

THE PSYCHOLOGY OF ADVICE

A REPORTER ASKED ME SOME YEARS AGO if men's greater willingness to bungee-jump and take other big risks might be due to some fundamental difference between their brains and women's brains. While I ducked the question of brain function by saying that I was not a biologist, I said I thought differences in the way girls and boys were raised could explain their different behaviors.

Much more scientific research has been done since then, and it looks as though the reporter's question may have been more on target than either of us knew at the time. New brain studies are helping to deepen our understanding of how the mind works and how people change. In particular, we're learning that men and women are hard-wired in many areas to be as different as night and day.

One of the leading explorers of this landscape is psychologist and family physician Leonard Sax. Most recently the author of *Why Gender Matters* (Doubleday, 2005), Sax has opened my eyes to some of the many ways male and female brains develop differently from birth. He says, "Every step in each pathway, from the retina to the cerebral cortex, is different in females and males.... Girls and boys play differently. They learn differently. They fight differently. They see the world differently."

It's important for advisors to be able to reach male and female clients more effectively. While each individual is unique and will exhibit certain traits to varying degrees, this recently uncovered information can expand our insight into male-female differences, leading to new ways to bridge the gap between men's and women's worlds. Here are some of the research findings, with my ideas on how they may help you work more successfully with clients.

This is the first in a three-part series on gender and money. This month, the differing psychology and chemistry of men and women. **Next month:** how one experienced advisor addresses the practical differences between male and female clients

Focus: Gatherers vs. Hunters

Girls' eyes have more P cells keyed to cones, which provide high-resolution details of what they're looking at. Boys' eyes have more M cells keyed to rods, which are more sensitive motion detectors. This difference is apparent even in infancy: baby girls are more likely to focus on people's faces, while baby boys like to stare at mobiles twirling over them. Young girls tend to picture their world in terms of things (Mom, Dad, house) while boys focus on action (jets flying, rockets blasting off, villains getting blown away).

while men are more likely to be interested in performance ups and downs.

But clients' blind spots may keep them from being satisfied later with their investment choices. To help them become better-rounded investors, consider educating women about the importance of past results, risk, portfolio turnover, and so forth, while encouraging men to be more aware of such "softer" issues as product quality and commitment to stakeholders.

Gender Matters

Why can't a woman be more like a man—or vice versa? The answer is often in our DNA

BY OLIVIA MELLAN

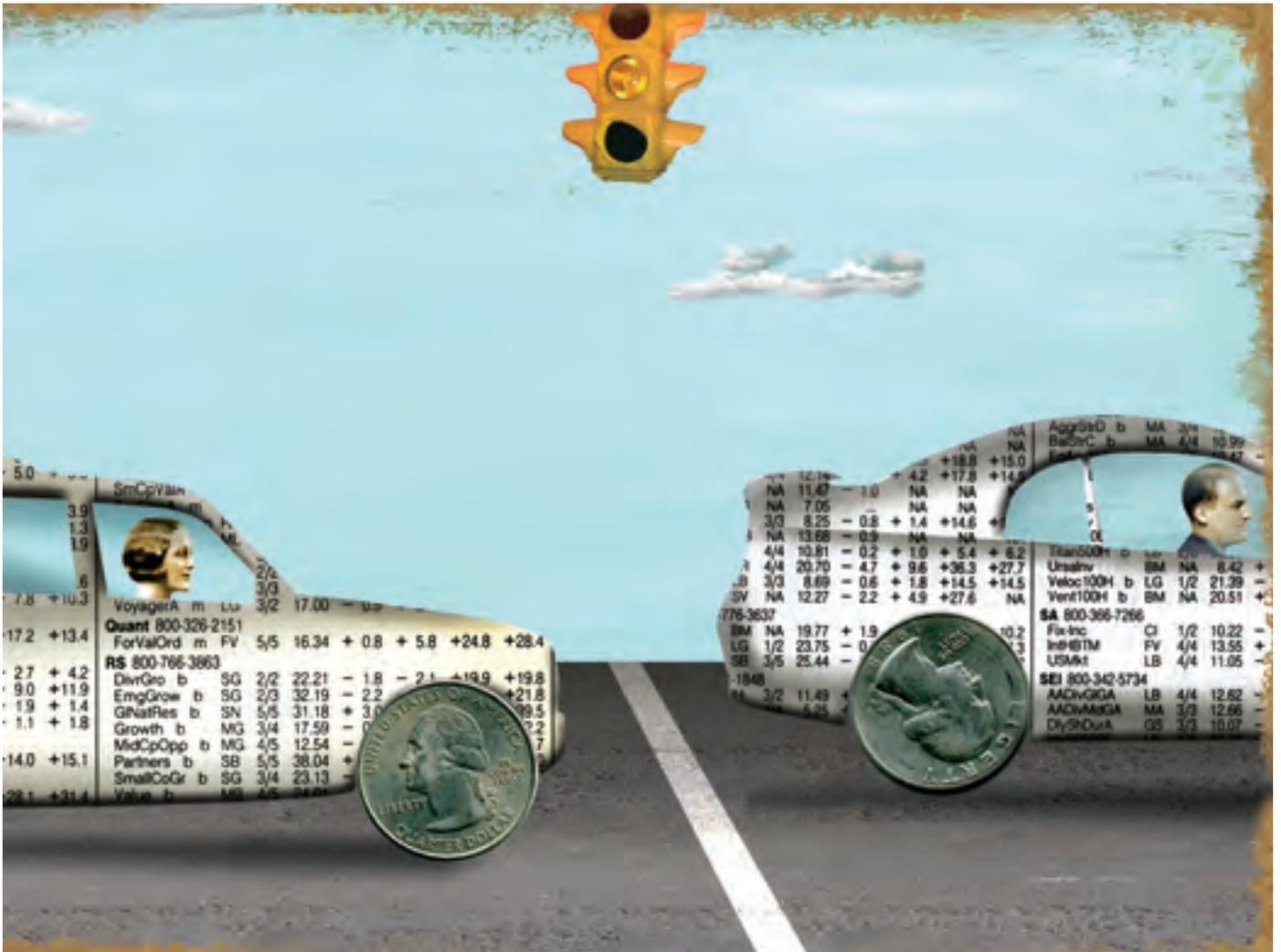
I asked Dr. Sax whether this might suggest that men tend to place more importance on movement and velocity in choosing an investment, while women are more interested in its nature.

Dr. Sax finds this hypothesis quite plausible. And Adam Kanzer, Director of Stockholder Advocacy for the Domini Funds, tells me there are more women investors than men in Domini's socially responsible mutual funds. This fuels my belief that women are more interested in feeling "connected" to their investments,

Behind the "Strong, Silent Type"

Research as early as the late 1800s began to identify the areas of the brain that control certain kinds of functioning. In 1964, studies showed that there are very real gender differences in brain geography. For example, language resides in the left hemisphere of men's brains, while the right side controls spatial concepts. By contrast, the language function is diffused throughout women's brains, instead of being localized.

This is reflected in the different ways that emotions are handled. A recent study indicates that when adolescent girls experience negative emotions such as anger, humiliation, or sadness, much of the brain activity associated with their feelings



moves to the cerebral cortex, an area connected with higher functions such as reflection, reasoning, and language. In boys, negative emotions remain in the amygdala, a more primitive part of the brain. I see this as a reason why men may react more quickly and explosively to negative emotions, while women are more likely to process and discuss these feelings.

A further consequence of this difference in brain structure is that it's harder for men (or boys, for that matter) to talk about their feelings. When you ask a man, "How do you feel about XYZ?" it requires him to connect two parts of the brain that don't normally communicate. Dr. Sax illustrates this with the Garrison Keillor joke about the man who said his marriage worked great because he and his wife rarely talked.

Thus, while it can make sense to ask a new female client, "How do you feel about coming here?" a man may respond better to

a question about his thought process. Dick Vodra, an advisor in McLean, Virginia, suggests asking, "What made you pick up the phone and call me this time, after all the times you may have thought of it before?"

Deborah Tannen, a professor of linguistics at Georgetown University and an author whose work I have admired for years, says that when she explored the different ways each sex uses language, she was overwhelmed by the differences separating females and males at every age. Even the second-grade girls she studied were more similar to adult women in their use of language than they were to boys of their own age.

As a couples therapist for over 30 years, I have a lot of compassion for men's challenges. I do believe it's possible for a man to learn to find words to access his feelings, and the men who manage to stretch in this way assuredly have better relationships. An understanding of this difference in brain

wiring can also help a woman develop more patience and tolerance in helping a man master this task, which is so difficult for him and comes so naturally to her.

Getting a Rush from Risk

Research shows that boys tend to exhibit riskier behavior when other boys are watching. Girls are less likely to be impressed by risk-taking behavior in their girlfriends, or to enjoy risk-taking for its own sake.

Why? Blame differences in the autonomic nervous system. In boys, risky activities typically trigger a rush that they find intensely pleasurable (think paintball games, demolition derbies, extreme sports). Dr. Sax mentions one study where youthful participants played a video game in which they risked a realistic-looking crash. Most of the boys felt exhilarated by the danger, while most girls said it made

them feel fearful. In a related finding, girls tend to underestimate their chances of success in physically risky activities, while boys tend to overestimate theirs.

These different attitudes toward risk appear to have originated millennia ago. I'm fascinated by the conclusion of University of Alberta primate anthropologists Linda Fedigan and Sandra Zohar that male monkeys' risk-taking behaviors cause them to die at a much earlier age than females.

Fast forward to human investors: no wonder men enjoy taking financial risks that most women shun. No wonder they take full credit for investment successes, while blaming their failures on outside influences. It's just as obvious why women tend to underestimate their skill as investors, crediting their advisor or good luck when they succeed. In many cases, early socialization reinforces both sexes' genetic predispositions.

Knowing how the male nervous system responds to the thrill of taking chances, you may be able to connect to risk-addicted clients with more insight and help them learn to mitigate these tendencies. By the same token, once you're aware that female clients' investment anxiety is not just acquired but inherited, you may be more successful in encouraging them to take necessary risks.

How We Learn

Given these brain differences, it's no surprise that women and men prefer to learn in different ways. One cue comes from 2004 chimpanzee research in Tanzania. Female chimps tended to follow their teacher's example, while male chimps preferred to do things their own way. We naked apes may not be as evolutionarily superior as we like to think, since (as Dr. Sax points out) boys are more likely than girls to consult their teacher as a last resort after all other options have been exhausted.

This implies to me that women may be more likely to seek a financial advisor's help—and follow through on your recommendations. You might also consider keeping closer tabs on a maverick male client, in case doing things "his way" gets him into trouble.

If men and women see and hear differently, then what's the best way to get through to

clients? One tip is to use shock tactics selectively, since the two sexes respond differently to pain, stress, and aggression. Girls and boys don't even feel the pain of a jolt of electricity the same way. If you're a boy, Dr. Sax says, it won't hurt as much.



Olivia Mellan

Educational psychologist Eva Pomerantz found similar reactions to aggression. A confrontational, in-your-face approach often works well with boys, while girls are more likely to be hurt by blunt criticism. So while you may be able to jolt a male client into new behavior by telling him, "You're going to be broke in six months if you keep this up!" a woman client is apt to be more compliant if you take a positive, we're-in-this-together approach smattered with praise.

Natural Selection

I have to admit that this particular research made me reexamine my emphasis on supportive, nurturing client interventions. But as a psychotherapist whose awareness has been fine-tuned by men's and women's struggles, I've always known that the anxiety of a more confrontational approach helps some people learn better, while other clients are more successful when

they feel calm and safe. When you have a male client (or an atypical female client) whose financial behavior is sabotaging their plans, remember that direct confrontation is one of the options in your toolkit.

Believe it or not, where you sit in your office can also be a factor in working more effectively with clients. Women prefer that you sit across from them so they can look you in the eye. If you're dealing with a man, sit down next to him, shoulder to shoulder, and spread out the materials in front of you both.

Women typically respond well to a small-group learning environment—for instance, a seminar, workshop, or appreciation dinner. Men sometimes learn more effectively when they're moving around. (This may explain their predilection for doing business on the golf course.) If you have a thorny issue to discuss with a male client, you might consider broaching it while the two of you walk to Starbucks for a latte.

Dr. Sax shared with me another interesting finding: Most women learn better at a room temperature of about 75 degrees, while men learn better at about 69 degrees. I wonder how social scientists would interpret this—that cavewomen learned from each other around the fire, while cavemen frantically processed perceptions out on the hunt?

The Will to Work

What about the notorious income differential between men and women? Dr. Sax cites economist Linda Babcock's study of new

DO YOU HEAR WHAT I HEAR?

WIVES TEND TO JOKE ABOUT THEIR HUSBANDS' SELECTIVE HEARING. BUT IT'S NO JOKE, according to Dr. Sax. Girls hear much better than boys—a difference that persists in adulthood and becomes more marked after age 40.

And it's probably the spouse with XX chromosomes who's going to wake up in the middle of the night hearing a mysterious noise. Girls are distracted by noises 10 times softer than noise levels that would affect boys. In fact, girls and women tend to be much more bothered by extraneous sounds than their male counterparts.

One implication: screen out distracting office sounds (clicking keyboards, ringing phones, distant conversations) while meeting with a woman client. If you have a loud voice, consider toning it down so she won't perceive that you're shouting at her. An advisor with a naturally low voice may want to increase the volume for a male client.

Also, when you're working with a client couple, don't assume you're reaching him just because she appears engaged. He may feel too vulnerable to speak up and say, "I can't hear you." In fact, hearing differences are another good reason to keep checking with clients of both genders to make sure they're on board with you.

Carnegie Mellon University graduates. She explains the financial gender gap by noting that the women didn't ask for more money in job interviews, while the men did. Because of this "risk-taking" behavior, the men were rewarded with higher starting salaries.

Gender politics activist, educator, and author Warren Farrell confesses that as a male feminist, he used to wear a pin that said "59¢," alluding to the oft-quoted statistic that women were paid 59 cents for every dollar that men made. Finally he asked himself, "If an employer can hire a woman for 59 cents to do what a man would do for a dollar, why would anyone hire a man?"

Digging deeper, Farrell discovered that among educated full-time workers, women earn \$1.17 for every dollar men make. Even among part-time workers, women make \$1.10 for every dollar earned by their male counterparts. So much for the 59-cent generalization.

Farrell's research concluded that men and women have different goals for what they want to get out of their work. The opportunity to earn more income usually depends on an individual accepting one or more of these choices: more intense work (more responsibility, bigger staff); more highly specialized work (e.g., technology, hard sciences); more hardship (much traveling, relocation); more danger (physical hazards); more education (extra debt, a late start in your career); more work experience (no time off to "find yourself").

Some women choose to earn less in order to achieve a more equal balance between work and personal relationships. Men can benefit from being open to similar choices, instead of conforming to the pressure of providing a more lavish lifestyle than their family really needs.

Apropos of men's choices, *The Wall Street Journal* recently reported that many of the men signing up for an online dating

service were looking for women who earned more than they did. It saddens me to think that these guys felt so encumbered by their "provider burden" that they were hunting for someone else to take it over for them.

Farrell's point, which I deeply respect, is that we need to stop viewing women and men as victims, and see clearly that everyone has to make choices and sacrifices in order to create a challenging and rewarding life. This more balanced point of view will help each of us exercise our own choices to live in harmony with our values and integrity.

Practicing the Nonhabitual

Once upon a time, near the beginning of my therapy career, Warren Farrell and I co-facilitated a workshop at Georgetown University titled "Consciousness-Raising for Men and Women." As part of this workshop, participants had to go on a "role-reversal" date with someone of the opposite sex. Each of us was required to embody behavioral stereotypes of the other gender. For example, I was supposed to make remarks about my date's body, open doors, and pay for the meal, while my partner was expected to act compliant, stroke my ego with compliments, and be sexually flirty.

This powerful exercise helped many of us develop more compassion for the constraints that trap women and men in roles not of their own choosing. Its central idea of "practicing the nonhabitual" remains at the core of my philosophy about how people can grow and change.

All this new information about male-female hard-wired differences may help you establish a more effective learning environment for your clients. In addition, I would encourage you to teach them how to counter their own biology when it gets in the way of reaching their goals. For example, explain to a woman investor that it's natural for her to focus on a company's values, but you're

there to help her see the other half of the picture. Teach men about their biological tendency to seek more risk than may be wise.

These research findings also suggest that when a couple consults you for advice, it could be a good idea to meet separately with each partner. With what you know about men's and women's innate tendencies, you may be able to help each partner learn and absorb more fully whatever you need to impart. Afterward, you can bring the couple together to finalize agreement about a course of action.

Today, we're beginning to learn just how many gender differences are hard-wired. We need to be focused and vigilant in creating an environment where men and women can overcome this programming to live in a way that reflects their own individuality and uniqueness. Once we stop seeing ourselves as powerless victims, we really can exercise choice in a way that creates balance and fulfillment for ourselves and for our loved ones.

Gender matters to all of us. It's a subject of boundless excitement and fascination to me, as I hope it is to you. Your understanding of male-female differences (and similarities) can give you more insight, more compassion, and more inspiration in helping individuals and couples create the life they envision. 

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