
Success Factors for Female Financial Advisors

A look into what motivates, challenges and enables success for female professionals in the retirement and financial services industry.

Background

During May and June of 2022, OneAmerica surveyed over 200 female advisors in the retirement and financial services industry. This survey was intended to identify key themes as they relate to female financial professionals and capture insights on a variety of industry-focused topics. It was conducted as part of the OneAmerica Female Retirement Professionals Program, an initiative envisioned and chaired by Sandy McCarthy, President of Retirement Services at OneAmerica. The program officially launched in April 2021.

A Message from Sandy McCarthy

Thanks so much for your interest in our survey and whitepaper, commissioned as a part of the OneAmerica Female Retirement Professionals Program.

This program is deeply personal to me, as a woman who has spent my 30-plus year career in the retirement and financial services industry. During that time, I've seen firsthand the value that female financial professionals bring — positively impacting the clients they serve and our industry as a whole. For that reason, it was important to me to create a program designed to examine, drive and amplify that impact.

The program is also significant for OneAmerica — a company that places relationships at the center of everything we do. In line with this belief, the OneAmerica Female Retirement Professionals Program is centered on listening, learning and acting — connecting with women in the industry to understand their strengths, motivations and obstacles, and in turn creating and tailoring a program that equips them to thrive.

At its core, our program is about coming together to engage, empower and elevate women advisors. What we learned from the survey allows us to do just that — establishing a baseline as we continue to advance this important discussion and translate our findings into action.

As you read through our findings, you'll discover key insights that show just how significant and formative an advisor's first few years can be. Being aware is the first step. From here, we can work together as an industry — not only to attract women to our industry, but to support, retain and grow them throughout their careers. There's incredible opportunity here.

Finally, I'd like to express my sincere gratitude for the amazing group of industry professionals who have engaged with our program. It's been a privilege to connect with women, and men, who are passionate about the topic and committed to working together to make a difference. I'm especially grateful for the over 200 women who completed our survey and provided such honest and thoughtful feedback.

It's an exciting time for our program and our industry, and I'm glad to have you with us on this meaningful journey.



Sandy McCarthy
President, Retirement Services
Chair, OneAmerica Female Retirement
Professionals Program

Sandy McCarthy

Survey method

Through the online survey, OneAmerica asked 204 female financial advisors in the retirement plan industry a series of questions about their professional experiences.

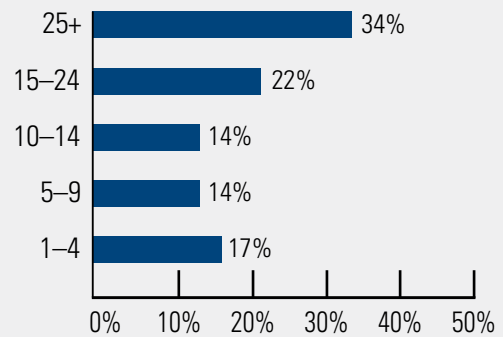
Data was analyzed and categorized as follows:

- Advisor experience:
 - 1-4 years
 - 5-9 years
 - 10-14 years
 - 15-24 years
 - 25+ years
- Advisor channel:
 - Independent broker dealer
 - Insurance broker dealer
 - Registered Investment Advisor (RIA)
 - Wirehouse/Regional/Bank
 - Hybrid (RIA & broker dealer)

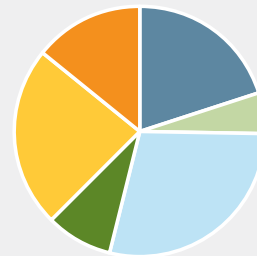
Note: Due to rounding, some percentages in this report do not total 100 percent.

A detailed look at demographics for the 204 survey respondents:

Years of experience

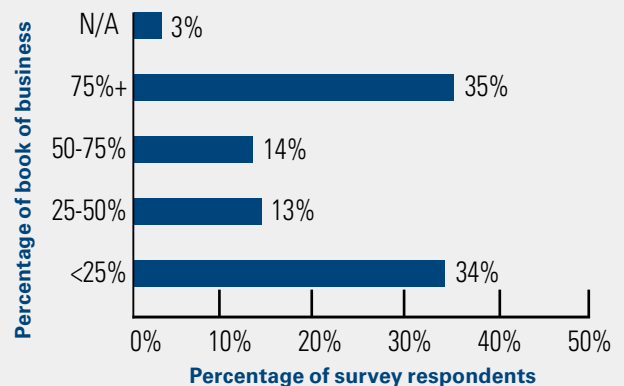


Affiliation model



Independent broker dealer	20%
Insurance broker dealer	6%
RIA	28.5%
Wirehouse/Regional/Bank	8.5%
Hybrid	23.5%
Other/None	14%

Share of business focused on retirement plans



Examining motivations: Why do female advisors join, and stay, in the profession?

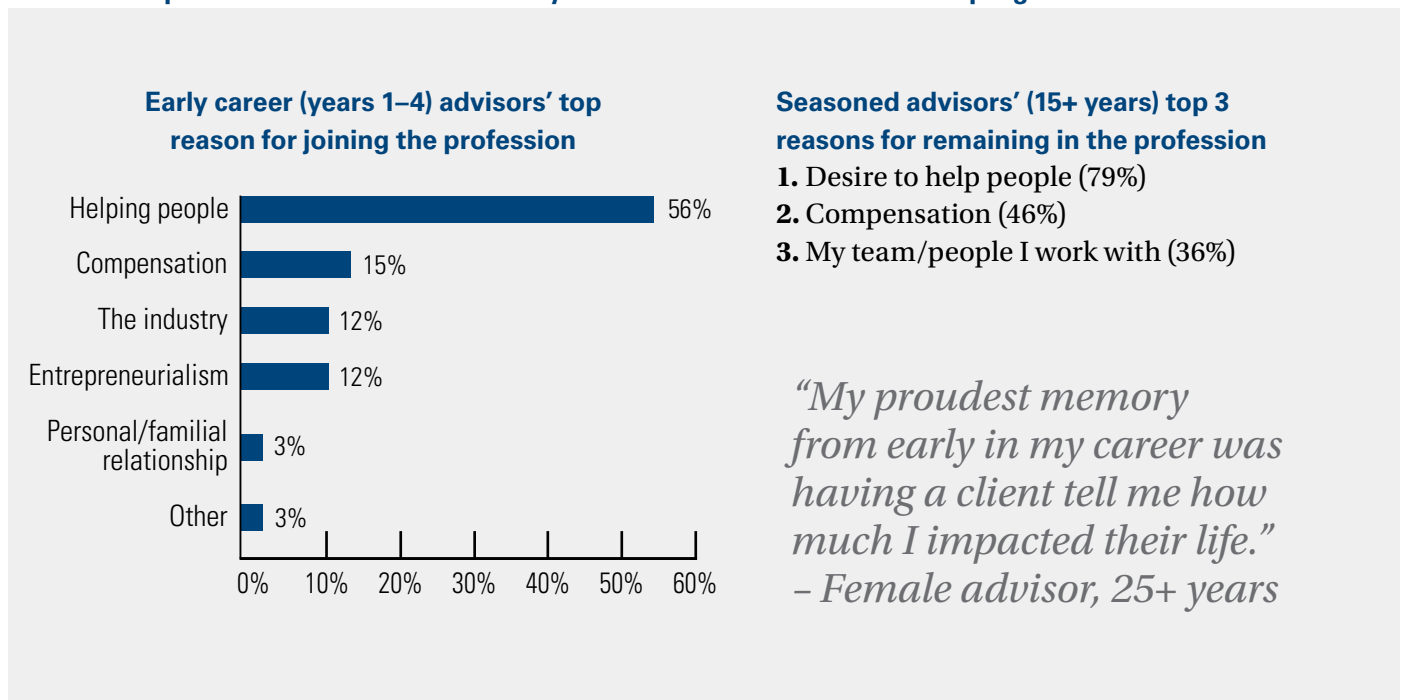
Key Survey Insight: The altruistic nature of the profession both attracts new female advisors and helps retain seasoned advisors

When asked what first attracted them to the advisor profession, nearly half of all survey respondents — 43% — indicated that “helping people with finances” was their primary motivation. The percentage was even higher among early-career advisors with 1-4 years of experience, with 56% identifying the opportunity to help others as the profession’s top draw. “Compensation” was a distant second for these

early-career advisors, with only 15% indicating it as the top motivator to join.

Survey data revealed that the motivation to help others does more than just attract females to the advisor profession — it’s also a key reason why they continue on in their careers. When seasoned advisors (15+ years of experience) were asked the top three reasons why they remain in the industry, the “desire to help people” was the most frequent response, with 79% of respondents including it in their top three. Among those that had indicated helping others as their primary motivator for entering the industry, 95% continued to include it as a top-three motivator. Like their early-career advisor peers, seasoned advisors also cited “compensation” as the second-place motivator, with 46% of respondents including it in their top three; once again, the drop-off from first to second was significant.

Exhibit 1. Top motivations remain relatively consistent as advisors’ careers progress



Identifying hurdles: What are the top hurdles that challenge female advisors?

Key Survey Insight: While career motivators stay relatively consistent throughout female advisors’ careers, the top hurdles evolve

Advisors with five or more years of experience report that the greatest hurdles to success when they began their careers were “knowledge & training,” “work/life balance,” “new sales,” “limited number of women in the industry” and “firm culture & leadership” — factors that highlight the importance of building knowledge, gaining confidence and finding community early on, while managing the changing aspects of life outside of work.

These early-career hurdles were relatively consistent for advisors across channels, with the exception of

those in wirehouses — the only group that did not include “knowledge & training” as a top hurdle early on. This is perhaps because these advisors typically begin in structured training programs for the first several years of their careers.

Across all channels, “work/life balance” — a top-two hurdle for early-career advisors — became increasingly important as advisors’ careers progressed, moving from the second to the top spot. Interestingly, “knowledge & training” saw a dramatic drop-off, falling from the top hurdle to the ninth. Meaningful shifts can also be seen in examining the rise of “practice management & administration,” “marketing” and “technology & tools.” This evolution is logical as an advisor builds on the foundation of knowledge, confidence and community, and shifts to focus more on growing and managing her business.

It’s significant to note that, regardless of career stage, “work/life balance” and “new sales” were the two hurdles consistently in the top five. “Serving clients” and “incentive-based compensation” were the only two hurdles consistently in the bottom five.

Exhibit 2. Top hurdles for female advisors evolve with experience

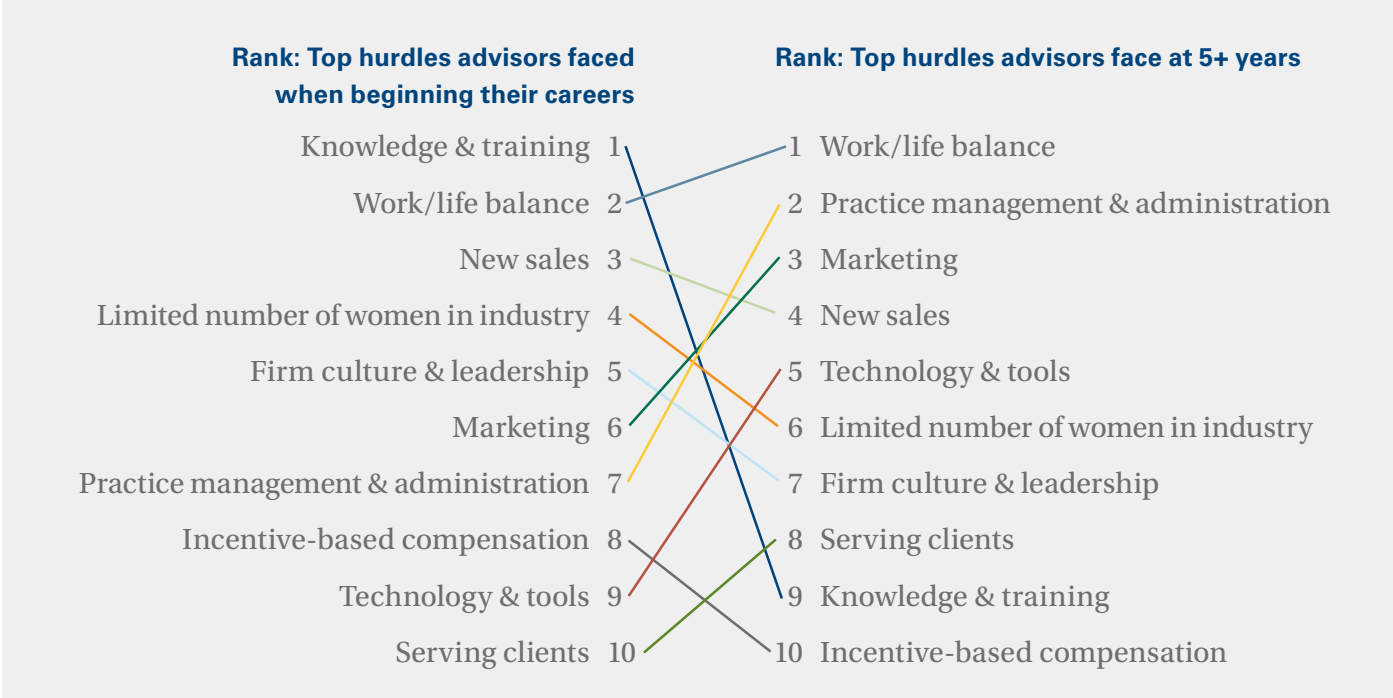
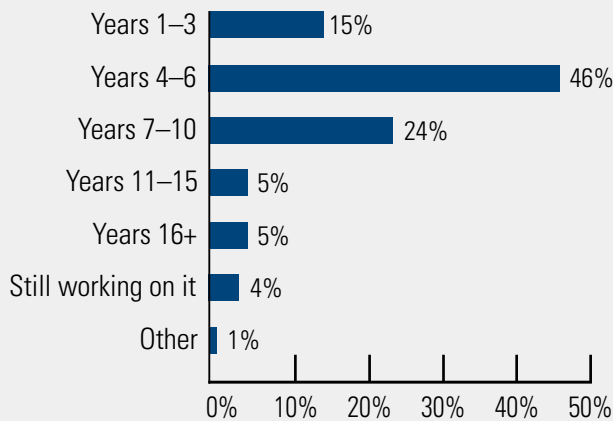


Exhibit 3. 70% of seasoned advisors (15+ years of experience) indicated that they felt confident in their skills and ability to help clients in years 4-10



“I’m not sure if females feel less sure about their talents or if they are more willing to express when they don’t feel confident.”

– Female advisor, 5-9 years of experience

Enabling success: Are there common traits or practices that fuel success for female advisors?

Key Survey Insight: Four factors were consistently identified as key determinants of success for female advisors: Confidence, Community, Connection and Culture

Confidence

As a top challenge noted in open-ended survey responses, confidence plays an especially important role in the success of early-career advisors. And in an industry notorious for extremely high attrition in the early years, confidence may be a key piece of the puzzle to solve for, especially for female advisors.

70% of advisors with 15+ years of experience reported that it took between four to 10 years to feel confident in their skills and ability to help clients. But up to 70% of advisors leave the profession in their first three years (estimated by Kitces.com), before they have reached the point where confidence builds.

When comparing industry channels, experienced wirehouse advisors’ reported confidence skewed earlier (36% reported feeling confident in years 1-3) compared to advisors with an RIA affiliation, which skewed later than the overall results depicted on the right.

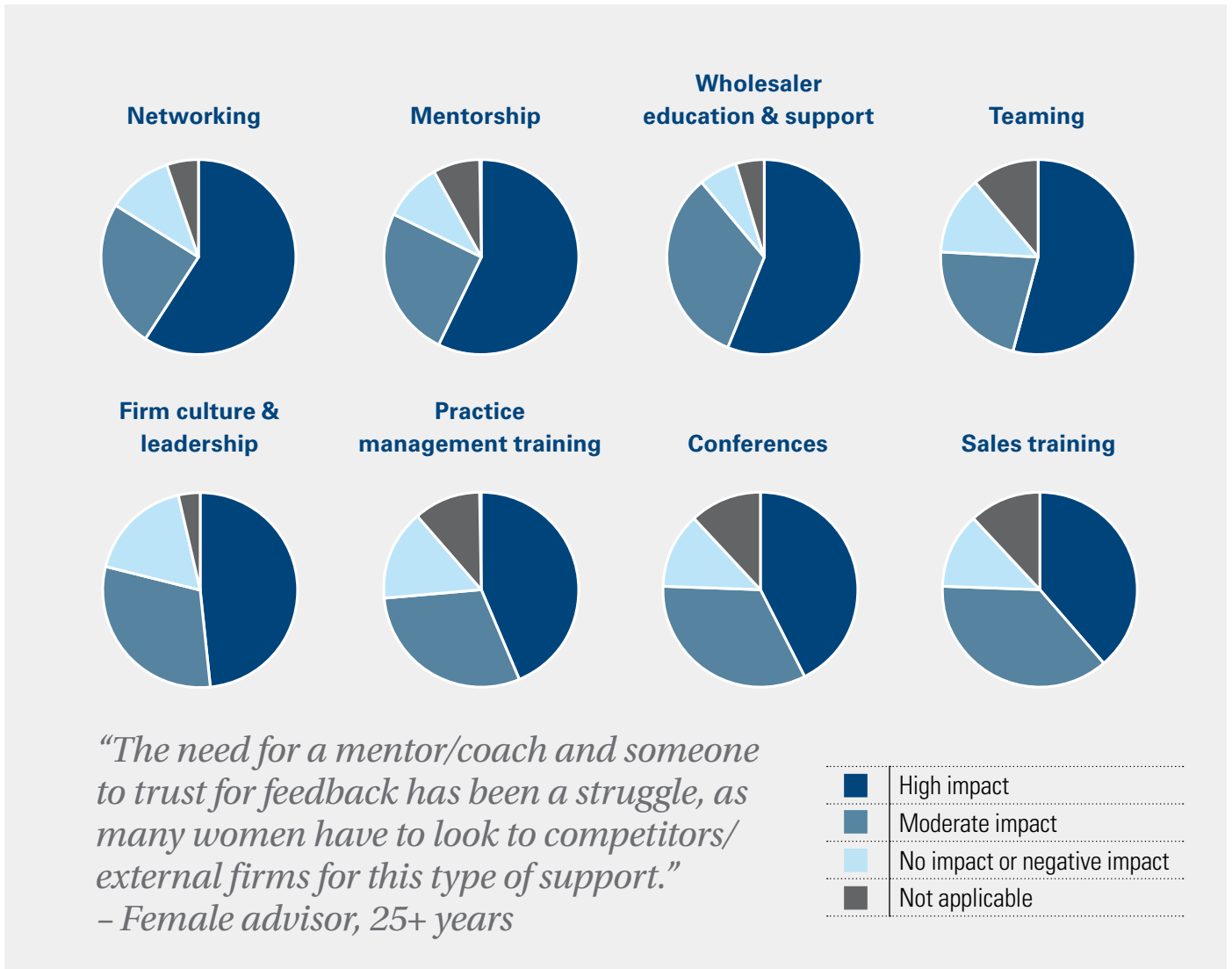
Community

Survey data revealed that, for many female advisors, finding community within the industry is critical — especially as it relates to gaining knowledge and growing confidence. When asked the most effective ways to build knowledge and confidence, respondents ranked “networking” first, followed by “mentorship,” “wholesaler education” and “teaming” — with three of the four top responses centered on advisor-community connections. Only 38% of respondents reported “sales training” as high impact in building knowledge and confidence, compared to nearly 60% reporting “networking” as high impact.

Many respondents also indicated that the opportunity to build a community of female advisors is particularly valuable but can be hard to come by due to the lower number of female advisors in the industry.

One early-career survey respondent noted that her firm has a share of female advisors well above industry average and recognized this as an advantage, stating “our culture is great because we can work with a [female] mentor to gain knowledge.”

Exhibit 4. Most effective ways to gain knowledge and confidence



Connection

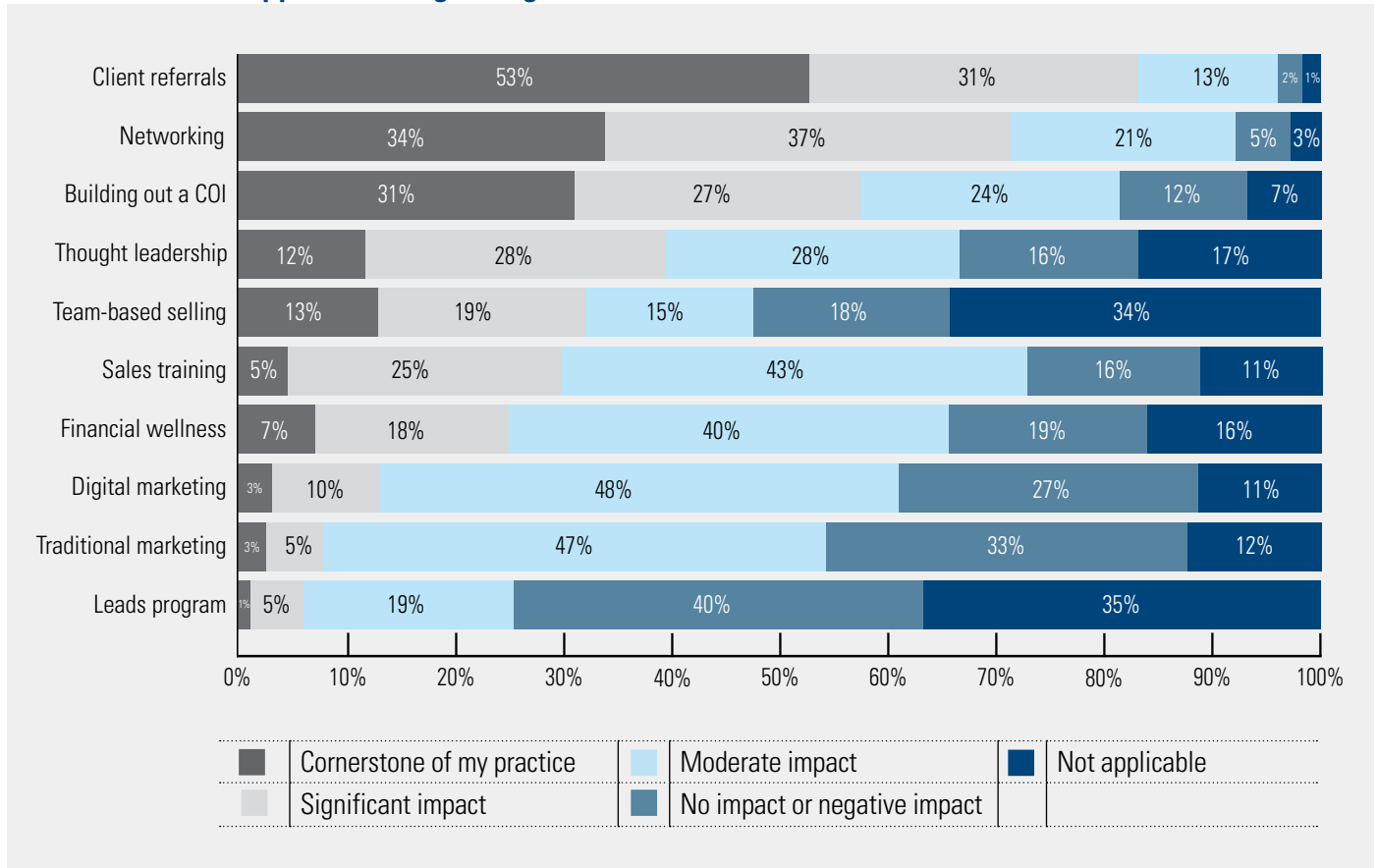
As with community, the importance of personal connection also surfaced when respondents were asked about the sales approaches that have been most impactful in helping them to grow their businesses. 84% of respondents indicated that “client referrals” were either a “cornerstone of their practice” or had a “significant impact” on their business growth. This was followed by “networking” (71%) and “building out a center of influence” (58%). All of these top-three approaches are rooted in relationship building and cultivating personal connections, which several respondents identified as a natural strength among female advisors.

This focus on personal connections is also closely linked to the opportunity to help others, noted earlier as a top motivator for female advisors to join, and continue, in the profession. Free-form survey responses from several respondents pointed out

that common perceptions of the industry — as one focused only on math and compensation — hide the true nature of the profession. “I believe that most females have different motivators (i.e. ‘to help people’) than our male counterparts, who seem to value compensation more,” said one advisor with 25+ years of experience. Another added that the profession “... is not about numbers but relationships. Being an advisor is a fulfilling calling. We help families define a better future.”

The top three most effective approaches to business growth are based on relationship building and personal connection.

Exhibit 5. Effective approaches to growing business for female advisors

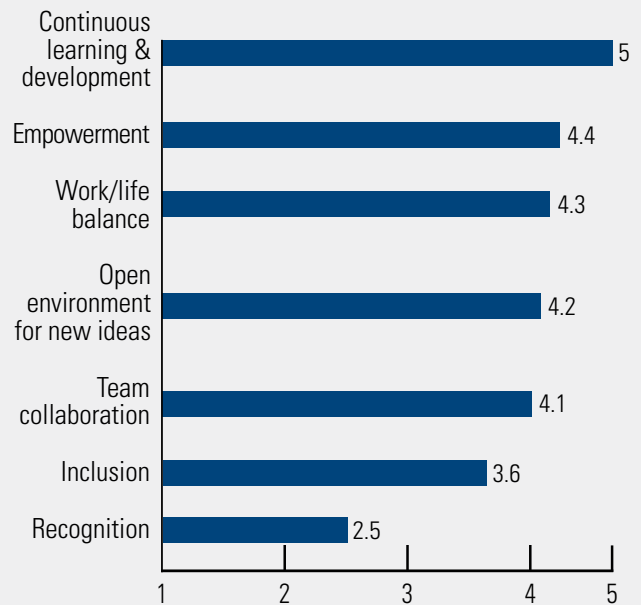


Culture

Free-form responses also highlighted that the unique culture of an advisor's firm can either fuel, or potentially hinder, success for female advisors. When asked what elements of firm culture best enable success, respondents collectively ranked "continuous learning & development" at the top of the list, followed by "empowerment" and "work/life balance." Respondents indicated that continuous learning can take place in many ways within a firm, including formal training programs, mentorship and open peer-to-peer sharing.

Though these findings were relatively consistent across advisors with varying levels of experience, there were some interesting exceptions. "Empowerment," for example, was significantly less important to advisors in their first four years of experience, when compared with all other tenure levels. "Team collaboration" was ranked as a top-two factor for these early-career advisors, though it typically fell toward the bottom of the rankings among other groups. Interestingly, "recognition" was consistently ranked as the lowest in importance for all groups.

Exhibit 6. Most important elements of firm culture for female success, weighted average ranking



Conclusion

Understanding common motivations, hurdles and enablers of success will allow individual advisors and firms alike to shape environments where female advisors can thrive. Those looking to make a change in their own career or firm can use the findings described within this document, in addition to reflecting on the four identified key enablers to success:



Confidence: What may be holding female advisors back from seeing their full potential, especially early in their careers? How might learning and development resources be best used to build confidence among early-career females?



Community: How can mutual benefit be created for female advisors at all tenure levels within a firm or across multiple firms?



Connection: What networks could be used to foster personal connection with clients and prospective clients?



Culture: What elements of firm culture have the greatest opportunity for improvement? How might firm culture better align to the needs of female advisors?

About the OneAmerica Female Retirement Professionals Program

Launched in April 2021, the OneAmerica Female Retirement Professionals Program is built on our belief in the power of relationships. By delivering focused education and facilitating networking and relationship-building opportunities, the program aims to elevate the way female professionals show up in the retirement industry and brings to life a key OneAmerica philosophy — that we can best help our industry partners grow and thrive by getting to know who they are, recognizing their strengths and understanding their challenges.

The program was envisioned and is chaired by Sandy McCarthy, President of Retirement Services at OneAmerica. With over three decades of experience in the financial services industry, Sandy is passionate about continuing to advance the discussion around topics such as the importance of attracting females to the profession, and the unique value they bring to the industry and to clients.

If you have any questions about the program or would like to learn more, please contact your OneAmerica sales representative.

About OneAmerica®

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