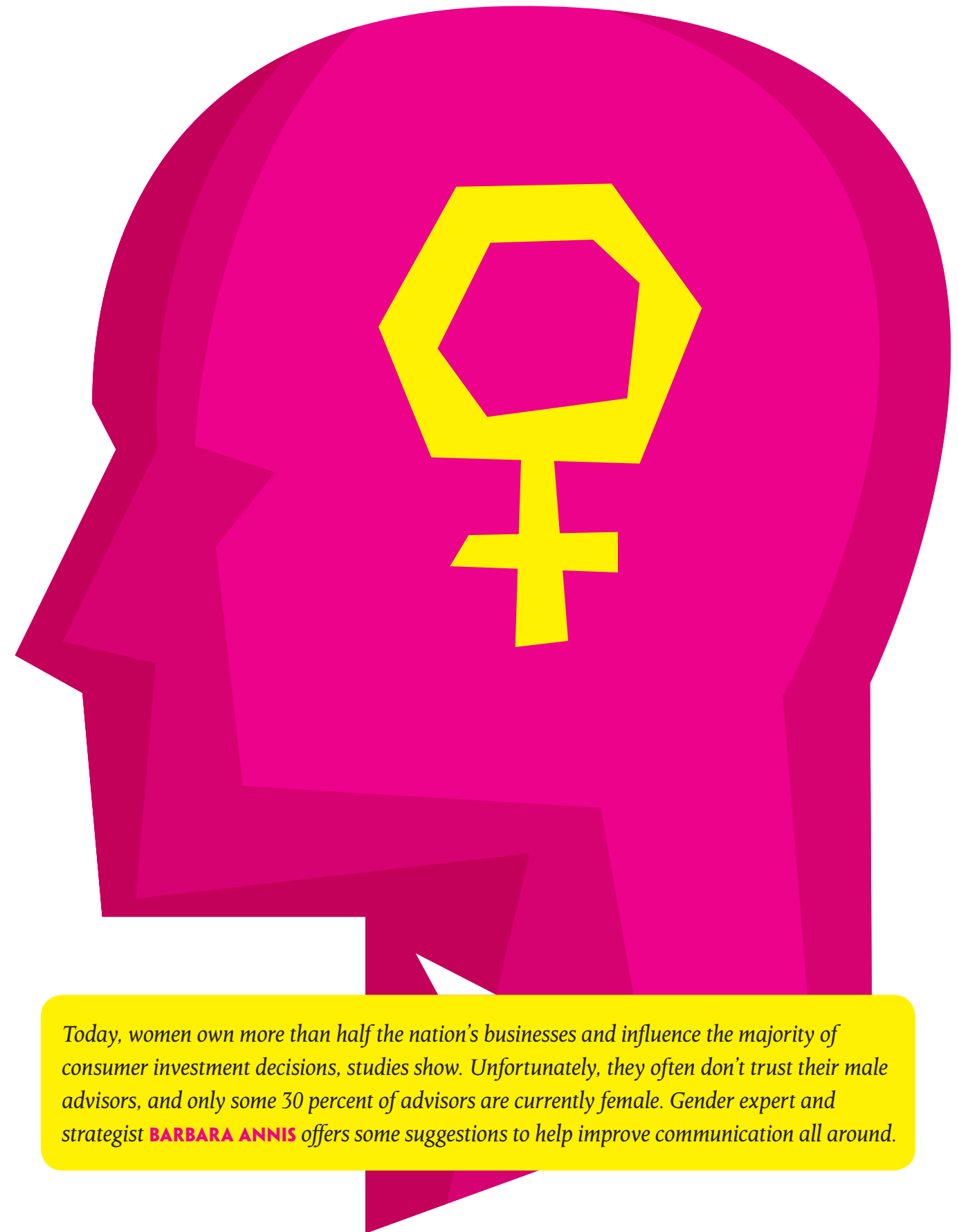




GENDER
INTELLIGENCE —

A TREND THAT'S
ENERGIZING
THE **INDUSTRY**



Today, women own more than half the nation's businesses and influence the majority of consumer investment decisions, studies show. Unfortunately, they often don't trust their male advisors, and only some 30 percent of advisors are currently female. Gender expert and strategist **BARBARA ANNIS** offers some suggestions to help improve communication all around.

“Companies that practice Gender Intelligence and sustain a culture of inclusiveness that values “difference thinking”... grow in their global competitiveness.”

MORE THAN 9 MILLION female-owned businesses in the United States account for more than 50 percent of all privately held enterprises — an increase of 68 percent over the past 20 years.¹

In addition to creating, investing, and managing their own wealth as company executives and entrepreneurs, Baby Boomer women over the next decade will be the beneficiaries of the largest transference of wealth in U.S. history. Many will experience a double inheritance windfall, from both a husband and parents.²

Among younger women, more now establish careers and attain some degree of financial independence before getting married. Today, a woman's average age upon getting married for the first time is nearly 27, the highest in more than a century. Conversely, the share of women divorced or separated is now 15 percent, up from 1 percent a century ago.³

With female education, workforce participation, wealth, and life expectancy increasing, women increasingly need financial services. Companies and their agencies offer excellent opportunities in this expanding segment. All they have to do is recognize and address the needs of women as consumers. Unfortunately, that's not really happening yet.

Numbers Tell the Story

There still seems to be a disconnect in the industry regarding how female consumers' investment and security needs are being addressed. When couples interact with advisors, for

instance, men are still 58 percent more likely than women to be the primary contact.⁴

The result: Seventy percent of women fire their male advisor within a year of their spouse's death, and 90 percent of them then seek out women advisors instead.⁵ While couples may have similar goals, female approaches to financial planning can be quite different.

Women's dissatisfaction with their advisors works strongly against companies and firms. In our studies over the years, we've found that women will tell up to 32 other people of a negative experience, whether those people are acquaintances or strangers. Men will tell up to just three people, and only if they're acquaintances.⁶

Still, when advisors impress them, women are far more likely than men to refer them to family and friends. Over a lifetime, women will, on average, make 26 referrals to their financial advisor, versus 11 by the typical male client.⁷

Many women say they feel more comfortable working with other women, whom they believe will understand their needs and be willing to communicate and share their experiences. But attracting female agents into the industry, not to mention keeping them there, remains a challenge. Today, only about 30 percent of advisors are women. This can be improved, of course, but not quickly enough to align with the changing marketplace. Besides, female advisors can't be the only ones engaging with female clients.

Instead, male advisors need to be brought into the conversation on a massive scale and made key to the solution. The truth is, women will keep their male advisors and even consider men in their search for new advisors, but only if men move past the husband-focused approach when working with married couples and being presumptuous when working with single women. They must show that they truly understand the needs and expectations of women.

The solution is a greater understanding of the underlying differences that influence and motivate us as men and women — what we call “Gender Intelligence.”

The Latest Trend: Understanding

Gender Intelligence is an understanding of and appreciation for the characteristics that distinguish men and women beyond the obvious biological and cultural ones to include deeper, more instinctive, attitude, and behavioral differences.

Discoveries by neuroscientists over the past 30 years, involving millions of test subjects around the globe, have led to breakthroughs in our understanding of gender differences in brain structure and chemistry. We're discovering how these dissimilarities influence ways in which men and women communicate and listen, deal with stress, solve problems, make decisions, and even define success.

The most dramatic difference is in how we process thoughts. When women think, studies show, they collect more information from their environment and arrange their thoughts into more complex patterns. They see more relationships between these patterns and weigh more variables before they make decisions.

When men think, they tend to isolate and eliminate issues in order to zero in on a solution. It's a particular strength in men that centers on coming up with a single, well-established answer to a problem, leaving no room for ambiguity. Through the course of a normal workday, we work to recognize problems as they arise, explore and identify the causes, and take action. While problem solving is common, deciding what course of action to take often comes down to which voices get heard.

When the pressure is on and stress levels are high, we often find it's the dominant, male voice and style that leads and controls the conversation. Men tend to be comfortable with jumping right in to solve an issue; it's in their wiring to do so and is reinforced in their upbringing, education, and culture. Add in time constraints and pressure to find a solution, and both men and women default to a long-standing male model based on speed and narrowed focus.

There's strength and value in the way men approach business, but that style doesn't always allow for other voices and ideas to be heard (especially women's). By blending our natural instincts to something as common as solving a problem or making a decision, the complement of our differences can significantly improve how we work through issues and find better, not just faster, solutions.

When men and women understand the nature of their gender differences, their lens broadens. They not only gain greater appreciation for each other's behavior but also learn more about their own. Gender Intelligence exposes and eliminates our blind spots. It lifts us to a new level of

GUARDIAN GETS SMART ABOUT GENDER INTELLIGENCE

The Guardian Life Insurance Company of America has declared its intent to be first in the industry to bring Gender Intelligence to its leadership and to the ways in which it engages with the marketplace.

Guardian is currently working with the Gender Intelligence Group by conducting Gender-Intelligent Workshops in its agencies across the United States. Men and women are gaining breakthrough insights on how to become more gender intelligent in their recruitment and retention of women, in their products and services, and in their client relationships.

Emily Viner, Guardian vice president, agency growth and development, sees the workshops as a solution to bringing more talented women into the organization, improving agency culture, and serving the needs of a changing marketplace.

“Two things we've been doing wrong as an industry is fixing women to behave as men and blaming men for being themselves,” says Viner. “No one wins in that situation. The solution is helping people learn new things about themselves and about others and then see how we can get to a better place so everyone wins.”

Male and female staff and field representatives attending the daylong sessions at agency field offices learn the business case for gender diversity. They are exposed to the advantages of gender-blended leadership to team innovativeness, productivity, and profitability. Participants learn of the breakthroughs in neuroscience and the discoveries of brain-based gender differences that direct how men and women process information, rationalize situations, communicate, and make decisions.

Because of this and other women-in-leadership initiatives, says Viner, “we're seeing a significant increase in the number of women in mid-level management at Guardian. And for the first time ever, and two years in a row now, a woman has been named [Guardian's] New Advisor of the Year.”

conversation and encourages us to include and work with each other more productively. Not by expecting each other to think and behave the same, but rather by finding and valuing the differences. Moreover, we're better able to recognize and respond to the different needs of men and women in the marketplace.

Companies that practice Gender Intelligence and sustain a culture of inclusiveness that values “difference thinking” in teamwork, problem solving, and decision making grow in their global competitiveness. They secure and retain the best talent, make better strategic decisions, produce more relevant products and services that mirror the needs and expectations of the marketplace, and, as a result, achieve superior financial results.

There are immediate and long-term benefits to bringing greater Gender Intelligence to the financial services industry:

- Internally, companies find that they are better able to recruit more women into the industry. They understand what attributes of a career in insurance and financial services best aligns with women's interests, talents, and

¹ State of Women-Owned Businesses Report, American Express (March 2014), http://www.womenable.com/content/userfiles/2014_State_of_Women-owned_Businesses_public.pdf
² “U.S. Women Control the Purse Strings,” Nelson Newswire (April 2013), <http://www.nielsen.com/us/en/insights/news/2013/u-s--women-control-the-purse-strings.html>
³ “Marriage and divorce: patterns by gender, race, and educational attainment,” Bureau of the Census (October 2013), <http://www.bls.gov/opub/mlr/2013/article/pdf/marriage-and-divorce-patterns-by-gender-race-and-educational-attainment.pdf>

⁴ Fidelity Study Finds Men 58 Percent More Likely to Drive Financial Advisor Relationships” (December 2013), <http://www.fidelity.com/inside-fidelity/using-an-advisor/fidelity-study-finds-men-58-percent-more-likely?print=true>
⁵ Melissa J. Anderson, “Why the Financial Advisor Industry Needs Women,” The Glass Hammer, <http://theglasshammer.com/2013/03/19/why-the-financial-advisor-industry-needs-women/>
⁶ Gender Intelligent Group Surveys: 2005–2014
⁷ Andrew Osterland, “Female clients more likely than men to make referrals,” *Investment News* (April 2012), <http://www.investmentnews.com/article/20120424/FREE/120429972/female-clients-more-likely-than-men-to-make-referrals>

KEY STRATEGIES		Gender Intelligence — A Trend That's Energizing the Industry	
»WOMEN now own more than 9 million businesses in the United States, so focus more on your female clients. »KNOW that women will tell up to 32 other people about a negative experience as a client, whereas men will tell just three.		»INSTRUCT both male and female advisors in the underlying differences that influence and motivate us as men and women. »REALIZE that women tend to arrange their thoughts into complex patterns, see relationships between these patterns, and weigh more variables before making decisions. »APPRECIATE that men tend to isolate and eliminate issues in order to zero in on a solution.	

skills. In addition, they're better able to speak to those interests in job descriptions and company profiles.

- **Companies eliminate blind spots in the interviewing process.** They understand the different ways in which men and women acknowledge their strengths and weaknesses, how they reflect on their experiences, and how they speak to their potential.
- **Externally, companies design products and services that address the investment needs of women.** They learn how best to interact with female clients and understand what governs women's decision-making processes.

A New and Powerful Level of Conversation

With so much social and marketplace change occurring in our lifetime, isn't it about time that we advanced our understanding of gender differences?

As men and women come to understand each other's ways of thinking and acting, they step up to a new and powerful level of conversation. They understand and appreciate each other's unique contribution, begin to include each other more confidently and willingly, and uncover the hidden value of their differences.

Through difference thinking, teams become better at problem solving and decision making as they fully use what each gender brings to the table. And as Gender Intelligence spreads through the organization, recruitment and retention increases, and innovation and productivity improve.

Most importantly, companies begin to forge better and deeper connections with the marketplace. Male advisors start to build more enduring client relationships with women, and products and services are better designed to meet the needs of differing and emerging market segments. With Gender Intelligence, all men and women can equally engage more effectively in the workplace, in the marketplace, and in so many other areas of life. ♦



» **Barbara Annis** began her career as the first woman in sales at Sony and became the first female sales manager, with 14 Outstanding Sales Achievement Awards and Sony's MVP Award. For the past 27 years, as founding partner of Gender Intelligence Group (previously Barbara Annis & Associates), Barbara has advocated the value and practice of Gender and Cultural Intelligence in Fortune 500 companies and numerous organizations worldwide. Her insights and achievements have pioneered a transformational shift in cultural attitudes across the globe on the importance of gender unity to organizational success. She is chair emeritus of the Women's Leadership Board at Harvard Kennedy School and recently received the International Alliance for Women Lifetime Achievement Award. Her latest book is *Gender Intelligence: Breakthrough Strategies for Increasing Diversity and Improving Your Bottom Line*.

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