



KEY FINANCIAL EDUCATION TIPS SO THAT YOU CAN KNOW BETTER TO DO BETTER

OMSIM COVID-19 RESEARCH FINDING

87% claim that Covid has made them change the way they think about and manage their finances

TIP 1: ALWAYS GET EXPERT ADVICE

Get expert advice to help you draw up a financial plan to includes a long-term investment plan and a short-term emergency savings to protect one from unexpected financial emergency or future shocks.

OMSIM COVID-19 RESEARCH FINDING

47% of people have more than one source of income - Poly-Jobbers

TIP 2: FIND WAYS TO SUPPLEMENT YOUR INCOME



Do make use of all the platforms available to you. This includes various freelance platforms where you can advertise your gig and social media platforms where you can advertise for free or cheaply.



Do invest, save or spend the money from your other job well. The second income stream can only help you grow if you use the money wisely.



Don't neglect your primary job. Don't forget to always abide by your primary employment rules around operating another business.



Don't do something you are not qualified for or not good at – not only will this turn your side hustle into a side hassle, but it may have some negative consequences. Do something you know you're good at.



Don't be tempted when making extra money to regard it as money 'you never had' and go on a spending fee.



DO GREAT THINGS EVERY DAY

THE TIME IS NOW

KNOW BETTER 
DO BETTER

OMSIM COVID-19 RESEARCH FINDING

44% claim to be learning something new/upskilling at home. 44% of respondents are learning how to do home repairs

TIP 3. UPSKILL AND EMPOWER YOURSELF

Applied knowledge is power. It is a good idea to maximise on the time you spend at home to find ways to upskill, learn, acquire new skills, learn a new trade. By doing this you may be able to cut costs on outsourcing services from others, and your newly learned knowledge and skill may even help you improve your earning potential possibly enabling you to join the poly-jobbers and earn money by providing a service to others.

OMSIM COVID-19 RESEARCH FINDING

53% belong to more than 1 stokvel

TIP 4: INFORMAL SAVINGS AS AN OPTION

Stokvels may have started out as informal savings clubs to assist with groceries and burial costs, but today they help members save for diverse needs from education, to family emergencies, to holidays. The main difference between saving in a stokvel and saving in a bank account is that when you save in a stokvel you are part of a group of people all saving towards the same financial goal. If you save your money in a bank account, it is your individual account and only you save and only you can spend the money. There are a lot of benefits we gain by saving in stokvels, but it really is important to trust your stokvel members and share a common goal.

OMSIM COVID-19 RESEARCH FINDING

51% of our working metropolitan households have adult dependents
47% of Y Generation 18 - 25-year old's are wedged in the sandwich generation

TIP 5. MAKE MONEY MATTERS A "FAMILY AFFAIR"

Work together, talk about the collective financial situation in a household, make sure you collectively budget plan and ensure that the financial burden is managed fairly across the whole household unit. Make your family aware that circumstances have changed, especially if you are a breadwinner. Play open cards about the debts you must service so you can manage expectations and help your family adjust.

OMSIM COVID-19 RESEARCH FINDING

43%. taking out a personal loan from a financial institution

TIP 6. USE CREDIT RESPONSIBLY

Buying Bread with Borrowed Money has long term implications. Buying Bread with Borrowed Money has long term implications. Credit is not a curse. There is good debt and bad debt. Be sure to know the difference. Be responsible when you use any form of credit.

OMSIM COVID-19 RESEARCH FINDING

47% of our working metropolitan household's retirement plans have been affected by Covid

TIP 7. BE A FUTURE THINKER

- Speak to a financial advisor about a retirement plan
- Plan for the years you have in hand before you reach retirement age Identify your investment and saving strategy
- Income sources after retirement for example, your pension and potential additional resources to cope with unexpected expenses
- Have a healthy and trusting relationship with your financial adviser as you need someone to help you remain objective especially when you make major financial decisions.
- Remain disciplined and focused

OMSIM COVID-19 RESEARCH FINDING

69% have taken advantage of points/rewards accumulated on loyalty programs (up from 54% 2020)

TIP 8. JOIN LOYALTY AND REWARD PROGRAMMES TO CUT COSTS

There is no greater time than now to take advantage of the various "savings" opportunities being offered. Investigate, research, and make informed decisions on some of the loyalty and reward programmes available as they can be a great way to help you reduce your expenses.

OMSIM COVID-19 RESEARCH FINDING

1 in 3 working metro SA's would only have funds to last 1 month or less if they lost their income/job.

TIP 9: SET UP AN EMERGENCY FUND

Most experts recommend keeping three to six months' worth of expenses in an emergency fund, but some situations warrant more. Some experts recommend a smaller emergency fund while you're paying off debt.

CONCLUDING TIP AND YOUR CALL TO ACTION:

There is no greater Time than Now, to take control of your finances and be the boss of your money.

- Speak to your accredited Financial Adviser today
- Don't forget that the More you KNOW the BETTER you can do.

If you would like to join a free Old Mutual On the Money Financial Education workshops email: FinancialEducation@oldmutual.com