By nature, women tend to see the big picture when making decisions - big and small. So why is it that we often drag our feet when it comes to planning for our financial future?

80% of women will be solely responsible for their finances at some point in their lives1. Now is the time to get involved in your personal financial conversation, and start asking the right questions to ensure the goals you have intended for your future are fiscally secure.

Have You Joined the Conversation?

Last month, RegentAtlantic hosted a ladies-only event at Canoe Brook Country Club entitled, “Unleash Your Female Investor”. Financial Advisor Lesley Draper discussed how women are naturally predisposed to being savvier than men by sticking to investment strategies, and that they make more sound decisions based on historical data and facts rather than impulsive urges. Oddly enough, we found that when it comes to investing, men are actually the more emotional sex, while women have a natural aptitude for it.

If women are genetically wired to be better at making investment and planning decisions, why does this remain an area where men tend to take charge? Perhaps it lies with insecurity. In a study by Frank About Women, men and women were asked to gauge their knowledge of certain investment topics, such as IRAs, stocks, and bonds2. The study then followed up with asking specific questions to test their knowledge of these topics. Ultimately, it found that women were more likely to gauge their knowledge as low but then answered specific topical questions correctly. Conversely, men rated themselves as having higher knowledge but then answered those same specific questions incorrectly.

So why doubt whether your instincts are correct? Warren Buffett has exhibited these feminine investor traits for years. In LouAnn Lofton’s book, Warren Buffett Invests Like a Girl, and Why You Should, Too3, Lofton examines Buffett’s investing style—a patient, long-term approach. These are the very same qualities we as women tend to execute when making investment decisions. With this patient approach, women often avoid market timing mistakes, buy into the market at good valuations, and with our “big picture” way of thinking, have higher returns over the long-term.

In addition, Lesley further revealed some research that was a surprise to a lot of people in the room. Many couples picture growing old together and living well into their golden years as a pair. In reality, the average age that a woman in the US is widowed is 56 years old4. The discussion revealed further that women are a growing influence in the financial services sector, projected to make up 67% of high net worth individuals by 20195, and expected to control $22 trillion by 20206. The bottom line—we are going to be responsible for a lot of money. Shouldn’t we start learning the best ways to become good stewards of these assets now?

I’ll Take Care of That Tomorrow...

For compliance reasons, we generally can’t make statements that “guarantee” certain results. We are confident however, in stating that women are: a) extremely busy individuals, and b) notorious for putting everyone—including the family pet—before themselves. From an active corporate executive to a mother managing a demanding household schedule, time is a rare commodity, and a commodity that is not commonly spent considering personal finances. But, we’ve learned from the relationships with our female clients that women benefit from being involved in the conversation.
In addition to the event mentioned above, two of RegentAtlantic’s Wealth Managers have created other opportunities to discuss this topic that many have been able to fit into their schedules. Megan Brozowski started RegentAtlantic’s “Women’s Wellness” seminars last fall, and has since had two installments where women have gathered to learn about physical, mental and emotional well-being. Through Megan’s experience working with women in transition, whether it be divorce or the death of a loved one, she has learned how important it is for women to make the time to take care of themselves—mind, body and soul. In turn, she insists that having an understanding of your personal financial future and being proactive in asking questions about it today, will leave you with one less thing to be overwhelmed by during a major life event. We have all had days where emotions take lead over rational decision-making. When you can’t think past the present—let alone a year into the future, the financial preparation handled before-hand will leave you financially secure and able to think about the things that really matter.

In addition to Megan’s initiative, Jane Newton founded the Wall Street Women Forum™ in 2010, creating another space for women to focus on themselves—if only for an afternoon. Each year, the Forum gathers over 100 high-level women from across Wall Street to address the critical issues they face given the rapidly changing landscape of the financial services industry. With a focus on career and personal challenges, the Forum highlights the need to act on personal finances as well, given that 90% of these senior-level women reported to be equal or primary breadwinners in their households.

One Step at a Time

Much like a wobbly toddler navigates her first venture on two feet, if you aren’t quite sure where to start navigating your financial path—just ask. Will I have enough money for retirement? How will the election or healthcare package affect me? Am I still on track to maintain my current lifestyle and gift to my children? What opportunities am I missing to further my goals? Now is the time to take advantage of our professionals and have these questions answered.

Our female financial professionals know first-hand the balancing act women attempt at managing their work, families, and personal interests. This understanding, paired with experience, is why our firm has taken a position to engage the women of our community in ways that we can all relate to each other, while providing the vital information we all need.

Keep the conversation going and ask a trusted advisor the questions that are keeping you up at night. The sooner you initiate this dialogue with your advisor, the stronger your relationship will grow with the person responsible for getting you closer to your financial goals.
Important Disclosure Information

Please remember to contact RegentAtlantic if there are any changes in your personal or financial situation or investment objectives for the purpose of reviewing our previous recommendations and services, or if you wish to impose, add, or modify any reasonable restrictions to our investment management services. A copy of our current written disclosure statement discussing our advisory services and fees is available for your review upon request. This article is not a substitute for personalized advice from RegentAtlantic. This information is current only as of the date on which it was sent. The statements and opinions expressed are, however, subject to change without notice based on market and other conditions and may differ from opinions expressed in other businesses and activities of RegentAtlantic. Descriptions of RegentAtlantic’s process and strategies are based on general practice and we may make exceptions in specific cases.

Sources:
1. 80% of women at some point in their lives will be solely responsible for their finances: The Money Show, “Women and Investing”, March 29, 2012
2. In a study by Frank About Women, men and women were asked to gauge their knowledge of certain investment topics, like IRAs, stock, and bonds. The study then followed up with asking specific questions to test their knowledge of the topics. The study showed that women were more likely to gauge their knowledge as low but then answered specific topical questions correctly. Conversely, men answered that they had a high knowledge but then answered those specific questions wrong
4. The average age women are widowed is 56: Health, United States, 2008, Centers for Disease Control and Prevention
5. Comprising 39% of high net worth adults in the U.S., and by 2019, that percentage is expected to grow to nearly 67%
6. Control $8 trillion of assets in the U.S. and by 2020 are expected to control $22 trillion
1 Wells Fargo VIP Forum, “Understanding the HNW Female Investor,” October 2006