Women are becoming more active in managing personal wealth, and financial advisors stand to benefit by aligning themselves with this demographic shift.

Indeed, nine out of 10 women will be solely responsible for their finances at some point in their lives, whether due to the death of a spouse or divorce. This fact alone makes it critical for financial advisors to engage women early and regularly to retain these relationships. Fortunately, female financial decision makers generally exhibit characteristics that actually play to an advisor’s sweet spot.

Key Differences in Female and Male Financial Decision Makers

A recent Fidelity Investments survey of investing attitudes and behaviors among millionaire households found the following three key differences:

Women are more interested in holistic financial planning. Women who work with financial advisors were nearly twice as likely as men to be interested in holistic financial guidance and planning to meet a specific lifestyle or goal. Men were nearly twice as likely as women to indicate that they were interested in achieving the greatest return on investment.

Women are typically more conservative and risk averse than men. Among the top five recent investments for women were certificates of deposit/money market accounts/cash equivalents, individual domestic bonds, and domestic bond mutual funds, while men favored riskier investments such as individual domestic stocks, which nearly twice as many men as women added to their portfolios. Women were 8 percent more likely than men to disagree with the statement, “I am willing to set aside a large portion of my portfolio for risky investments” and they were 61 percent more likely than men to agree that with the market conditions of the past few years, they were more comfortable putting assets on the sidelines until things settle down.

Women are good candidates for financial advice. Forty-four percent of women agree that they need professional financial advice more now than in the past, and 49 percent of women with no current financial advisor agreed that they would like to find one they trust to manage their assets. Among women who have financial advisors, 45 percent say they would very likely follow their advisors if those advisors changed firms; just 23 percent of men say the same.

Recognizing these differences is important to effectively capitalize on the opportunity to focus on female clients.

Equally important is that advisors revisit their longstanding beliefs and habits. Advisors who commit to using sustained actions to improve how they serve female clients stand to gain a significant competitive advantage and reap benefits for years to come.

Adapting to Meet the Opportunity

Figure 1 illustrates a comprehensive three-step process to help advisors identify and define the right approach to better meeting the needs of women.

Step 1: Determining Your At-Risk Assets

Determining your at-risk assets is an important exercise because it helps advisors better understand where they may be vulnerable. In addition, it helps them see the differences between how men and women think and communicate.
Review Your Book of Business by Each Female Client

To begin, list each of your female clients and her status: married, same-sex couple, widowed/divorced, single (see Table 1).

Next, use the following questions to determine if the female client is fully engaged in the relationship with you.

For Married Couples
1. Do both the husband and wife attend your meetings and jointly participate in important conference calls?
2. Does the wife ask meaningful questions in your discussions with the couple?
3. Do you have an equally strong rapport with the wife as you do the husband?

For Unmarried Female Clients
1. Do they contribute ideas and insights to the planning process?
2. Do they ask insightful questions during meetings?
3. Do they readily respond to your requests to speak or meet?
4. Do you have a strong rapport with them?
5. Do they readily share information with you?

If your answer is "yes" to these questions, then these women probably are engaged in the relationship and the process. If the answer is "no," then the assets linked to this relationship may be at risk. For each client where you scored more "no" answers than "yes" answers, identify the associated assets under management.

When your assessment is complete for each individual client, tally up your total female client at-risk assets by status (i.e., married, same-sex couple, widowed/divorced, single). For example, add up the total married client assets at-risk. Next, divide total married client assets at-risk by your total practice assets to get the percentage of your total book that is potentially exposed.

By adding together the at-risk assets by each status category, you can arrive at your practice’s total female client assets at-risk as well as the overall percentage of your book that is potentially exposed.

Look for Trends in Your Findings
Using the results of the analysis you just completed, identify your strengths or areas for improvement when working with women in various life stages. By reviewing the assets at risk per status category, you should be able to rank them by priority of which needs the most attention.

Then, dig deeper to see if you can spot some common patterns within certain situations. For example, do you tend to do a good job of engaging female clients who are married? From here, you’ll want to candidly assess the extent to which you are implementing best practices in working with female clients. Your assessment can help reveal areas of strength as well as ways that you may want to further enhance your approach.

We created a series of worksheets that enable advisors to assess their skills against an extensive listing of best practices that cover the broad categories of financial planning, client meetings and communication, business development and marketing, and practice structure and facilities. Below are a few best practice statements under each category as examples to get you started:

**Financial Planning**
- I make an equal effort to develop a broad and deep understanding of the financial situation and concerns of my female clients, even when they are part of a couple.
- I help married couples prepare for financial decisions in the event of the loss of a spouse or divorce.

**Client Meetings and Communication**
- I am successful in getting both the husband and wife to meet with me in person.
- I include both the husband and wife in all correspondence.

---

**TABLE 1: A SAMPLE FORMAT FOR DETERMINING YOUR AT-RISK ASSETS**

<table>
<thead>
<tr>
<th>Female Client Name</th>
<th>Status</th>
<th>Is the female client fully engaged in the relationship with you? If no, list the assets in the final column.</th>
<th>Female Client At-Risk AUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>❑ Married</td>
<td>❑ Yes ❑ No</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>❑ Same-sex couple</td>
<td>❑ Yes ❑ No</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>❑ Widowed/divorced</td>
<td>❑ Yes ❑ No</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>❑ Single</td>
<td>❑ Yes ❑ No</td>
<td>$</td>
</tr>
<tr>
<td>2.</td>
<td>❑ Married</td>
<td>❑ Yes ❑ No</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>❑ Same-sex couple</td>
<td>❑ Yes ❑ No</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>❑ Widowed/divorced</td>
<td>❑ Yes ❑ No</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>❑ Single</td>
<td>❑ Yes ❑ No</td>
<td>$</td>
</tr>
<tr>
<td>3.</td>
<td>❑ Married</td>
<td>❑ Yes ❑ No</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>❑ Same-sex couple</td>
<td>❑ Yes ❑ No</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>❑ Widowed/divorced</td>
<td>❑ Yes ❑ No</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>❑ Single</td>
<td>❑ Yes ❑ No</td>
<td>$</td>
</tr>
</tbody>
</table>
Business Development and Marketing
- I include articles on topics that are relevant to women in our monthly newsletter.
- I encourage both the husband and wife in all my prospecting activities.

Practice Structure and Facilities
- I have both male and female advisors working in my practice.
- I conduct client meetings in a conversational setting, rather than in a large conference room.

The objective is to rate your own skills against best practices. Some things you may do extremely well, some you may need to hone or add, and still others may not fit your vision for your practice. Ideally, this should be a practice-wide activity so that you can share your results and work collectively toward improvement.

Step 2: Taking Action to Better Serve Female Clients
Once you have identified the risks and opportunities among your female client base, you need to take action to better serve female clients. Consider these four key strategies.

Strategy #1: Implement a Disciplined and Repeatable Approach to Sales and Planning That Targets Women’s Needs
Whether you are working with a potential client or a long-standing one, it’s important to recognize the unique needs of women. Any disciplined approach should be easily repeatable across your client base and easily used by other financial advisors in your practice. Your approach should encompass all phases of the process: pre-meeting activities, strategies and questions to ask during client meetings, and post-meeting activities.

Consider enhancing your prospect and client interaction in the following ways:

Give women time. Make sure you allow your female client or prospect enough time and information to make important decisions. She will want time to consider everything and may feel stressed if she feels that she is missing crucial information—and ultimately unable to make a decision.

Give women multiple perspectives. Female clients and prospects may want input from different people when contemplating a big decision. Use narrative cases to illustrate how you’ve helped other clients like her, demonstrating outcomes with other clients and centers of influence. Be sure to include these on your website and in your first-meeting package.

Give women proper attention. Your female client or prospect may value a financial advisor who pays attention to the details because it demonstrates that you truly care about her unique needs. Be sure to understand her family dynamics, including the names of her children, close siblings, and other people who are important to her. Keep track of her details and ask about these people and issues when you talk to her again.

Give women the chance to talk. In all of your conversations, asking open-ended questions gives people a chance to open up. Make sure, however, that your questions remain part of a defined process. Remember that you are the advisor, and she is looking to you to lead her through the discovery process.

Give women straight talk. In verbal communication, limit the use of jargon. Don’t talk down to clients and use regular English and descriptive sentences to make your point.

Strategy #2: Use Multiple Listening Techniques to Build Credibility and Uncover Needs
Make effective listening a priority. Your goal when working with female clients is to listen more and talk less. This will help you better understand their needs and give them a forum to ask meaningful questions so that they can make good decisions about their wealth and their future. With female clients, you should recommend solutions only after you’ve demonstrated that you’ve listened properly and thoroughly understand the situation.

Here are several approaches to try:

Listen for understanding. During the conversation, summarize and repeat back what you think you are hearing: “So what I’m understanding from this conversation is …” This technique can help you clarify what you hear, confirm

<table>
<thead>
<tr>
<th>TABLE 2: SAMPLE CLARIFYING QUESTIONS AND RESPONSES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>She Says</strong></td>
</tr>
</tbody>
</table>
| I’m concerned about the economy. There’s so much volatility in the stock market and everyone is talking about this country’s high level of debt and inflation. | The economy is certainly at the forefront of the news these days, and it’s generating a lot of anxiety.  
- What are your top two or three fears about these economic conditions?  
- How do you feel these concerns impact your life and lifestyle? |
| I’m afraid to spend any money. | You’re not alone. I frequently hear others express concerns about the rising cost of living.  
- Tell me more about what specifically concerns you.  
- What types of expenditures are you afraid to make?  
- What kinds of expenditures would you like to make? |
understanding for both parties, and demonstrate sincerity.

**Focus on relationship-building questions.** There is a difference between fact-finding and relationship-building questions. Try using more of the latter with female clients. For example, instead of merely asking, “How many children do you have?” ask, “What are your greatest hopes for your children and grandchildren?”

**Ask clarifying questions.** Get to the root of your client’s concern to help her most effectively solve the issue. For example, if your client says, “My grown kids are too reliant on me,” recognize the statement as an opener for you to begin a meaningful discussion on how to best address her concerns. Table 2 provides additional sample clarifying questions that are applicable to this part of the process.

**Strategy #3: Create a Welcoming Environment for Client Meetings**

With a goal of putting your female clients at ease and enabling a better connection on a personal level, consider using some of the following ideas:

 Display photos and personal mementos, as well as magazines and books. These items not only create a comfortable yet professional feeling, they allow clients to find ways to start a conversation that establishes similarities or common interests.

 Create an inviting environment that is conducive to conversation. Consider a tastefully decorated office that includes a sofa, comfortable chairs, end tables, and coffee tables. Add a small round table with upholstered chairs off to the side for reviewing and signing documents.

**Strategy #4: Provide Ongoing Education to Engage Clients**

Research shows that women tend to lack financial confidence and have a lower level of education and knowledge about investments and money management than men. Provide your female clients with ongoing education. Take time in meetings to educate about financial topics, hold educational events, or provide books or resources to read between meetings. Not only will you be providing them with essential skills, you’ll also demonstrate that you understand their needs. And don’t forget to encourage them to share the educational materials you provide with their friends and to invite their friends to attend your educational events.

**Step 3: Strategically Preparing Your Practice**

You and your team will need to make a concerted effort to introduce and implement new ideas.

With an appreciation for some of the unique differences between male and female clients, set some goals for working with female clients. Remember that your measurable goals could focus on:

- Assets at-risk
- Number of new female clients—single or married
- Additional assets from existing female clients—single or married
- Client retention—entire client base lost and number of non-married female clients lost
- Client satisfaction—overall client base and female clients only
- Referrals provided by female clients—number of introductions, number of new clients closed, total new assets

Creating goals for working with female clients and measuring your success is an important part of ensuring that your practice is meeting their needs. It’s a good idea to track your results annually, although many financial advisors prefer to review progress even more frequently. Table 3 provides a sample format for tracking goals that is applicable to this part in the process.

Be sure to include members of your team when setting goals because it will help drive their engagement and commitment to this effort.

**Engage Your Team**

Achieving success with any practice-wide initiative involves clear communication of your objectives, the potential benefits, and the steps you wish to take with your team. Consider the following strategies and activities:

Communicate practice goals. Host a kickoff meeting with financial advisors, relationship managers, and key personnel in your practice to share statistics that show why this initiative

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**TABLE 3: SAMPLE FORMAT FOR TRACKING GOALS**

<table>
<thead>
<tr>
<th>Measurement</th>
<th>Goal</th>
<th>Actual</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets at risk (reference results from the worksheets for Determining Your Total At-Risk Assets)</td>
<td>$9,000.00</td>
<td>$10,000.00</td>
<td>$1,000.00</td>
</tr>
<tr>
<td>New Female Clients (single or married):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of clients</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total new assets</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Additional Assets From Existing Female Clients (single or married):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of clients adding/consolidating assets with your practice</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total new assets</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

---
Creating goals for working with female clients and measuring your success is an important part of ensuring that your practice is meeting their needs.

is important and what is at risk to your practice. Share and discuss the findings about female clients’ assets at-risk in your practice. Present business goals and areas for practice development. Ask your colleagues for feedback and refine as appropriate.

Name your initiative, appoint a leader, and establish a working task force. Develop a name for your commitment to engaging female clients and appoint a leader for the initiative. Then create a task force comprising a cross section of team members charged with embracing this concept. These team members will act as role models in their daily activities and help identify ways to further refine the practice’s approach to female clients.

Engage female financial advisors. Encourage female advisors in your practice to network to build relationships with other women who are centers of influence and prospects. For client and center-of-influence relationships managed by male advisors, begin to introduce female advisors into the mix.

Establish a forum for updates. Meet with members of the practice every quarter to share ideas and feedback. Review and discuss your findings, and share information and best practices from third parties on engaging female clients. Encourage celebration of successes, no matter how small.

Conclusion

Recognizing that women may be looking for different investment strategies or have a different set of financial concerns that deserve consideration is critically important. Engaging women requires time, effort, and a commitment, from you and your entire practice, to generate results. Your commitment to embracing this major market opportunity will be well worth your effort.

Jylanne Dunne is senior vice president—practice management and consulting with Fidelity Institutional Wealth Services. She earned a BA from Boston College and has consulted with many advisors and financial institutions during more than 25 years in financial services. Contact her at jylanne.dunne@fmr.com.

Endnotes

1 See National Center for Women and Retirement Research, 2011.
2 See “2012 Fidelity Millionaire Outlook Study” conducted by Fidelity Investments, March 2012. Respondents included more than 1,000 millionaire households with investable assets of $1 million, excluding workplace retirement accounts and any real estate holdings. For more information, please visit: https://fidelityinstitutional.fidelity.com/ft/campaigns/mobasi/index.html#Intro.
3 Holistic financial planning takes into consideration a client’s entire financial picture today and anticipates the future based on anticipated events and milestones. It’s based on their goals, risk tolerance, charitable inclinations, their family, and what they want their legacy to be. It encompasses not only their investing goals and objectives but also estate-planning opportunities such as asset-protection strategies utilizing trusts and tax-minimization approaches. It’s about today, but most importantly, it’s about ensuring their wants and desires are achieved in the future.

4 For the purposes of this article, married refers to male/female couples.
5 Unmarried female clients may be widowed, divorced, or single.
7 See “2011 Fidelity Investments Couples Study.” The Fidelity Investments Couples Study is a national survey that analyzes retirement expectations and preparedness among married couples. This is a biannual study that took place in May 2011 and surveyed 648 married couples ages 46 to 75 living with their respective spouses. The survey criteria included couples with a minimum $75,000 household income or $100,000 in investable assets.

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