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# Breaking Down the Barriers Between Women and Financial Success

We want to revolutionize the way women think about their money and wealth, and what prevents them from being fully engaged in their financial lives.

The Colony Group is excited to feature Her Wealth, which focuses on engaging, educating, and serving women on financial topics. The goal of Her Wealth is to establish a platform for collaboration and dialogue around some of the unique financial challenges women face. At Colony, we are intentional about diversity, and are fortunate that women represent twenty four percent of the firm's leadership and thirty-eight percent of our wealth advisors, well above industry averages. The extensive experience of Colony's women financial professionals is an invaluable asset we plan to leverage, to continue serving our women clients at the highest level, and also to be a resource in our communities for women seeking to engage more actively in their financial future.

## **Her Wealth® Goals**

When we first began to talk about creating Her Wealth, we wanted to take the collective wisdom and experience of the women financial professionals at our firm and give that back—not just to our clients and their families—but to a broader audience of women. We wanted to revolutionize

the way women think about their money and wealth by identifying and breaking down the barriers we see all the time that prevent women from being fully engaged in their financial lives.

Although recent studies suggest that women are increasingly taking charge of financial decision-making, many of the barriers we noted at the launch of Her Wealth in 2016 still exist. There's no better way to start this conversation than by understanding these barriers and outlining our goals for overcoming entrenched attitudes and behaviors.

### **Goal #1: We will serve our women clients and potential clients as individuals and not as a one-dimensional niche market.**

We have to credit [Shellie Peters](#), a current Senior Wealth Advisor and Principal at Colony for keeping our mission top of mind. She would remind us over and over that "women are not a niche market!" This was one of her loudest complaints having witnessed the wealth management industry cater to women by creating pink brochures or talking down to them.

Instead, we set out to recognize and celebrate every woman's individuality, especially when it comes to money. While some women have concerns about inherited wealth, others are "self-made" either from working alongside a supportive partner or by forgoing marriage or parenthood altogether. Some women need guidance to manage through challenging circumstances such as a divorce or the loss of a loved one. Others are trying to save for retirement and college for their kids while caring for aging parents. Even while our circumstances may differ, women have much in common, including our experiences of being women in today's ever-changing world.

### **Goal #2: We will continue to attract, hire, and train exceptional women in the advisory role.**

We don't want you to get the wrong impression. There are many fantastic male wealth advisors including those at The Colony Group who deliver a valuable service to their clients, both men and women. That said, we cannot ignore that the wealth management industry remains a male dominated field. According to data from Cerulli Associates, women accounted for only 18% of all advisors in 2020, and only 11% of independent advisory firms were majority owned by women. Not only are advisors themselves predominately male, but most of the advice given is directed to the male of the household. According to a McKinsey & Company study, with advisors reaching out infrequently or solely in relation to cash management questions, married women are often excluded from investment discussions. Not surprising, but still stunning, 70% of women change their financial advisor when their husband passes away, according to McKinsey.

We hear from women all the time that they feel this void. We think it takes another woman with that shared experience to understand, at a very deep level, all the factors that affect a woman's relationship with her money. We believe this so strongly that we have established an annual Her Wealth Scholarship to advance the education of women in the financial services industry.

### **Goal #3: We will bring clarity and understanding to a client's financial options to ensure decisions are not driven by fear.**

One emotion that tends to be shared by women regarding money is fear. The source of fear may come from a life experience of witnessing a mother or grandmother who suffered from the impact of early widowhood or an unexpected divorce. Fear may stem from our news media's inclination to dole out financial sound bites which often emphasize a woman's higher risk of outliving her money. Women face very real challenges—longer life expectancies, living alone in old age, high healthcare costs, and lower lifetime earnings than men. Fear can result in a woman disengaging from the discussion to avoid uncomfortable conversations. Taking on difficult financial decisions can be stressful and fear can often impact or paralyze our financial decision-making.

This is a challenging barrier to overcome. Even so, we have seen time and again that when women are engaged with and take an active interest in their finances, it's an empowering experience. We plan to tackle these fears by bringing clarity and choices to life's financial dilemmas.

### **Goal #4: We will build a relationship of trust and communication to encourage honest conversations around money.**

When was the last time you had an honest conversation about money with a close friend or family member? Many of us were taught that, like religion, politics, and sex, money talk is off limits. We rarely discuss money, even with our closest confidants. Why? Well, it can be seen as bragging if we're complaining about money issues that often arise in a family with substantial wealth. Or, if we fall upon leaner times, our own parents may think, "she makes a lot more money than we ever did, I don't understand why she can't make ends meet?" And, if you aren't sure you can afford the new home you and your husband are considering, who helps to address that concern? Likely your friends and family may persuade you based on their own finances.

Many life choices have significant financial implications, and it may be uncomfortable to discuss them. That's why we think women need somewhere to go to have important conversations about money. A place where talking about money is not taboo but encouraged and supported.

### **Goal #5: We will educate and prepare clients for unexpected life events that may impact their financial well-being.**

The lives of women today, especially those in their mid-to-late 50s are completely different from those of our mothers and grandmothers. Yet, we continue to see women maintain outdated attitudes towards money including a lack of financial preparation. For example, in 1960 only 11% of households with children under age 18 had mothers as sole or primary breadwinners. Today, approximately 70% of women with children under age 17 are employed outside of the home.

We are earning more money than our mothers, but are we better prepared for life's financial curveballs? With the divorce rate near 50%, it's becoming more commonplace to consider prenuptial agreements for second marriages and to design estate plans that incorporate children

from multiple marriages. We're living longer and will need more income for a retirement that could last significantly longer than those of our parents and grandparents. In most cases, social security and pensions no longer provide enough income to support our retirement needs. Saving enough for retirement is challenging for women who often earn less than men and exit the workforce for sustained periods of time raising children or taking care of elderly parents.

We want women to be prepared for all of these situations through thoughtful engagement and education rather than waiting until a crisis hits before taking action. At that point, options are limited, and it may be too late.

## In Conclusion

Her Wealth is intended to shed light on the shared experiences of women and their wealth. We'll be digging deeper into the many factors that impact our attitudes towards our finances and breaking down as many barriers as possible that prevent women from attaining and enjoying their life's goals. Our hope is that Her Wealth is the catalyst for women to create new ways of relating with and managing their wealth.

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### Sources:

1. <https://investmentadviser.org/wp-content/uploads/2021/09/Driving-Diversity-IAA-Cerulli-Study-04-2021.pdf>
2. <https://www.mckinsey.com/industries/financial-services/our-insights/women-as-the-next-wave-of-growth-in-us-wealth-management>

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### Senior Portfolio Manager

Kristina's experience spans 20 years providing investment management to both high net worth clients and institutions. She also has financial planning expertise and works closely with clients to identify their short and long-term financial goals, establish a financial plan, and create an investment portfolio suited to their goals. Kristina partners with clients' tax and legal counsel to ensure that investment management strategies align with optimal tax and estate transfer outcomes. Her clients rely on her for honest, unbiased advice and consider her a sounding board on all areas of their financial life.



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Dawn's experience spans more than 25 years providing wealth management, financial planning and corporate finance solutions for clients. As an MBA, CPA, Certified Financial Planner (CFP®), and a Certified Divorce Financial Analyst (CDFA®), she is uniquely qualified to understand the challenges and financial needs of clients from executives to entrepreneurs, as well as single breadwinner parents.

