

Focusing on women in finance this Women's Month

Why more women should consider working in the financial industry

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For Financial Advisors and their Clients

It has been widely published that the representation of female-run funds, financial advisors and investment teams over the past decade has been relatively consistent in that women continue to be underrepresented. This is, of course, a serious issue that deserves attention and we need to work harder to continue to attract women to the financial industry.

According to Morningstar's research, only around 11% of South African fund managers are women. And in the UK, Morningstar data shows there are more funds run by men named Dave than there are female fund managers in total. Of 1,496 UK-listed open-ended funds, 108 are run by managers named David or Dave – equivalent to 7.2% of funds. Meanwhile, just 105 funds in total have a woman at the helm. It's a stark reminder of the lack of diversity across the fund industry.

Improving diversity will take time. We need to start paying more attention to the industry's graduate recruitment, and the perception of the financial industry. Firms need to look at how they can support the recruitment and retention of more women. There is an industry perception that isn't landing with young women, as the number of applications for junior roles remains low.

Long-term investing is far from the macho image portrayed in movies, and firms should look at ways they can help to change this, starting with job descriptions and with females in the industry sharing their success stories.

I spoke to a few of the female advisers that partner with Morningstar Investment Management South Africa to share their experience of the financial industry. The feedback received, painted a very interesting picture. The most prominent being, how rewarding it is for women to work in the financial industry.

I've highlighted a few key takeaways below, of why more women should consider working in the financial industry -

Financial planning and advice enable you to make a difference, whilst earning a living.

Being a financial adviser enables you to make a meaningful impact on the lives of your clients. By helping your clients to understand how to work with their money and make their money work for them, you can truly have a positive impact on their lives.

If you are someone that wants to pay the bills but do good at the same time, financial planning and advice is a great career option. The great part about finance is, the numbers don't lie – when you see your client celebrating a savings goal that had been reached, it's very rewarding to know you helped them reach that goal.

"I joined the industry wanting to make a meaningful impact on people's lives. Something that would enrich my soul whilst earning a living. I wanted to help people realise that through taking the time to understand their relationship with money, they could see money as their enabler, and thus something that they could control, rather than letting their money control them."

– Tessa Lefrère, Certified Financial Planner®, Resolute Wealth Management.

It is both pencil skirts and sneakers

Contrary to popular belief, working in finance can offer the flexibility of hours, being your own boss, owning your own business, managing your own time and engaging with people regularly. The world of finance isn't only filled with women doing presentations in tight pencil skirts and high heels. The fantastic part is, that if you would like to do that, you most certainly can! But, if you would prefer to rather ditch the heels for a pair of sneakers, that's perfectly fine as well. There is room for individualism and to do things your own way.

"I also enjoy the fact that I have my own business, I'm my own boss and I manage my own diary. As a mother, this is priceless."

- Cilma Sorour, Certified Financial Planner®, Alchemy Financial Solutions

If you are a people's person – working in finance is a great career choice.

Yes, having a keen interest in markets, the economy and investments is most certainly a massive plus. However, the female advisers I spoke with, said that working with people is one of the aspects of the industry they enjoy the most. In addition, being invested and caring about their clients is their most valuable and differentiating quality as an adviser.

"I work hard at making sure my clients feel that they have been heard but most of all building a lifelong relationship and friendship that is also professional."

– Stephanie Bakhuis, Certified Financial Planner®, Chartered Wealth

"Over the years I kept choosing to work with people more than portfolios and hence I'm now in the financial partnership role with our clients. However, I also love the complexity and the challenges of the investment environment."

– Sunél Veldtman CFA®, CFP®, CEO of Foundation Family Wealth

Females in finance support each other

It might be known for being male dominant, but the women in the financial industry are proud to support each other, empower one another and there are several "Women in finance" groups that aim to facilitate growth, partnership and collaboration between women in the industry.

"Apart from helping my clients, I spend a large part of my time teaching and sharing this knowledge with other financial planners so that they too are upskilled to help their clients with their money relationship. I view this as a value-add to clients in the financial planning industry." – Kim Potgieter,

Marketing and Life Planning Director, Certified Financial Planner®, Chartered Wealth

Whatever you decide to do in life – let it be to save first!

When we asked our female financial advisers, what advice they would give their 20 year old self, the standout answer was to save, save and save some more.

“Choose to understand your money; make friends with it, rather than fear it. By empowering yourself in your 20’s, you cannot begin to imagine the life you’re setting up for yourself to live on your terms, in your time.”

– Tessa Lefrère, Certified Financial Planner®, Resolute Wealth Management.

In closing

At Morningstar Investment Management South Africa we strive for a diverse team. When it comes to gender, our team in South Africa is made up of more than 50% women. The advantages of greater institutional diversity are well researched and documented, and the local investment community should be doing more to attract young women into the industry.

“I love being part of such a diverse team of individuals. Everyone brings something unique to the table, which is really inspiring.”

– Abigail Wilson, Customer Success Manager, Morningstar Investment Management South Africa

A growing body of research suggests that the presence of women on corporate boards and in the C-suite is linked to superior financial performance – for example, Credit Suisse’s [CS Gender 3000](#) report.

We also need to think more broadly about diversity and as such especially the diversity of thought. We often view diversity through a gender or race lens, but true diversity is an expression of different cultures, thoughts, energy and ideas.

If the COVID-19 pandemic has shown us anything, it’s that what we thought was ‘normal’ and ‘unchangeable’ is, in fact, hugely open to change, in the most positive way. At Morningstar, we will continue to highlight trends in the fund manager industry to spark conversation and dialogue, especially as it relates to matters of diversity. ■■

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