



by Rebecca Felton & Tori O'Shea



REBECCA FELTON  
Senior Market Strategist



TORI O'SHEA  
Regional Sales Director

August 2021

## Working Together to Bridge the Gap: 6 Ways Advisors Can Help Women Feel More Confident in Financial Decision Making

Many women feel less confident compared to men when it comes to financial knowledge, and that confidence gap has garnered much attention over the past several years. There are a number of studies that highlight the double-digit gap in the confidence of women versus men in making financial decisions. Strategies outlining effective solutions to mitigate this gap are much harder to find. Recently, we were asked the question, *how do we bridge*

*the gap and help women feel more confident about their financial decisions?* How can we reach our female clients more effectively? Before we go any further, we should state the obvious - we do not consider ourselves subject experts. Rather, we believe it is important for all of us to explore solutions and be open to new ideas.

### 1. Make It Personal

Wealth Management is an industry built on relationships, and by their very definition, relationships have a two-way dynamic. Clients are likely to come to meetings with their Financial Advisors armed with all sorts of questions. As obvious as it may sound, it is just as important for the Financial Advisor to have questions that are specific to that client. It's personal! While it is important to ascertain all the necessary financial information, it is equally important to encourage female clients to share what is meaningful to them. For example, asking her what causes she's interested in, what her general concerns are, and what hobbies she enjoys - questions like these go a long way to establish a personal connection. There is no 'one-size-fits-all' answer for bridging the confidence gap, but we believe the best place to start is from the ground up. While helping to cement the personal connection, these types of conversations also help uncover, in a non-threatening way, the areas that might be the basis for the confidence gap.

### 2. Utilize the Johari Window

Once a relationship is established, there still may be some reluctance to talk about money. Studies have shown that many women are uncomfortable discussing finances. As a result, they might tend to shy away from utilizing a variety of financial services providers. In a study by Cornerstone Advisors published in 2020<sup>i</sup>, women (across education levels) were less comfortable than their male counterparts to discuss finances with providers, ranging from credit card companies to financial advisors. *So the question remains, what can we do to make women feel more comfortable to start the conversation?* One approach could be to implement a process like the Johari Window. Developed in 1955, the Johari Window helps raise one's self-awareness and can also be effective in helping to improve interactions with others. Using a Johari Window type structure to discuss financial goals and questions can help to remove some of the anxiety about the process. Visually framing the topics as 'knowns' and 'unknowns' can make the subjects more approachable and give a sense of accomplishment and pride when you and your client can move an 'unknown' to a 'known' quadrant. We believe just having the visualization of what the client knows, in front of them, can be a confidence booster. For more information on the Johari Window concept, [click here](#)<sup>ii</sup>.

### 3. Build Confidence Through Education

Develop a curated reading list - not just a book or two. Think about the client - what stage of life is she in? Is she a young 20 something referred to you by her mother? Is she an 80-year-old single woman? Or is she somewhere in-between, with a family that she manages in addition to her full-time career? Each of these clients has different needs and interests. Sharing a book idea with a personal note as to why you believe she will enjoy it accomplishes two goals.

The first is helping to build confidence from within. A book the client is eager to read, and enjoys reading, can help kick-start or restart the journey of financial self-discovery. How many times have you had a client start a sentence with the phrase “I don’t want to sound stupid”? Proactively sharing a book idea that you have read can put you on the same side of the table with her. The second benefit is the natural engagement and conversation that flows. This interaction can build a foundation for future meetings and planning sessions. Some clients may prefer listening to a podcasts, magazine articles, or other reference points, as opposed to reading a book. Think about what would resonate most with your client – connect her to resources that are appropriate to her specific needs.

#### 4. She-Splain It

How many times have you met with a client and flipped through your firm’s most recent strategy piece – basically paraphrasing the words on the document and sending the client home with it? Your parting words might be, “Call me if you have any questions.” With that send-off, how many times have you received follow-up questions on the piece? If you always get follow-up questions, then skip to the next paragraph because you already have a process that is working for you and your client. A paper by Visible Thread<sup>iii</sup> (a firm that specializes in helping companies make their communications clearer) concluded that investors want better clarity and less financial jargon. The study shows that our industry communications remain unclear and hard to read. If women already have a confidence gap when compared to men, perhaps our written pieces and presentations compound the problem because of their complexity. Take the time to go through a chart pack or important research document beforehand, highlight your own copy, and make notes on it. Give your client a copy so that she can follow along with you and make notes too. That extra time will not only show your level of preparedness, but also your level of caring and your desire to better understand your client’s needs.

#### 5. Make It Convenient

The pandemic changed everyone’s way of life, but many women found themselves shouldering more responsibilities as schools and childcare centers closed. A study conducted by Cornerstone Advisors/Axiom<sup>i</sup> prior to the COVID-19 pandemic revealed that many women gave their financial providers low ratings when it came to convenience. The ‘convenience factor’ likely takes on a different meaning for each client based on different life stages and lifestyles. Does your firm have an app? Do you know how to use it, and are there features that might be useful for your client? Spend some time making sure your clients have downloaded the app, teach them how to use it, and explain any features you think will be of particular interest. An app is just one way to enhance the client experience. It is worth taking the time to learn about any resources your firm has that are designed to make accessing YOU easier.

#### 6. Be Authentically Present

Most importantly, be available. When guests come to your home, you work hard to make them feel welcome. You want your guests to feel as though they have your undivided attention. Regardless of your packed schedule, every client deserves that same level of attention. Practice active listening. Take notes, because what your client tells you is worth remembering and this shows that you are engaged. Rather than initially reacting or responding to a client’s comments, take a moment to paraphrase her remarks to confirm you have heard what she is communicating. You value her trust *and her time*. No matter what a client’s background or level of financial savviness, active listening will encourage curiosity as opposed to anxiety or worry. Your clients will notice a difference.

As a part of our Engage mission at RiverFront, we are committed to working together to bridge the financial knowledge and confidence gap for women. We strive to continue to find stories, resources, and ideas that inspire women to become confident and comfortable talking about their money, investments, and sustainable financial health.

**What has worked for you and your female clients? We would love to hear your stories and ideas. [Share them HERE.](#)**

After all, we are all on this journey together to educate, mentor, and inspire each other.

<sup>i</sup>[https://marketing.acxiom.com/rs/982-LRE-196/images/Acxion\\_Research\\_Report\\_Improving\\_Financial\\_Services\\_for\\_Women.pdf](https://marketing.acxiom.com/rs/982-LRE-196/images/Acxion_Research_Report_Improving_Financial_Services_for_Women.pdf)

<sup>ii</sup><https://trainingmag.com/self-awareness-through-the-johari-window/>

<sup>iii</sup><https://dev-cms.visiblethread.com/app/uploads/2020/10/VisibleThread-Asset-Management-Report-2020.pdf>

## About ENGAGE

RiverFront founded Engage in 2019 with the goal of changing and improving the experience for women in financial services. The mission of Engage is to engage women in our industry through mentorship, education, and support.

### **Important Disclosure Information**

*RiverFront Investment Group, LLC ("RiverFront"), is a registered investment adviser with the Securities and Exchange Commission. Registration as an investment adviser does not imply any level of skill or expertise. Any discussion of specific securities is provided for informational purposes only and should not be deemed as investment advice or a recommendation to buy or sell any individual security mentioned. RiverFront is affiliated with Robert W. Baird & Co. Incorporated ("Baird"), member FINRA/SIPC, from its minority ownership interest in RiverFront. RiverFront is owned primarily by its employees through RiverFront Investment Holding Group, LLC, the holding company for RiverFront. Baird Financial Corporation (BFC) is a minority owner of RiverFront Investment Holding Group, LLC and therefore an indirect owner of RiverFront. BFC is the parent company of Robert W. Baird & Co. Incorporated, a registered broker/dealer and investment adviser.*

*To review other risks and more information about RiverFront, please visit the website at [www.riverfrontig.com](http://www.riverfrontig.com) and the Form ADV, Part 2A. Copyright ©2021 RiverFront Investment Group. All Rights Reserved. ID 1756237*