



Get invested: Bridging the gap between female investors and financial advisors

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Over the last year, Vicki has led an effort to help financial advisors better connect with women investors. She shares her own personal story and how Columbia Threadneedle Investments can help make the connection.

I've worked in financial services for my entire career in a variety of roles and companies since I graduated from college. I've gotten my MBA, worked in what was, at the time, the new field of asset securitization and moved internationally, all to further my career. But I've also had to make choices like taking a lower paying job with less travel when I got married. I took time out of my career path to raise children. And I've had plenty of missteps while navigating the intersection between my personal, professional and financial goals.

"You could say that throughout my career, I became attuned to how women approached their own financial situations and goals."

I didn't know it at the time, but it was these experiences and countless others that helped shape who I am as both a marketing professional working at an asset management company and as an investor. From my vantage point now, I spend a lot of time thinking about the different investor segments we work with and what they need to be successful. Women are an extremely important segment — in fact, they make up 51% of the population.

The reality is, female clients as a group have only recently been recognized as a priority by the financial services industry, and they represent an enormous growth opportunity. Women are gaining economic power and influence. We're increasing in numbers in higher education, the workplace and government. In 2016, women earned more than half of all postsecondary education degrees: 57.2% of bachelor's degrees, 59.2% of master's degrees and 52.7% of doctorate degrees.

Women control \$14 trillion of personal wealth in our country.

In 2017, women held the majority (51.6%) of all management, professional and related occupations in the United States. And we now hold one-fifth of the seats in Congress. We're often the primary breadwinners in the family. We're the "chief consumer officer" in our households, and we control 51% of all personal wealth in



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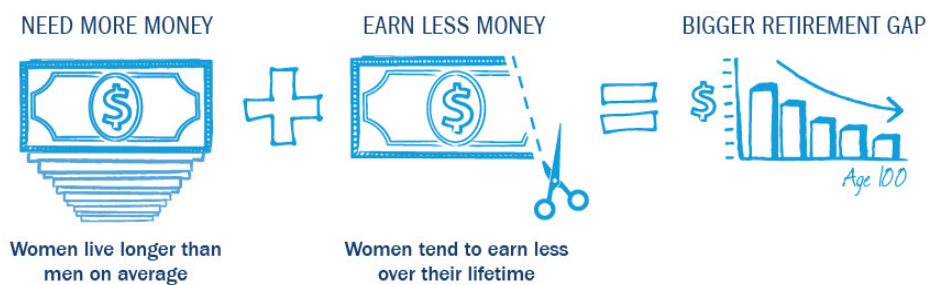
the United States.

While doing this research, I also began to learn some surprising statistics about female investors that not only piqued my interest, but that I very much related to. It motivated me to shed some light on how to help advisors reach this huge client base.

Women are often at a disadvantage — but they don't have to be.

It's been widely reported that women still earn less than their male counterparts. And this, compounded with the fact that many women do take time out of their careers to have a family or care for a loved one like I did, and live (on average) five years longer than men, puts them at a disadvantage when they're saving for retirement.

Women face multiple retirement challenges



I also started realizing that many women either don't have an advisor or rely on their spouse to have a relationship with their advisor.

Of women surveyed, 53% don't have a financial advisor, and 75% of those under 40 don't have one.

I couldn't help but relate these facts to my own personal situation: I'm now a divorced mother of teenagers, and I have to ask myself important questions all the time that could affect their future. How do I save enough for college? Should I spring for a car for them? What if my kids want to go to graduate school? Will they need help with a down payment on a home? And what do I want out of life? Do I want to go back to school? Travel? Be more involved in my community? I can do some of these things for my children and myself, but maybe not all of them. Even though I'm a financial professional, I've needed help from experts to think through my options and develop a plan. Having a plan gives me peace of mind. And now, with my oldest child starting college in the fall, I can see my planning start to pay off.

I also know that I evaluate my assets not just as investments, but in terms of the emotional connections and the experiences they afford. I have a summer home in the town where I grew up, and my extended family gathers there every year. The time together for me and my children is priceless, and I don't think of that house as an investment earning a financial return, but I still have to pay for it! I believe there are plenty of women like me with many goals and a lot on their plates who need an advisor to help them work through all the questions and possibilities.

Get Invested: The seminar that motivates women investors

Our team decided that the best way to help advisors and female investors connect was to understand the reasons why women don't take a more active role in their financial futures — and figure out what we could do to help. We launched the Get Invested seminar, which motivates women to invest and gives them some basic education to get started. Most importantly, it emphasizes the importance of either starting a relationship with a financial advisor they trust or building a stronger relationship with the one they have.

Our challenge was to build a business case highlighting the need for this seminar, clearly articulating the differences between serving female versus male clients. And at the same time, we couldn't alienate male investors. After all, the investment products that make up an individual's portfolio are the same for women and men, and the end result should be as well. The real difference is how we communicate with women investors — it's about the approach. The investment industry has historically been male-dominated — 86% of all board positions are still male — and it can be intimidating. The clichés and stereotypes used to describe investing are often full of competitive jargon, like “outperform,” “beat the market,” “bet on stocks,” “pick a winner” and “hit a home run.” For many women, this can make it feel unapproachable. Also, while women and men in the U.S. are roughly equally financially literate, American women are 44% less likely than their male counterparts to consider themselves knowledgeable about finances. Many people call this a confidence gap, but I like to think that women simply expect a lot of themselves in terms of preparation and education. So our approach includes information on investing topics.

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When developing the seminar, I thought a lot about the relationship I have with my own financial advisor: he's both relatable as a person and skilled in investments. He has understood the way my priorities have shifted over time, and he's helped me adapt along the way, always offering constructive suggestions. He's never been judgmental, even when the decisions I made were not optimal from a pure investment perspective. One of my biggest goals is to help other women (and men!) find that type of relationship built on trust, skill and empathy. I believe this seminar is a powerful first step.

The future of the financial industry and women investors

Right now, it's a really pivotal moment for the financial industry as women and Millennials start to make more money and prepare for their future. I hope that our industry in 5 or 10 years will be even more diverse and give a realistic representation of the communities and world that we serve. And that success will be based on having both the investment expertise and the understanding of people that it takes to be a good advisor. I also hope there will be less of a discrepancy between the financial responsibility and wealth that women have, and the power that they can have in society. Ultimately, I believe that every single investor should be seen as an individual with a unique story and specialized investment needs, and I believe strongly that Columbia Threadneedle Investments will help us get there.

If you're interested in hosting the Get Invested seminar for your clients, we'd love to connect. We provide an engaging presentation, a speaker, invitations and even a giveaway. Contact [Vicki Lester](#) to find out more.

Sources: **"Women make up 51% of the population."** U.S. Census Bureau; **"In 2016, women earned more than half of all postsecondary education degrees: 57.2% of bachelor's degrees, 59.2% of master's degrees and 52.7% of doctorate degrees."** National Center for Education Statistics, 2017 Digest of Education Statistics; **"In 2017, women held the majority (51.6%) of all management, professional and related occupations in the United States."** Bureau of Labor Statistics, Current Population Survey (2017); **"We control 51% of all personal wealth in the United States"** BMO Wealth Institute, Financial Concerns for Women, March 2015; **"53% of women surveyed don't have a financial advisor and 75% of those under 40 don't have one."** Center for Talent Innovation report: *Harnessing the Power of the Purse: Female Investors and Global Opportunities for Growth*; **"86% of all board positions are still male."** PWC, Mending the Gender Gap. **"American women are 44% less likely than their male counterparts to consider themselves knowledgeable about finances."** Center for Talent Innovation report: *Harnessing the Power of the Purse: Female Investors and Global Opportunities for Growth*.



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