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Be Yourself: Advice For Women in Professional Services Businesses

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A few years ago, at a major conference for financial planners, "Grace" and her husband were talking with some new acquaintances at dinner. One of them mentioned how admirable it was that Grace knew so much about her husband's very successful financial advisory firm and his clients.

That very successful financial firm was founded by Grace and did business under her name. And she was the top financial planner working with my employer at the time, which was sponsoring the conference. Grace's financial firm managed over $1 billion in savings and assets for her clients.

Her husband, for the record, was a dentist.

Sadly, this story is common in my work with female financial advisors—and likely other industries as well. Many of my clients have told me they often lacked confidence in their position within their broader community, despite their demonstrated success as small business owners, because:

- They were frequently the only woman in the room—in the office, in a meeting, at a conference.
- They have been mistaken for the wife, sister, or daughter of a male advisor rather than as the advisor.
- They've struggled with the difficult choice of whether to tend to family obligations or business responsibilities—and being judged differently from male colleagues no matter which choice they make.
- They measured success in ways other than production, which is the most celebrated metric.
- They were discouraged from taking risks when they were young, and felt they wouldn't be supported if they pursued careers as entrepreneurs.
- They have struggled finding mentors who can help them blossom and grow.
- They have faced bias from other women who think financial planning is a man's job—whether a husband's, or a male advisor.

Many women financial advisors work on their own, perhaps with an assistant to help them, or in small advisory firms of 20 people or so. Still others work in huge Wall Street firms that employ hundreds like them. Regardless of where they work, though, these women tend to have some common experiences and common challenges. In this article, I'll draw on my own decades of experience in the industry to shed some light on how women financial advisors can build thriving, entrepreneurial careers – careers in which they help their clients and themselves - in whatever settings they work in.

My observations will focus on the financial advisory business, because that's the the one I know best. But my advice might apply to women in other professional service businesses too, like lawyers, architects, and consultants.

What do financial advisors do?

First, some background. As financial advisors, these women help clients—sometimes individual people, but sometimes institutions like nonprofits or retirement plans—invest prudently for the long term. In the cases of individual clients, that long term is usually helping people retire and have enough money to last the rest of their lives. In the cases of non-profits, the goal is to increase the value of endowments or pension funds. In any case, a financial advisor has to devise an investment strategy that can withstand the ups and downs of the stock market so that their clients don't panic when markets inevitably get volatile. In addition, they're often beholden to regulatory laws by entities like the Securities & Exchange Commission to ensure they're doing right by their clients legally and ethically.

In other words, women advisors have a lot of specialized training, licensing and certifications to carry out their significant responsibility to help protect the financial security of their clients. Their work changes lives. And yet they're still mistaken for subsidiary roles. Their expertise is sometimes doubted by people who could use their help—and by their fellow advisors. How can things get better here?

The headwinds are more like hurricane winds

At first blush, there seems to be little apparent value in looking to the financial advisory services industry for ways women can succeed in other areas. From boiler rooms with nascent Wall Street bros to Bernie Madoff, the typical financial advisor is seen as male. That's probably not surprising: a 2017 Morgan Stanley survey revealed 84% of senior executive roles in the broad financial services industry are held by men.

Because men have defined this industry so so long, a male-oriented socialization process permeates the cultures of our firms. Independence, assertiveness, and competitiveness—attributes that historically have been encouraged in boys and men—have defined the role of the advisor and the expression of advisory firm culture. Confidence is the impetus to turn thoughts into action, reluctance into momentum, and failure into a passing setback. But women tend to lack confidence unless they perceive themselves to be perfect at what they are doing.

In a 2014 article from *The Atlantic,* authors Katty Kay and Claire Shipman examined how women's socialization as children, teenagers, and young adults affected their approach to the working world. Girls get an enormous amount of praise for being good and helpful and for doing things well—"instead of energetic, rambunctious or even pushy." Having those behaviors consistently reinforced from an early age leads girls to covet the affirmation they receive. As Carol Dweck says in *Mindset: The New Psychology of Success*, "If life were one long grade school, women would be the undisputed rulers of the world."

Unfortunately, in girls' quests to be perfect and good, they do not tend to experience risk-taking and mistake-making—the very behaviors that studies show contribute to building confidence.

Due to this lack of confidence, many women may find today's organizational culture uncomfortable. They see that what counted for success as children and younger adults is not what leads to success as an adult. Their confidence not only dips more, but they may feel:

- The metrics they must meet do not reflect what is important to them.
- To succeed, they have to follow "the rules" instead of their vision.
- They're ill-equipped or discouraged to take risks.

The irony is that often for women entrepreneurs, the biggest risk is in being themselves and being true to their values. However, if they work for themselves this turns into a strength.

Making the differences work

There is some reason for optimism. Remember that 2017 Morgan Stanley survey mentioned at the start of this article? It also found that 60% of the top earners in consumer finance are male. So the balance towards wage parity among the sexes is starting to happen in financial services—giving hope that there may be similar opportunities for women in other industries.

Part of this change is because the financial services industry has been transitioning from a commission-based brokerage/sales focus to an advisory model that fosters consulting, coaching, and planning. As a result, the attributes that have been encouraged in girls and women—listening, connecting, and supporting—are in higher demand. Financial advising is a fantastic place for women to pursue a career. It allows them to do what they tend to do very well, and it provides them with the same opportunities and rewards as their male counterparts enjoy. That is, provided the firms to which they belong stress inclusion, equality, fairness, and flexibility. If that culture exists, this industry can present a compelling option for women who are also fulfilling other roles—including raising children and caring for elderly parents.

Most advisory firms, however, were built by those who came of age when traditionally masculine attributes were lauded and the needs of male employees defined the structure of the organization and the work processes. So, despite how appealing the financial industry is, women advisors often struggle to find purchase in many firms today. That's why we see more and more women advisors embracing the opportunity to

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build their own advisory firms—so they can instill in their organizations the qualities they have found wanting in traditional, established firms.

Even among women, whether advisors or clients, there remains a tendency to assume that successful advisors are male. As women endeavor to create their own firms, they find it challenging to identify mentors, as they don't often recognize one another as advisors, business owners, and role models. It should not be surprising, then, that the majority male population doesn't see them in this light, either. Women advisors are often faced with two choices. Broadly speaking, they can either:

Choice 1: Behave like the men they compete with.

While male advisors certainly have empathy and warmth, by and large, their overall client service often involves being buttoned-down, matter-of-fact to the point of little to no chitchat, keeping conversation to pleasantries, performance numbers and technical details. In fact, it's been my experience that male advisors more often treat client meetings like a doctor does appointments: Read the file just before they walk into the room with the client, trust that their experience will lead them to the right way to help the client, and wing the answers as questions arise. (Women advisors, not surprisingly, tend to prepare in advance and plan alternate courses of action in case clients object or raise previously-unknown contingencies.) Male advisors also were more insistent during the height of the pandemic that their offices be open and staffed.

Choice 2: Embrace their own strengths.

This would allow women to run their practices in a way truer to their values and those innate natures discussed above. Here is what that would look like for many women.

Running a business that reflects their values: A 2020 consumer survey reported 71% of people prefer to do business with companies that share their values.[2] The women-owned firms I worked with tended to offer ESG investing (environmental, social & governance) at a higher rate than their male counterparts—and these areas are a natural alignment with female consumers, who more often tend to be concerned with social issues, both economically and politically.

Creating an atmosphere they're comfortable in: Women advisors with their own firms very rarely have offices of dark wood, bankers lamps, and schooner paintings on the walls. Their offices reflect their personalities, not an aspirational Wall Street stereotype.

Drawing less of a line between their work and real selves: Perhaps as a result of the previous two items, women advisors tend to bring more of their full selves to their work and don't assume a "role." This plays into one of the very fascinating things about client loyalty to their planners. Often, people select their financial planner not by who will get them the bigger portfolio balance, but which one they clicked with and felt most comfortable with. That's easier to do when the planner is able to be more authentic.

Being that innate better listener. Women advisors use the financial plans they create for their clients as a starting off point to a dialogue, asking more probing questions, developing deeper relationships, and better aligning their work to their clients' needs. Male advisors often present plans to clients as a finished product and evidence of their acumen.

Embracing work/life balance: This includes for the advisor, her staff, and her clients. For instance, even before the pandemic, many women planners already offered teleconference options to their clients. Others don't operate on a strict 9-5 schedule, or close one half-day a week.

Modeling behaviors/radical transparency: I know many women advisors who keep a sacrosanct block of time with themselves every week or every day—for reflection, exercise, planning, therapist appointments. Their assistants know this time cannot be scheduled otherwise, or interrupted. And the advisor herself makes no excuses or apologies for it—which can be a powerful example for younger staff.

Having difficult conversations. Even if her name is the only one on the door and corporate letterhead, women advisors are willing to help employees work through performance or interpersonal issues directly, instead of leaving it up to a chief of staff or other subordinate.

Seeing clients as individuals. Women advisors are less likely than male advisors to discuss their clients as

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segments, easily bucketed into demographics or psychographics.

All industries need to step up to support women

Regardless of industry, women must be supported in creating the companies of their dreams, to take risks, and to place their own stamp on their relationships with clients, customers, with staff, and with their communities. These are not insignificant accomplishments. Given how girls and women are socialized in our culture, female entrepreneurs are likely working against their grain, contending with daily doubt and fear, not knowing if they have the necessary support, or the resilience to fail, recover and try again.

Women advisors have told me they want and need to be seen -- and by extension, understood and respected. This can start very easily when there is a concerted effort within an industry to:

- Provide networking opportunities at conferences, trade shows, conventions *etc.* so that women have an opportunity to get to know one another, build networks and seek mentors.
- Include the perspective of women in articles, panel discussions, presentations, advisory councils, and the like.
- Know that the differing approaches that men and women have toward business do not need to be either/or.

Evolving any industry to be a place where all business owners—female and male—feel included, understood, and respected should be the responsibility of all within it.

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