



Push Is On for More Female Financial Planners

Just 23 percent of financial planners are women, a number that inspired a trade group to campaign for more women to the field.

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Ever since Manisha Thakor, the founder of MoneyZen Wealth Management, entered the financial services field, she's been one of the few women at the table. "In my early 20s, I tried to behave like the other people around me by wearing dark suits, being serious and showing no sign of feminine energy, but eventually the real me broke through," she says.

As her real self, which Thakor describes as "authentically quirky," she has found her greatest success: Now in her mid-40s, she runs a thriving business helping clients — who are mostly women — manage their money, and she is also a popular author, speaker and expert on personal finance issues. She attributes her ability to get ahead in a male-dominated field to her early financial education: Her father taught her about investing when she was 11. She was fascinated and went on to pursue an investment banking career and then an MBA at Harvard University.

Many leaders in the financial services field hope that more women will start following Thakor's path. According to the Certified Financial Planner Board of Standards, 23 percent of CFP professionals are women, which inspired them to launch an initiative to attract more women into the field last year. "There are so many women who are not seeing that opportunity [to become a CFP]. ... Men do not indicate that same lack of knowledge about financial planning," says Eleanor Blayney, consumer advocate for the board.

Old Boys Clubs? Sharks? Lower Pay?

Tim Maurer, a certified financial planner and director of personal finance at the BAM Alliance, a group of independent advisers, says there's a perception of the industry as an "old boys club." "Although there's been some improvement, there's a lot of truth to that perception," he says.

An April report by the board found that women are less aware of the financial planning field than men, and they also believe that the profession is focused exclusively on quantitative analysis and number crunching rather than long-term relationships with clients. "Financial planning is not the same as making investments or product sales," Blayney says. "It's a much more comprehensive, holistic, relationship-driven kind of practice. You're working with people over time, and not just putting a life insurance policy in place and moving on. You're a problem-solver for individuals and families."

Another issue is the salary discrepancy women face in the field, Blayney notes. The pay differential between male and female financial advisers is significant. Aite Group surveys from 2012 and 2013 found female financial advisers earn on average \$32,000 less than male advisers. "The pay differential is disturbing, but not all that surprising, because we know it's the same in many other professional areas," Blayney says.

More Personal and Relational

Some female financial advisers report that being a woman can be an advantage. Thakor built a wealth management practice serving primarily female clients with \$3 million or more in assets. Some clients, especially women, say they prefer working with a female adviser. "Female advisers are more naturally skilled in the more personal and relational elements of planning," Maurer says. "It would be a mistake, however, to presume that they are less skilled in the more technical and analytical elements of a planning practice."

To bring more women into the field, the board plans to increase education and awareness of the profession, starting with young girls and continuing on up to women in college and business graduate school. "They can see that jobs in the financial services aren't all 'sharks on Wall Street'. ... it's a profession that's built around helping others," Blayney says. She adds that the job also allows a large amount of flexibility and telework opportunities, which can help parents of both genders balance home and work responsibilities.

Thakor thinks the first step is introducing girls to financial concepts at an early age, as her father did for her. "I've noticed boys tend to engage in more 'social talk' around business and money concepts in high school and college than girls do," she says, which can help kids become more familiar with finance-related fields. As a result, she adds, "When the option of being a financial adviser comes up as a possible career path, it feels more relevant to their lives."

Plus, "Attracting more women will in turn become part of the solution, because they will have more role models and mentors," Blayney says.