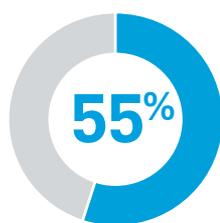


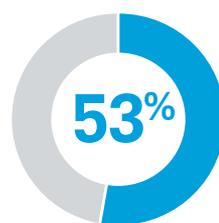
## Schwab RIA Talent Infographic

# The female imperative

In this RIA Talent Infographic we examine the demographic trends that will be crucial to talent recruitment and development now and in the years to come. Existing client bases are aging rapidly, while the future investor profile is increasingly diverse. Female investors are becoming particularly influential, and the ability to effectively acquire, serve, and retain them as clients is more important than ever. In short, RIA firms must adapt to these changing circumstances—or risk getting left behind.



55% of independent advisors surveyed believe the next generation of investors will be more diverse and that their firms will have to reflect that diversity.<sup>1</sup>



53% of independent advisors surveyed think that reaching the next generation of clients will require engagement with entirely new centers of influence.<sup>1</sup>

### Schwab RIA Talent Advantage™

The Registered Investment Advisor (RIA) landscape is changing rapidly. A significant number of advisors—and their clients—are approaching retirement. Meanwhile, investor demographics are undergoing a dramatic and powerful sea change. Schwab specifically designed the RIA Talent Advantage program to help independent advisors meet those challenges and seize new opportunities.

In an industry climate where cultivating top advisor talent is crucial to serving an increasingly diverse investor profile, RIA Talent Advantage can help give Schwab advisors the tools and insights they need to see beyond the curve—and stay a step ahead of the competition.

## A powerful shift in the RIA landscape

The trend is clear. Women are controlling more assets and asserting more influence over investment decisions.



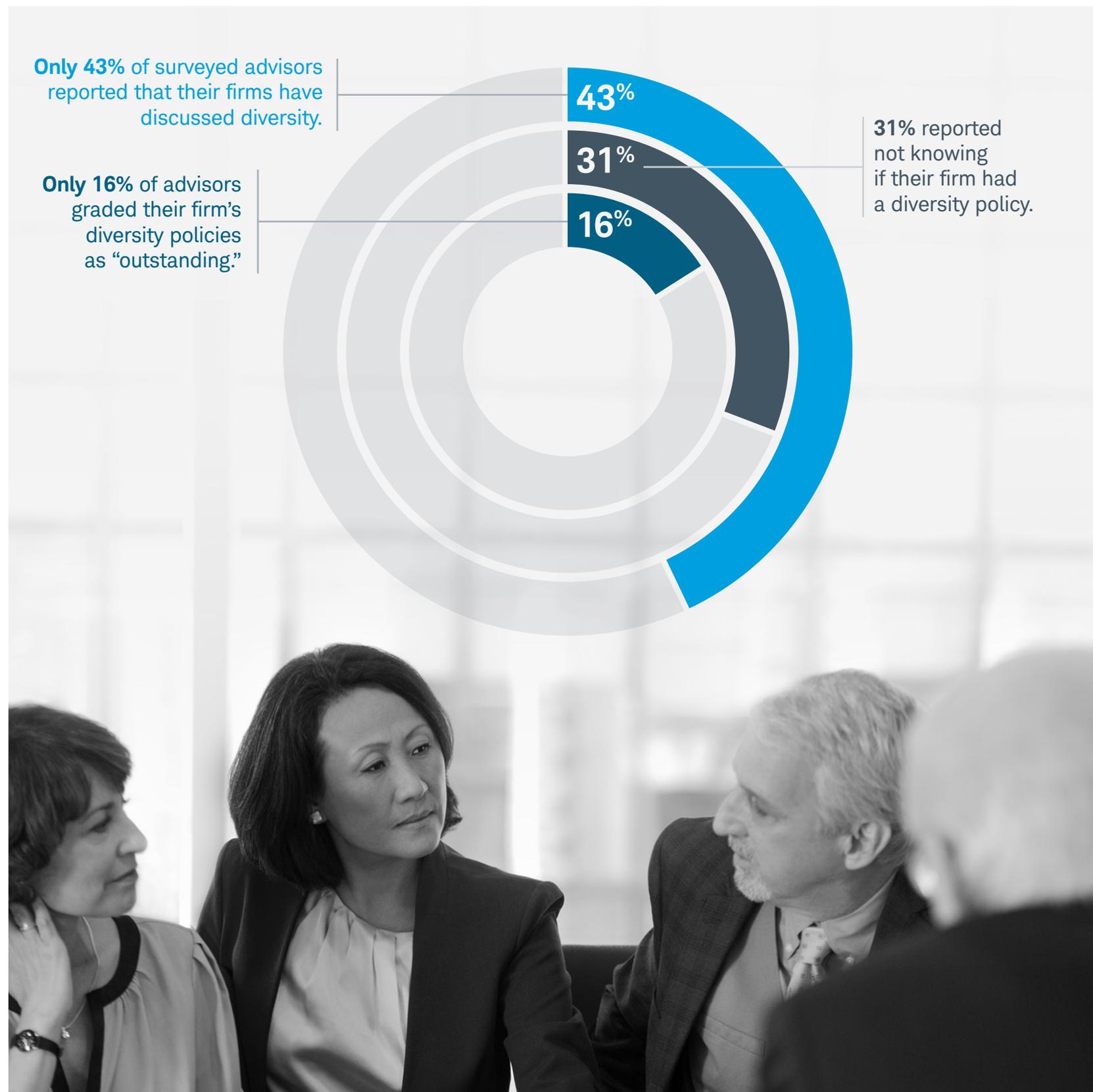
U.S. private wealth

Private wealth in the United States is expected to grow from some \$14 trillion today to \$22 trillion by 2020, and **50% of it will be in the hands of women.**<sup>2</sup>

In HNW households, **more than 80% of the women respondents** said they were involved in household decisions on investments.<sup>3</sup>

## An opportunity worth talking about

Despite widespread reports of rapidly changing client demographics, Schwab's 2014 RIA Talent Study found that most firms have yet to place diversity very high on their priority lists.<sup>4</sup> Firms that do so stand to benefit from having talent that better reflects a diverse investor base. But for many firms, the conversation isn't even on the radar.



Women comprise just 30% of financial advisors<sup>5</sup> despite the fact that more than 80% of women are involved in making household financial decisions.<sup>3</sup>



## Elevating and adapting client service for women

The new wave of investors knows what it does—and doesn't—want in an advisor. In particular, multiple studies indicate that female investors are looking for more out of the advisors—and firms—with whom they work.

 **88%**

of women “want a say in how my advisor invests my money.”<sup>3</sup>

 **88%**

“want an advisor who looks at my whole financial picture, not just my investment portfolio.”<sup>3</sup>

 **67%**

feel their financial advisor does not understand them, while **73% say “My advisor is not interested in me.”**<sup>6</sup>

## Recognizing the need for change

RIAs are recognizing the need to attract, develop, and retain more diverse talent.

“The world is changing. And as more [diverse] people control more money, **this industry is going to have to change with it.**”<sup>4</sup>

—Advisor participating in the 2014 Schwab RIA Talent Study



“For advisors to really drive growth in the future, **they will need a more diverse talent pool of advisors** to meet the demands of changing client demographics.”

—Bernie Clark  
Executive Vice President  
Schwab Advisor Services



### Schwab's RIA Talent Advantage

Registered Independent Advisory firms are experiencing a strong growth trajectory, making the need to scale and grow efficiently more important than ever. Recruiting and retaining the right talent will help power that growth.

We're also seeing a change in investor demographics, with women, younger people, and culturally and ethnically diverse investors controlling more assets. As a result, it's important to hire individuals who reflect the clients you want to serve.

But competition for high-performing talent is tight—and you may have many demands on your time. RIA Talent Advantage™ is a comprehensive offering to help you enhance your recruiting, hiring, talent development, and retention strategies.

You can access additional intelligence and research, including the Schwab RIA Talent Study, by visiting [advisorservices.schwab.com/insights](http://advisorservices.schwab.com/insights).

#### Sources

1. Independent Advisor Outlook Study, conducted for Schwab Advisor Services by Koski Research, June 2014.
2. “The Female Economy,” *Harvard Business Review*, September 2009.
3. Women and Financial Independence Study, conducted for Schwab Advisor Services by Koski Research, June 2012.
4. 2014 RIA Talent Study, conducted for Schwab Advisor Services by Koski Research, June 2014.
5. “Women and Financial Advising Careers: Perspectives and Priorities,” Insured Retirement Institute, 2013.
6. *Harnessing the Power of the Purse*, Center for Talent Innovation, May 2014.

**Disclaimer:** Opinions expressed by interviewed participants are subject to change and are in no way a prediction, projection, or guarantee of future performance. The information provided here is for general informational purposes only and should not be considered an individualized recommendation or personal investment advice.

Koski Research conducted interviews between February 14 and March 6, 2013, with 40 independent advisors who became independent during the past two years and custody with Schwab Advisor Services™. Those interviewed have been working in the investment advisory space for 15 years and manage a median \$100 million in assets.

Egg Strategy conducted interviews between March 24 and April 11, 2014, with 40 participants: men and women ages 30–45 with earned or inherited investable assets of at least \$500,000 (excluding real estate and business holdings) or a household income of at least \$150,000.

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