
Release Date:
Wednesday, February 7, 2018 9:46 am EST

Terms:

Dateline City:
BOSTON

BOSTON--(BUSINESS WIRE)--InvestmentNews and State Street Global Advisors, the asset management business of State Street Corporation (NYSE: STT), today announced new research into many of the reasons why women still represent a distinct minority among the ranks of financial advisers. The research also specifically highlights opportunities to accelerate the inclusion and advancement of women into leadership positions.

The new report, “Women in Advice: Inspiring the Next Generation of Financial Advisers,” provides a detailed analysis of the obstacles that have prevented many women from entering the financial advice industry or ascending to leadership positions. The research, based on a pair of quantitative surveys of advisers and advisory firms, and qualitative interviews with nearly 20 advisers, industry experts and financial planning students, also describes strategies the industry can implement to correct the gender imbalance issue and create more successful, inclusive firms.

“This study does not endorse special treatment for women seeking a career in financial advice,” said Brie Williams, head of Practice Management for the Global SPDR business at State Street Global Advisors. “On the contrary it urges that we adopt a more inclusive approach to solving the problem. We need men and women at the table with shared ownership because this is not a women’s issue, it is a business imperative. Studies show that diversity in leadership, and therefore in thought, is a competitive edge for firms.”

Key findings highlighted in the report include:

- While the percentage of female employees at independent advisory firms has held steady at about 48% since 2013, women represent just 28% of all client-facing advising roles
  - Specifically, women held 21% to 26% of lead adviser roles during this period, but accounted for up to 49% of the support adviser roles and up to 42% of service adviser positions
- Women, on average, remain in tertiary and secondary adviser roles four years longer than men
- Striking a personal balance between career and family was the top barrier to professional advancement in the advice industry among women (male advisers cited “lack of networking opportunities” as the top barrier)
- Female advisers are twice as likely as men to believe that the lack of women in leadership roles plays a part in gender inequality in the financial advice industry (43% vs. 21%)
- Compared with just 43% of men, 62% of women indicated that gender diversity was important to the success of their firm; Similarly, 68% of women believe that gender diversity is important to the success of the overall industry compared to 45% of men

“The foundation of our research is a true understanding of the barriers that are impeding the advancement of women and the recognition of the importance of inclusion in the advice industry,” said Mark Bruno, Associate Publisher at InvestmentNews and head of InvestmentNews Research. “By identifying and analyzing these obstacles, we are able to recommend clear strategies that individuals and advisory firms can act on to become more inclusive, more innovative – and ultimately more successful.”

The study, which can be downloaded here [6], focuses on several opportunities to create a more gender inclusive industry, including:

- How to increase flexibility and develop programs that align with advisers’ needs
- How to improve training and establish career paths that account for common obstacles
- How to promote the advisory profession and the career opportunities available to women

Research Methodology

To support “Women in Advice: Inspiring the Next Generation of Financial Advisers,” an online survey was fielded in August 2017, distributed to InvestmentNews’ audience of financial advisers. The sample, which is representative across different advisory channels, received 612 responses in total — 208 from females and 404 from males. The survey collected data on participants’ demographics, current position in the industry and work history.

In addition, interviews with 18 financial advisers, financial planning students and a range of leading subject matter experts both within and outside of the wealth management industry were conducted to help inform key findings and workplace
recommendations. Interviews were led by contributing research partner, a2bplanning in conjunction with InvestmentNews Research and the Practice Management Group at State Street Global Advisors between June and October of 2017. Comments and observations of these experts are included throughout the report.

Data from the 2017 InvestmentNews Adviser Compensation & Staffing Study¹ were used to provide detailed personnel information on independent advisory firm positions. The 2017 Study was conducted between April and June of 2017, and comprised of data — including gender — from 353 firms and 4,382 individuals across 30 positions.

About InvestmentNews Research

The mission of InvestmentNews Research is to provide financial advisers with the industry’s most informative practice management studies and benchmarking reports. Our benchmarking studies are a leading source of market intelligence for advisory firms and industry partners, such as custodians, broker-dealers, service providers and professional organizations. In 2009, InvestmentNews acquired two bellwether benchmarking studies from Moss Adams LLP — the Adviser Compensation & Staffing Study and the Financial Performance Study of Advisory Firms.

About Practice Management and State Street Global Advisors

The Practice Management Group at State Street Global Advisors is dedicated to the evolving needs of wealth management firms and financial advisers; developing business-specific insights to facilitate growth and efficiency beyond asset management. The award-winning thought leadership, educational programs and practice management tools and resources available are grounded in proprietary research and leverage the latest thinking and trends from both industry and academia.

For nearly four decades, State Street Global Advisors has been committed to helping financial professionals and those who rely on them achieve their investment objectives. We partner with institutions and financial professionals to help them reach their goals through a rigorous, research-driven process spanning both active and index disciplines. We take pride in working closely with our clients to develop precise investment strategies, including our pioneering family of SPDR ETFs. With trillions² in assets under management, our scale and global footprint provide access to markets and asset classes, and allow us to deliver expert insights and investment solutions.

State Street Global Advisors is the investment management arm of State Street Corporation.

State Street Global Advisors, One Lincoln Street, Boston, MA 02111-2900.

State Street Advisors Fund Distributors, LLC, member FINRA, SIPC, One Lincoln Street, Boston, MA 02111

The 2017 InvestmentNews Compensation & Staffing Study was conducted by InvestmentNews Research in partnership with The Ensemble Practice, sponsored by Pershing Advisor Solutions LLC

2004459.1.1.NA.RTL

¹ The 2017 InvestmentNews Compensation & Staffing Study was conducted by InvestmentNews Research in partnership with The Ensemble Practice, sponsored by Pershing Advisor Solutions LLC

² Assets under management were $2.67 trillion as of September 30, 2017. AUM reflects approx. $36 billion (as of September 30, 2017) with respect to which State Street Global Advisors Funds Distributors, LLC (SSGA FD) serves as marketing agent; SSGA FD and State Street Global Advisors are affiliated.

Language:

English

Contact:

State Street Corporation
Andrew Hopkins, +1 617-664-2422
Ahopkins2@StateStreet.com [7]

Ticker Slug:

Ticker: STT
Exchange: NYSE
ISIN: US8574771031


Links:
Advice.pdf&esheet=51754973&newsitemid=20180207005758&amp;lan=en-US&amp;anchor=here&amp;index=1&amp;md5=79106e74c9a2950d4a36db1dcf04e2f