

# Women of Wealth

WHY DOES THE FINANCIAL SERVICES INDUSTRY STILL NOT HEAR THEM?

HEATHER R. ETINGER AND EILEEN M. O'CONNOR

**Family Wealth**  
**Advisors Council**  
Putting our Client's Interest First

The Family Wealth Advisors Council conducted one of the largest studies on affluent women ever undertaken. The results shed light on what successful women want from their financial advisor, how happy they are with that relationship, and what they worry about as they look to the future.



# TABLE OF CONTENTS

<b>1. Overview</b>	<b>5</b>
About the FWAC Women of Wealth Study Participants	6
<b>2. Successful Women: An Economic Powerhouse</b>	<b>9</b>
<b>3. Financial Services Industry: Head in the Sand?</b>	<b>13</b>
<b>4. Critical Issues Facing Women: Their Money Journey Defines Their Needs and Expectations</b>	<b>17</b>
What Worries Married Women?	17
What Worries Working Women?	21
The Sandwich Generation: Caring for the Young While Tending to the Old	22
What Worries Retired Women?	23
What Do Women Want in a Financial Advisor?	24
Do Women Care about the Gender of Their Advisor?	24
What Kind of Relationship Do Women Want with an Advisor?	26
Do Working Women Need Different Advisors?	28
Does High-Net-Worth Matter?	31
<b>5. Which Advisors Will Succeed? Those Who Tailor Their Approach</b>	<b>35</b>
<b>6. Conclusion: Successful Women Vote With Their Pocketbooks — Evolve or Perish</b>	<b>39</b>
<b>About Family Wealth Advisors Council</b>	<b>41</b>
<b>About the Authors</b>	<b>42</b>

Women are dissatisfied with the financial services industry. Many believe that their gender is a key factor in the disrespect and condescension they have often experienced and the poor financial advice they have received.



# 1. OVERVIEW

Both the amount of wealth controlled by women and the rate at which it is increasing are extraordinary — 95% of women will be their family's primary financial decision maker at some point in their lives.<sup>1</sup> Today, women control 51.3%, or \$14 trillion, in personal wealth, and that figure is expected to grow to \$22 trillion within the next decade.<sup>2</sup>

Women are leading Fortune 500 corporations, winning top political posts and enjoying more career choices than ever before. By 2030, women will control two-thirds of the nation's wealth — a result of strong organic growth rates buoyed by trillions in generational and spousal transfers.<sup>3</sup>

Despite these significant inroads and potential opportunities, barriers remain — particularly in the financial services industry. Women of wealth are more dissatisfied with this industry than in anything else that affects their daily lives.<sup>4</sup> They believe their gender is a key factor in the disrespect and condescension they have often experienced and the poor financial advice they have received.<sup>5</sup>

## Is it really 2011?

## What does this mean for women and their finances?

## How can the industry adapt to better serve the unique needs of successful women?

The Family Wealth Advisors Council (FWAC), a nationwide network of leading independent wealth management firms, sought answers to these questions, conducting a comprehensive study of affluent women. More than 550 successful women from 44 states weighed in on money, what they seek in a financial advisory relationship, and the critical issues they now face and anticipate.

1. Prudential Research Study, "Financial Experience and Behaviors Among Women" (2010-2011), available [http://www.prudential.com/media/managed/Womens\\_Study\\_Final.pdf](http://www.prudential.com/media/managed/Womens_Study_Final.pdf).
2. Fara Warner, *Power of the Purse: How Smart Businesses Are Adapting to the World's Most Important Consumers—Women* (FT Press 2005).
3. Mary Quist-Newins, "Untapped Market: Women May Be Gaining Economic Power, but They Still Feel Financial Planners Are Not Recognizing Their Potential" (March 1, 2010), available at [www.financial-planning.com/fp\\_issues/2010\\_3/untapped-market-2665922-1.html](http://www.financial-planning.com/fp_issues/2010_3/untapped-market-2665922-1.html).
4. The Boston Consulting Group, "Women Want More (in Financial Services)" (October 2009), available at [www.bcg.com/documents/file31680.pdf](http://www.bcg.com/documents/file31680.pdf).
5. The Boston Consulting Group, "Leveling the Playing Field: Upgrading the Wealth Management Experience for Women" (July 2010), available at [www.bcg.com/documents/file56704.pdf](http://www.bcg.com/documents/file56704.pdf).

## OVERVIEW CONTINUED

The findings are clear:

- Women who have gone through a significant transition have greater clarity about what they want in a financial advisory relationship.
- The financial services industry needs to listen carefully to what each woman is saying and learn to meet her unique needs, instead of generalizing about “women’s issues.”
- Although the financial services industry has said it is focusing more on women, most firms are still missing the mark. Only those that tailor their approach and services will succeed.

### About the FWAC Women of Wealth Study Participants

#### Selection Process

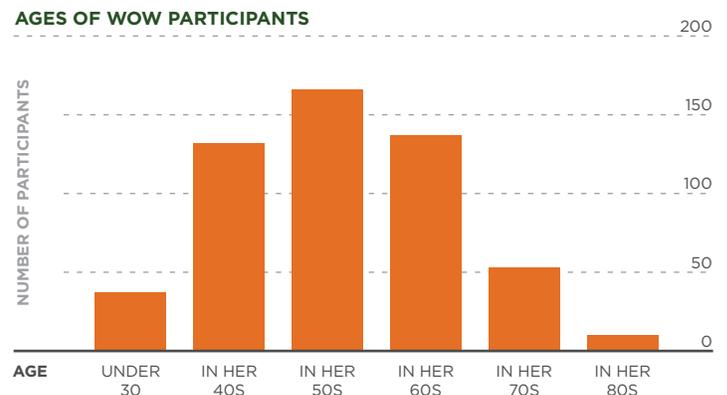
The 551 women in the FWAC 2011 Women of Wealth (WoW) study were personally invited to participate by a FWAC member or a professional who works closely with a FWAC member firm. Invitations were extended to women who were known or perceived to be affluent (as defined by having a net worth greater than \$1 million).

#### Geographic Diversity

Participants were drawn from across the United States, representing 44 states.

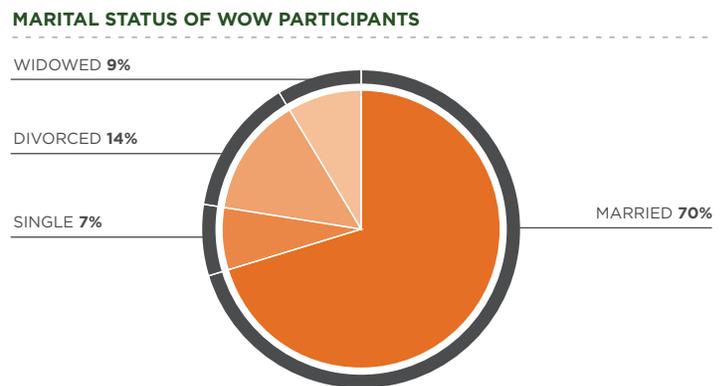
#### Age

Participant age varies, from 30 to over 80, but the average is 55.



#### Marital Status

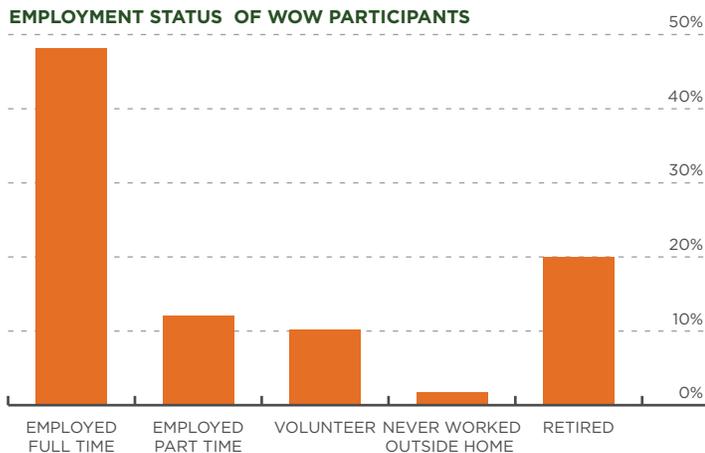
Seventy percent of WoW survey participants are married; a minority are divorced, widowed, or single.



Although the financial services industry claims it is focusing more on women, most firms are still missing the mark. Only those that tailor their approach and services will succeed.

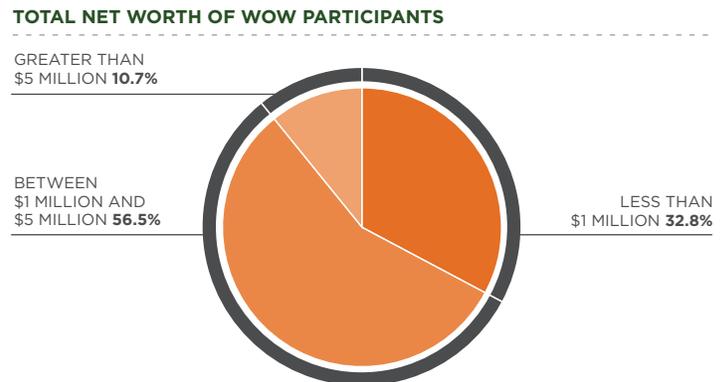
### Employment Status

The majority of participants (48%) work full-time. A minority are retired, and the remainder have never worked outside the home, are active volunteers, or are employed part-time.



### Total Net Worth

A majority (62%) of WoW respondents have a net worth greater than \$1 million, and 11% have a net worth greater than \$5 million.



Founded in 1981, the Family Wealth Advisors Council (FWAC) is a national network of carefully vetted, independent, fee-only wealth management firms that collectively manage more than \$3 billion in client assets.

# ABOUT FAMILY WEALTH ADVISORS COUNCIL

Founded in 1981, the Family Wealth Advisors Council (FWAC) is a national network of carefully vetted, independent, fee-only wealth management firms that collectively manage more than \$3 billion in client assets. The FWAC's member firms share a common belief that taking the long-term approach of putting clients first on all levels is the only sustainable business model. FWAC members commit a significant amount of time and energy each year to meet and share best practices. In a world where many large brokerage firms and major banks consistently look for ways to sell their customers high-fee products that they may not need, FWAC firms provide the kind of consultative advice that meets a higher fiduciary standard.

Professionals in the FWAC hold advanced designations and are uniquely experienced in providing true wealth management services to the affluent client. Many are leaders in the financial-planning industry and regularly speak at industry conferences on best practices in planning and investment management. FWAC members and their firms have won numerous awards, and their research has been used by leading think tanks, media publications and corporations.

More information regarding Family Wealth Advisors Council and the 2011 Women of Wealth Study can be found at [www.FamilyWealthAdvisorsCouncil.com](http://www.FamilyWealthAdvisorsCouncil.com)

## ABOUT THE AUTHORS



Managing Partner Heather Ettinger brings more than 25 years of financial industry experience and passion to Fairport Asset Management, a wealth management firm in Cleveland, Ohio.

### Heather R. Ettinger

Managing Partner Heather Ettinger brings more than 25 years of financial industry experience and passion to Fairport Asset Management, a wealth management firm in Cleveland, Ohio. She has developed a unique expertise in understanding the needs of high-net worth individuals and their families and presenting innovative solutions to create a strategic financial plan to guide them through transitions. Recognized for her expertise in this area, Ms. Ettinger has been named to Wealth Manager's "Top 50 Distinguished Women in Wealth Management."

Beginning her work around financial literacy programs in the late 1980s, Ms. Ettinger continues her work with the trademarked "Solutions for Women (SFW)," a series of seminars at Fairport Asset Management. Tailored to their unique learning styles and priorities, SFW seminars create an interactive and supportive environment for women to learn the skills to become financially independent and intentional in mapping their lifetime plan. These are themes that Heather advocates throughout her professional, civic and philanthropic interests.

She also serves as a director on three corporate boards: Hudson Metals Inc., The Private Trust Company and Pro's Corp. Ms. Ettinger serves as a board member and Investment Committee member of the University Hospitals Health System, Sisters of Charity Foundation and the Cuyahoga Community College Foundation. Her other civic interests include serving on The United Way Board, as an Emeritus Trustee of Laurel School, as a founding member of In Counsel With Women and on the Planned Giving Council of the Cleveland Museum of Art.

In recognition of her accomplishments, Heather has received Crain's Cleveland Business "40 under 40" and "Women of Influence," the Women's Community Foundation Creative Philanthropy Award, an Athena Award Finalist, Laurel School's Distinguished Alumna Award, Kaleidoscope Magazine's "Women Who Give Back" and the YWCA "Woman of Achievement." She has often been known in her community as a "pioneer" and cares deeply about making a difference.

Heather can be reached at:  
[heather.ettinger@fairportasset.com](mailto:heather.ettinger@fairportasset.com).



Eileen O'Connor applies her extensive business and educational background to help her clients achieve what is most important to them as Vice President of McLean Asset Management Corporation, a wealth management firm in McLean, Virginia.

#### Eileen M. O'Connor, CFP®, MBA

Eileen O'Connor helps make work optional for a limited number of business owners, successful executives, and families by acting as their personal CFO. Her extensive business experience coupled with her passion for helping executives reach their goals through advanced financial planning makes her an invaluable professional resource to her clients.

After earning her MBA from Harvard University, she consulted with Fortune 500 financial services companies on strategic and operational issues first in the US and Europe and then for three years based in Singapore. It was in this capacity that she formed her strong opinions as to the inherent conflicts associated with non-fiduciary financial advice.

Opinionated about the type of firm she would join given her experience with other wealth management operations, she joined McLean Asset Management, a fee-only Registered Investment Advisory firm founded in 1984 with an impressive track record of successfully serving high-net-worth individuals and families. Since 2004, Eileen has been serving her clients in all aspects of their financial lives including investment management, retirement planning, tax minimization, estate planning, wealth protection, and charitable giving. A key component of her practice includes working with her clients' other advisors as well as her own network of outside advisors to

ensure her clients continually benefit from the most advanced planning strategies.

Eileen has won numerous awards including being recognized as one of the Washington area's 75 premier advisors by the Washington Business Journal, September, 2011. She was named in the November 2010 and January 2009 issues of Washingtonian Magazine as one of the area's top 30 financial experts. In the June 2009 Northern Virginia Magazine's "Best of Issue," she was recognized as a leading wealth manager. She is a sought after speaker and writer on many wealth management issues, including challenges of women of wealth. She is active in the Washington DC Harvard Business School Club, a member of the Family Wealth Advisor Council, NAPFA, and the Northern Virginia Estate Planning Council. She also serves on the board of Directors for the Children's Museum of Northern Virginia.

Eileen earned her B.S. in Finance and Information Systems with highest distinction from the University of Virginia, an MBA from Harvard Business School, an Executive Certificate in Financial Planning from Georgetown University, and is a CFP® designee.

More information about Eileen, including her blog, can be found at [www.eileenconnor.com](http://www.eileenconnor.com).

Eileen can be reached at:  
[eileen.oconnor@mcleanam.com](mailto:eileen.oconnor@mcleanam.com).

# FWAC MEMBER FIRMS

## **Fairport Asset Management**

### **Heather Ettinger**

3636 Euclid Ave.  
Cleveland, Ohio 44115

Telephone: (216) 431-3836

heather.ettinger@fairportasset.com

www.fairportasset.com

## **McLean Asset Management Corporation**

### **Eileen O'Connor**

8200 Greensboro Drive, Suite 1150 McLean,  
VA 22102

Telephone: (571) 405-3681

eileen.oconnor@mcleanam.com

www.eileenoconnor.com

www.mcleanam.com

## **Waypoint Wealth Partners**

### **Chuck Bowes**

595 Market Street Suite 2740  
San Francisco, CA 94105

Telephone: (877) 768-4802

chuck@waypointwp.com

www.waypointwp.com

## **Stearns Financial Services Group**

### **Dennis Stearns**

324 W. Wendover Ave., Suite 204  
Greensboro, NC 27408

Telephone: (800) 881-SFSG (7374)

dstearns@sfsfg.net

### **John Thomas**

324 W. Wendover Ave., Suite 204  
Greensboro, NC 27408

Telephone: (800) 881-SFSG (7374)

jthomas@sfsfg.net

www.sfsfg.net

### **Linda Barlow**

2700 N. Main St.  
Santa Ana, CA 92705-6638

Telephone: (714) 953-1232

wealthmanagers@earthlink.net

## **Blankinship & Foster LLC**

### **Stefan Prvanov**

420 Stevens Ave., Suite 250  
Solana Beach, CA 92075

Telephone: (858) 755-5166

prvanov@bfadvisers.com

www.bfadvisers.com

## **CMC Advisers**

### **Marilyn Bergen**

4800 SW Macadam Ave. #305  
Portland, OR 97239

Telephone: (503) 227-5284

marilyn@cmcadvisers.com

www.cmcadvisers.com

## **McHenry Capital, LLC**

### **Carleton McHenry**

4265 San Felipe, Suite 1100  
Houston, TX 77027

Telephone: (888) 968-9815

carleton@mchenrycapital.com

www.mchenrycapital.com

## **Sterling Wealth Management**

### **Sharon Allen**

115 North Neil Street, Suite 305  
Champaign, IL 61820

Telephone: (217) 398-1900  
or (800) 660-0115

sharon@sterlingwealthmanagement.com

www.sterlingwealthmanagement.com