about three years' money aside that they would need to sustain their lifestyle over and above what their income is. Some clients will dip into their investment fund and take profit after five years, which is important to do, but … they generally don't take anything out before five years."

6 DIVERSIFY YOUR INVESTMENTS One of the key ways to manage risk is via diversification, or investing in a different range of asset classes or sectors. It's important to have a diversified portfolio, spread across different asset classes such as stocks, bonds and real estate and, if possible, private equity. "One thing to be aware of is concentration risk, for instance if you work for a tech company in Ireland, have a pension with that company and invest in tech stock, you might be overly concentrated in geography and sector," Marina says.

7 CONTINUALLY REEVALUATE YOUR INVESTMENT STRATEGY As your life progresses, your objectives and circumstances change," notes Marina. "This is why it's important to reevaluate your investment strategy. As advisors, we meet our clients regularly to make sure their investment strategy is up to date and in line with their current circumstances." To have a good open and honest relationship with a trusted advisor helps you both work together to achieve your common goal.

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