

Search Women Advisors [Search](#)

- [Sign Up](#)
- [Sign In](#)

Don't underestimate women investors

Women Advisors *forum*

POWERFUL INSIGHTS.
INVALUABLE NETWORKING.

Financial Planning onwallstreet bank investment consultant

- [Main](#)
- [My Page](#)
- [Members](#)
- [Photos](#)
- [Articles](#)
- [Videos](#)
- [Events](#)

- [All Blog Posts](#)
- [My Blog](#)
- [Add](#)



The Importance of Addressing Women's Investment Worries

- Posted by [Kimberly Foss](#) on December 12, 2013 at 11:02am
- [View Blog](#)

In his latest bestseller, "[David and Goliath: Underdogs, Misfits, and the Art of Battling Giants](#)," Malcolm Gladwell uses the story of David and Goliath to explore the power plays that develop when ordinary people confront powerful foes. Interestingly, in an [interview with Wharton Management Professor Adam Grant](#), Gladwell shared that he never roots for the underdog. *He* said, "If the underdog loses, the underdog feels very little distress because [he] expected to lose. If the favorite loses, he feels a great deal of distress because every expectation was that he was supposed to win."

When Professor Grant then asked whether the joy of a victorious underdog could outweigh the disappointment of the favorite, Gladwell had a personal revelation. "I am far more distress-avoidant than I am joy-seeking," he said. That's often the case with investing, where the pain of losses registers to a greater degree than the joy of gains. We've certainly seen that in recent years as the market has climbed back from the financial crisis. It's a phenomenon that is supported day in and day out by the fact that personal finance articles with titles like "Investment Mistakes to Avoid" often garner higher readership than articles with more upbeat titles such as "Five Stocks to Buy Now."

The primal urge to seek protection from pain and distress is especially strong for many of my female clients. Therefore, when meeting with a potential female client for the first time, I'll often begin by asking about her financial worries rather than her goals. It's not that I'm a Debbie Downer -- far from it. It's just this simple -- we need to feel safe before we can dream.

The findings from the "[2013 Women, Money, and Power Study](#)" from Allianz Life Insurance Company of North America illustrate the level of worry many women deal with and support my thinking. Consider the below findings from [the study](#), for example:

- 60 percent of women identified themselves as the primary household breadwinner.

The Importance of Addressing Women's Investment Worries - Women Advisors Forum

- However, 49 percent of respondents expressed the fear of becoming homeless. 27 percent of women earning more than \$200,000 per year shared that fear.
- The fright of becoming homeless was highest among single respondents (56 percent) and divorced women (54 percent).

This expressed fear has its roots in the fact that women understand that they often have a more difficult time saving for retirement. After all, in many professions women still earn less than their male counterparts. Also, since women tend to have interrupted work histories (due to taking time off to have a baby or raise a family, for example), their benefits from 401(k)s to pensions tend to be less substantial.

It's our job as advisors to understand the specific concerns that fuel the largely irrational anxiety about becoming homeless and to develop strategies to alleviate those worries. In my next post, I will cover the three questions to ask clients that will help you ease their concerns.

Kimberly Foss is a Certified Financial Planner with 30 years of industry experience. Kimberly is the founder of [Empyrion Wealth Management](#) (Roseville, Calif.) and author of "Wealthy by Design," a best-selling book.

Views: 16

Tags: [Financial](#), [Investment](#), [Planning](#), [Women](#), [Worries](#)

[Like](#)
[0 members like this](#)

[Share Twitter](#)

Like  1

- [< Previous Post](#)

Comment

You need to be a member of Women Advisors Forum to add comments!

[Join Women Advisors Forum](#)

Welcome to
Women Advisors Forum

[Sign Up](#)
or [Sign In](#)

© 2014 Created by [Aneel Tejwaney](#). Powered by [NING | GLAM SOCIAL](#)

[Badges](#) | [Report an Issue](#) | [Terms of Service](#)