

WORKING WITH WOMEN

Those financial advisors looking to understand how women feel about finances should read this book

by Sandra Saksena

The secret is out: As consumers, women are a force to be reckoned with and are accruing more and more purchasing power. From starting new businesses to inheriting wealth, this market segment is growing and is in need of financial services professionals who understand what they want and need from an advisor. (For more information on this topic, see the story “Real Opportunity” on page 28).

Knowing how to reach this market, however, requires that advisors educate themselves concerning some of the obstacles women face when planning for their financial futures. “Money Shy to Money Sure: A Woman’s Road Map to Financial Well-Being,” by Olivia Mellan and Sherry Christie, is a great introduction to what the authors feel are the seven money myths that

block women from taking action toward securing their financial futures, as well as how you, as their advisor, can help them work around each one:

Myth 1: Money is too complicated for me to understand.

These authors believe that women have residual anxiety about numbers that started when they were first in school. “Research indicates that women with math anxiety are likely to be more risk averse, more fearful of investment decisions, and, therefore, financially less prepared.” To help women around this problem, advisors can use everyday examples, including how women often figure the sales cost of regularly priced items, or add sales tax to purchases.

Myth 2: I don’t have enough money to do anything with.

Typically, when it comes to working in low-paying jobs, women outnumber men. Some women, particularly those who live on a single income, might find it hard to save after paying all the bills. Single, working mothers have an even tougher challenge. Invite these prospects and clients to reflect on the money messages they received as children, as well as how these events have influenced their current perspectives toward saving.

Myth 3: If I take risks with my money, I’ll lose everything.

These authors believe that the fear of financial risks affects women in different ways. Some are going to fear investing, rationalizing that they want the money to be there if they ever need it. Others may hesitate to ask for a pay increase, for example, because they are afraid their job will be



at risk if they do. Even smart, well-educated and financially independent women can occasionally fall prey to this type of thinking. Advisors need to be aware of these attitudes and offer these women ways to deal with the fear.

Myth 4: I don't have enough time to manage my money.

Advisors need to be aware that women struggle with multiple roles as wives, mothers and daughters, to name only a few. These authors contend that women who spend at least part of their day working also carry the additional burden of keeping their households in order. This extra responsibility can make some women feel as though there are not enough hours in the day to get everything done.

Myth 5: It's selfish to put myself first. I'm supposed to take care of everybody else.

According to Mellan and Christie, advisors should think about asking their women clients questions that get them talking about the responsibility they feel to people other than themselves. For example, ask if the prospect or client feels a desire to meet other people's needs, and, if the answer is yes, does this make their days an exhausting cycle of working overtime? Do they have elderly parents to take care of? These questions, though basic, can give you an idea of how overwhelmed your clients and prospects might feel.

Myth 6: If I take charge of my money, I'll antagonize others and might end up alone.

"Fear of conflict keeps women in the dark about money matters," the authors explain. Some of your clients and prospects may feel that being financially competent will turn off the men in their lives, whether it is a husband, a father or a boss. Ask your female clients if they fear having control of their finances will eventually lead to their being alone, and then work to try to replace this fear with empowerment.

Myth 7: Somebody else should be taking care of all of this for me.

Many women, even today, harbor a deep longing for the kind of love and unconditional care they received in childhood. Sometimes, this feeling translates into a more traditional reliance on men as providers. Financial services professionals should be aware of this attitude and help their female clients adjust this outlook when possible.

Financial services professionals who have women clients and prospects — or those who are looking to enter this market — would benefit from this book. With a wealth of information about how some women think about finances, this book is a must for those advisor who want to help these clients gain the confidence they need to take control of, and prepare for, their financial futures. **RTT**

Useful Tips

- As you read this book, you may recognize some of your clients and prospects within the pages. I found many pointers that helped me counter some of the common objections that are raised by the women I work with. Being able to effectively address their concerns in a way that gets to the heart of why they are struggling allows me to help them fully understand why being financially prepared is so important.
- I have also referenced the information in this book while giving some workshops

and seminars, and have had participants come to me after the event and tell me that I pinpointed their fears when it comes to dealing with finances.

- This book works well in all kinds of markets, from the United States to different countries worldwide. The concerns mentioned by these authors are universal, and though advisors may have to tweak a few items here and there to make the information more relevant to their specific audiences, this book offers an excellent starting point.



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