

Woman, Heal Thyself: Of Fiscal Health and Financial Responsibility

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A couple visits seeking financial counsel because their current advisor had a habit of directing the entire conversation at the husband. A feather in the cap of the husband was that he had recognized this lack of respect for his wife's presence and participation in the conversation as much as she had. So they were seeking an advisor who would make sure the wife was as involved as the husband, especially since the reality is that the wife is more than likely to be left alone at some point in the future.

Clearly, women need to be involved and their input and opinions respected.

Still paradoxes abound when it comes to women and money.

Take, for example, the fact that women are more educated and affluent than ever. Their increased education, better employment, and higher earnings (albeit still far behind their male counterparts) have driven their higher wealth.

Yet they are also at increased risk of poverty.

In Dragnet-ese: Just the Facts, Ma'am

Here are some Women and Money facts:

- Women control more than half of the investment wealth in the United States.
- Women represent more than 40 percent of all Americans with gross investable assets above \$600,000.
- Sixty percent of high net worth women have earned their own fortunes.
- Forty-five percent of American millionaires are women.
- Forty-eight percent of estates worth more than \$5 million are controlled by women, compared with 35 percent controlled by men.
- In the next 40 years, American women are expected to receive a "double-dip" inheritance, once from their parents and another time from their husbands.

So, what's threatening you?

Despite the extraordinary achievements that many females have realized in the past few decades, there are four major financial challenges that most share:

Singlehood: the highest percentage of single high-net-worth females (37 percent) are in fact widowed, compared to affluent single males of which only 15 percent are widowers.

Low financial literacy: In a recent study, one out of four adults failed a quiz with questions covering money basics (e.g., inflation, interest rates, debt, savings vehicles). The same research revealed that women were almost three times more likely to fail the quiz than men.

Low financial preparedness

Increased risk of poverty

Sadly, a second paradox:

Despite the tremendous opportunity and obligation for women to care for their wealth and for financial advisors to help them, women still lack faith, confidence, and trust in financial professionals.

So what do you want?

Women want to see there is a planning process in place. They feel it is important to have a written financial plan. Men historically have been more focused on investments and investment performance whereas women tend to focus on how investments fit into financial plan.

Also, the study found that women want an advisor who:

- Comes recommended
- Is Honest
- Is Highly knowledgeable, and who...
- Knows her name!

The Good News: It can be found!

Despite the fact that women tend to prefer female advisors for many of the reasons cited above, and the sad fact that still less than a third of the advisors are female, there **are** female advisors. I am excited about personally mentoring two younger female advisors who are beginning to build their own practices and who may work with me using a team approach to financial planning and advisory services. We are excited about the potential to work with women who may need our services.

Regardless of whom you choose to help you, the fact remains that women who get help with their financial planning and money management are more likely to be successful than those who don't.

So get busy, if you aren't already, finding the ideal advisor to help you achieve the financial security you deserve.