



Addressing the Women in the Room

Financial Advisors Are Managing Less Than Half of the \$11.2 Trillion Women Control

Attracting new female clients – what should be the financial services industry's greatest opportunity – is proving to be one of its biggest puzzles.

Women are increasingly driving the global economy. In the U.S. alone, they control more than \$11.2 trillion in investable assets. But financial advisors are managing less than half of that. That leaves nearly \$6 trillion on the table – a figure that's set to rise as the role of women in the economy, and the assets they control, continue to grow.

Financial advisors should be salivating about the growing financial potential of women in the U.S. They now outnumber men, represent a larger proportion of the workforce and graduate college at a higher rate – earning more than 9 million more college degrees than men since 1982, according to U.S. Census data.

What's more, the gender pay gap has narrowed and the number of U.S. women with six-figure incomes is rising at more than three times the rate of men. By 2020, women are expected to control \$22 trillion in personal wealth, according to the *Harvard Business Review*. By 2028, the average woman will earn more than her male counterpart, says Boston Consulting Group.

"It's the Holy Grail, and the industry hasn't been able to figure it out."



Eleanor Blayney

consumer advocate for the Certified Financial Planner Board of Standards

“Women just don’t trust the profession yet. And a large part of that is because they come into the offices and they don’t see people who look like them or who think like them,” says Blayney.

Only about one in five certified financial planners are women, less than their share of other demanding careers such as medicine and law. That number has held stubbornly steady for at least a decade, even as the number of CFPs has increased by about 54%. And the lack of a diverse gender atmosphere at firms is proving to be a major impediment for an industry looking to attract female clients, Blayney says.

The low number of women in the ranks is all the more curious when multiple studies have shown that women trust other women with [their finances](#) over men, leading the *Harvard Business Review* to call the financial services industry one in which companies stand to gain the most if they can reach out to women.

That road to realizing those opportunities starts with hiring and training women for their ranks, according to Laila Pence, president at Pence Wealth Management in Newport Beach, California, which manages \$1.4 billion and was ranked second nationwide among *Barron’s* Top 100 Women Advisors.



Laila Pence, President
Pence Wealth Management



Lori Van Dusen, CEO
LWV Advisors

“Women have been told for many years that this is a man’s world, and it often looks and feels like a man’s world, and that can be very discouraging for women looking to break in,” says Pence. “But it’s important to have women, because female clients are trusting you with their livelihood. They want to know you understand them and think like them, and this is something the industry is missing.”

It’s been slow-moving, but there are signs of hope, according to Lori Van Dusen, CEO of LWV Advisors, who fields several calls a month from women looking to break into the field. She advises women on how to handle the demanding hours and lack of support that can make it difficult to break into [the industry](#).

“Early in my career, I didn’t really get that this was a huge issue. I was just trying to survive,” says Van Dusen, another *Barron’s* Top 100 Women advisor. “If the industry sees this as an opportunity – and it is – there are a lot of clients waiting to be served.”

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