



Secure Tomorrow

Minet

AON | Global Network Correspondent

## MINET THOUGHT LEADERSHIP

Minet is a trusted pan-African advisor that meets the uncertainties of tomorrow by delivering risk and human capital solutions today. As the largest Aon Global Network Correspondent, Minet has access to a network of over 50,000 colleagues in 120 countries as well as to proprietary data, research and analytics which enable us to manage and secure the risks of tomorrow and provide clients with an unrivaled advantage. For more information, please visit [www.minet.com](http://www.minet.com)

**Risk. Reinsurance. People.**

## FINANCIAL LITERACY, A MODERN NECESSITY

August 20<sup>th</sup>, 2024



In today's world, where more than 70% of workers live from paycheck to paycheck, many puzzling questions are being asked. Questions like: Will I have enough to live on in my retirement? Is my child's future education and health secured? If I face an emergency, can I handle it without financial strain? Can I borrow money and be able to repay it without struggling? If I die, what will I leave behind for my dependents? If I contract an illness that requires important sums of money, will my savings suffice? To answer these psychologically stressing

questions, one needs to know about personal financial management.

At Minet, the Pan-African insurance broker, we are committed to supporting individuals in improving their financial well-being. We recognize the significant role financial literacy plays in achieving financial stability and freedom. Financial readiness is the new normal that everyone who thinks about financial well-being, financial freedom, retirement adequacy, and estate planning should aim to achieve.

Familiarizing oneself with financial knowledge is one of the most important habits one can adopt to boost financial readiness. Financially literate people are found to plan for their retirement better, manage their businesses well, and hold lower-interest-bearing loans. This is a global phenomenon, with various financial analysts showing a strong relationship between saving, financial literacy, and retirement planning.

Cases of delayed retirement have been recurring in the past two decades. For example, some workers in the formal sector nearing the national retirement age of 60 years in Uganda have claimed to be younger than their actual age to extend their working years. This has denied many young graduates a foothold in the job market. The ability to manage one's money is crucial for all generations, especially in this era of unexpected expenses due to higher demands of life.

For the working Baby Boomer generation (born 1946–1964) and Generation X (born 1965–1980),



financial literacy is as essential as literacy itself (the ability to read and write). This is particularly true in an age where the cost of living is rising, and financial demands are ever-increasing. The biggest risk as we age is our health deteriorating over time due to the accumulation of various molecular and cellular damage, as indicated by the WHO. Cases of heart diseases, diabetes, and mental disorders, which were once predominantly for older generations, are now more prevalent among younger generations, including Generation X, Generation Y (born 1981–1996), and Generation Z (born 1997–2012), primarily due to financial stress.

At Minet, we believe that mitigating the likely crises of retirement inadequacy and individual financial instability requires deliberate efforts to acquire and foster financial literacy at all levels of life, starting from early childhood to old age. Financial literacy is a key aspect of decision-making related to our day-to-day lives. Understanding basic interest mathematics, inflation dynamics, and risk diversification is more crucial today than ever before.

After acquiring fundamental financial knowledge, individuals can make informed decisions on several fronts:

- **Starting an Emergency Fund:** Establish an emergency fund that can sustain for at least six to twelve months to cover unforeseen expenses. This provides a safety net and reduces the stress of unexpected financial burdens.
- **Starting a Side Hustle:** Consider starting a side hustle to supplement your periodic income using borrowed or saved funds. Diversifying income sources can significantly enhance financial stability and security.
- **Acquiring Reasonable Loans:** Obtain authentic and reasonable personal loans or mortgages to facilitate development goals. Properly managed debt can be a tool for achieving long-term financial objectives.
- **Acquiring Insurance:** Invest in insurance for a home, family health, child education, funeral expenses, and loans. Insurance is a critical component of financial planning, offering protection against significant financial risks.

Minet provides a range of services aimed at enhancing financial well-being. Our insurance products are designed to offer comprehensive coverage and peace of mind. We support our clients with financial literacy programs, helping them to understand and navigate their financial landscapes effectively through:

- **Financial Planning Workshops:** We conduct workshops and seminars to educate individuals on effective financial planning strategies, retirement planning, and investment opportunities.
- **Personalized Financial Advice:** Our team of financial advisors offers personalized advice tailored to individual needs and goals, ensuring our clients make informed financial decisions.
- **Employee Benefits Programs:** For corporate clients, we design employee benefits programs that include financial education, retirement planning, and health insurance, contributing to overall employee well-being and productivity.

Financial well-being extends beyond individual benefits; it contributes to the overall stability and prosperity of communities. By fostering financial literacy and providing robust financial products, Minet helps build stronger, and more resilient communities. Financially stable individuals are more likely to invest in their local economies, support community initiatives, and contribute to societal growth.



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In conclusion, financial well-being is a crucial aspect of life that significantly impacts mental and physical health. At Minet, we are dedicated to supporting our clients in achieving financial stability and freedom. Through our comprehensive financial services and educational programs, we empower individuals to make informed decisions, plan for their future, and navigate the complexities of today's financial landscape. By prioritizing financial literacy and well-being, we help secure a brighter future for our clients and build stronger, more resilient communities. Don't wait until it's too late; prioritize your financial wellbeing today and ensure a brighter tomorrow with Minet.

**Denis Luyima** | Chief Finance Officer | Minet Uganda