

## Schwab RIA Talent Infographic

# How female talent can improve firm performance

Investor demographics are evolving, and firms that want to lead in the future need to be able to reach and serve clients across the diversity spectrum. In this RIA Talent Infographic we look at how firms are challenged to meet the needs of female investors, and how recruiting and cultivating female talent can positively impact client satisfaction and firm performance.

**View: The Female Imperative Infographic >**

### 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 to stay a step ahead of the competition.

## Rising wealth means new opportunities

Women are becoming wealthier and their influence is growing, but as investors they are underserved, and as advisors they are underrepresented.

Between 2007 and 2010, the number of **women earning over \$100,000 a year grew by nearly 17%** compared with just 2.3% growth for men.<sup>1</sup>

**More than half of women** surveyed, and nearly 47% of women wealth creators in the U.S., **do not have an advisor.**<sup>2</sup>

Of the women who do have an advisor, **67% feel their advisor does not understand them.**<sup>3</sup>

**Only half of RIA firms** surveyed have women in client-facing positions.<sup>4</sup>

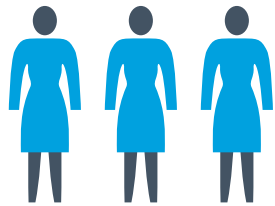


“The investor demographic is rapidly changing and new investors are looking for advisors who resemble them and understand their unique needs.”

– Jessica Heffron, Vice President, Schwab Advisor Services

## Female advisors may take a different approach

While female investors do not necessarily need to be served by female advisors, many value the unique perspective that female advisors provide.



### In demand by investors

Female advisors are “sought after” by single women and couples, and “in high demand by firms.”<sup>5</sup>

–Alex Armstrong  
First female CFP® in Washington



### Suited for financial services

“Women listen; they tend to be not overconfident; they tend to be more risk averse and better protectors of wealth.”<sup>6</sup>

–Annamaria Lusardi  
George Washington University professor

## Female representation drives results

Identifying, recruiting, and developing more diverse advisors are important to your firm’s success.



Companies with top-quartile representation of women in executive committees perform significantly better than companies with no women at the top.<sup>7</sup>

–McKinsey & Company study

65% of advisors say women, Gen X, or Gen Y will be a driving force in their firm’s profitability five years from now.<sup>8</sup>

–Charles Schwab study

Teams with more women scored higher on “collective intelligence” than teams with fewer women.<sup>9</sup>

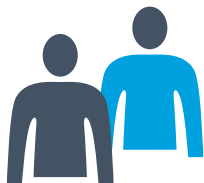
–*Science* magazine article

Companies with three or more female directors significantly outperformed those with no female directors when it came to return on sales, return on invested capital, and return on equity.<sup>10</sup>

–Catalyst research organization study

# Gender smarts drive client satisfaction

Building a workforce that's attuned to diversity can have a positive impact on investor satisfaction, loyalty, and referrals.



Advisors with “gender smarts” (use of insights gleaned from experience and/or research) are **27% more likely to succeed** in helping their clients align their investment and life goals.<sup>11</sup>

## Making the shift

As the RIA landscape shifts, and female investors exert more influence, it's more important than ever to adapt your firm. Cultivating female advisor talent is a key way that firms can bridge the gap between the experience they offer and what today's investors want—and drive the positive performance that delivers long-term success.



### 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](https://advisorservices.schwab.com/insights).

*Own your tomorrow™*

#### Sources

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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. Koski Research is not affiliated with Charles Schwab & Co., Inc. Experiences shared are not a guarantee of future success and may not be representative of your experience.

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