MarketWatch

Women and financial advisers: a rocky relationship

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Not long after my husband, Cliff, and I got married, he asked me to join him for a meeting with his financial adviser. Cliff had invested with this adviser for about a decade and was happy with the results.

So I went along — and instantly regretted it. As the adviser and Cliff bantered about my husband's portfolio's returns, I felt invisible. When I asked why he wanted Cliff to buy stock in a particular company, the adviser glanced in my direction — never directly in my eyes — and responded in a tone that I interpreted as, "She doesn't know what she's talking about."

If the adviser had paid attention when I told him what I did for a living, he would have known that I was a former Forbes writer and knew a little about analyzing a company's potential. I returned for subsequent meetings because Cliff valued my opinions, but vowed not to give the adviser a dime of my money. And I never did.

My experience is, unfortunately, anything but unique. Of course, some male financial advisers treat women clients well and deliver excellent service (and there are undoubtedly some snooty female financial advisers).

But many women I know have described experiences with financial pros that sound just like the one I had with Cliff's.

Women are convinced that "their gender is a key factor in the disrespect and condescension they encounter," according to Women of Wealth, a recent study. And all of the women polled for this survey by the Family Wealth Advisors Council — a network of wealth-management firms — had a net worth of greater than $1 million, so their treatment wasn't due to coming in with puny portfolios.

Advisers, meanwhile, have complaints of their own. Some have told me (in my capacity as a financial writer) that women tend to be more plodding in their decision-making and need more hand-holding than men and that they're less willing to take on aggressive investments then men, even when it's wholly appropriate to consider them.

Clearly, the relationship between women and financial advisers can be rocky, to say the least.

Still, some investment firms are working harder to attract female clients, and it's easy to see why. As the recent Wall Street Journal article "Clients From Venus" noted, women control $8 trillion in assets in the U.S., and that figure is expected to reach $22 trillion by 2020. That may explain why financial services companies are increasingly holding investment seminars for women and launching websites specifically for them. For example, Wells Fargo WFC +0.77% last year launched Beyond Today, a retirement planning site geared toward women.

Since women are a growing economic force, many will want advisers to help manage their money for a secure retirement. Here are five tips to help you team up with a financial adviser who's ideal for you:

1. Start by looking for experienced, credentialed advisers.

As a rule, I think an adviser should have the Certified Financial Planner designation, awarded by the nonprofit Certified Financial Planner Board of Standards. Three national groups of financial planners offer searchable databases with contact information: the National Association of Personal Financial Advisors, the Financial Planning Association and the Certified Financial Planner Board of Standards.

I also find it reassuring to know that an adviser has been practicing long enough to have weathered a few market ups and downs.

2. Find someone you can connect with.

Revealing your financial profile to a stranger calls for trust and confidence. So take whatever time you need to find the right professional, and be sure the adviser has clients like you. Your pro doesn't have to be your confidant, but he or she does need to be someone who gets you. If you're recently widowed or divorced, for example, it might be helpful to work with someone who has other clients who fall into that category.

"I'm always surprised at how rarely prospective clients ask about my background and experience," says Eileen O'Connor, a co-author of the Women of Wealth report and a wealth manager at McLean Asset Management Corporation in McLean, Va. "I really like to work with executive women…my background is that I can help with small business issues, networking and other things that professional women are looking for."

3. Raise tough questions during your initial consultation.

Ask questions like: What was your worst investment last year? How have you protected clients during tough markets and helped them boost returns in good ones? How many of your clients are women? How are you paid? Think of this conversation as a job interview, and remember, you're the employer. You should expect straightforward answers to your questions.

4. Pay close attention to what the adviser asks.

"You will know in the first 10 minutes if someone really understands you or only wants to talk about your investments," O'Connor says. "I ask very personal things — for example, what is your first memory around money?” If all the questions are about how much money you have and how much you earn, you should look for another adviser.

5. Once you choose an adviser, take an active role as a client.

It’s your money, after all. The key to a successful partnership is going to be your involvement and understanding of the decisions that will affect you and your family for years to come. As the saying goes, knowledge is power.

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