

EMPOWERING WOMEN ADVISORS

THE LADENBURG THALMANN
WOMEN AND FINANCE INSTITUTE





The financial advice business has always been dominated by men. Both the advisors themselves and their primary clients have traditionally been male, and, although women have made inroads, they are still nowhere near parity.

According to the latest data from analytics firm Cerulli Associates, women represent just 14% of advisors and brokers, and the percentage of CFP-certified professionals has remained flat at 23% for at least a decade. One encouraging sign is that younger women are entering the business with 28% of rookie advisors being female.

Financial firms are waking up to the value of hiring and retaining more women advisors as a way of attracting female clients who control an increasing share of the world's wealth. A 2015 study from Bank of Montreal found that women controlled 51%, or \$14 trillion, of personal wealth in the U.S., and that amount is expected to grow to \$22 trillion by 2020. Women are the biggest earners in 40% of American households, a share that has increased fourfold since 1960. Women now hold the majority (52%) of all management and professional jobs in the United States, and they own nearly a third (30%) of American businesses.¹ The largest transfer of wealth in world history is underway and women stand to inherit more wealth from their aging spouses because of their longer lifespans.

¹The Financial Concerns of Women, BMO Financial Group, March 2015. <https://www.bmo.com/privatebank/pdf/Q1-2015-Wealth-Institute-Report-Financial-Concerns-of-Women.pdf>



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Ladenburg Thalmann Financial Services, a Miami Florida-based diversified financial firm with \$128 billion in assets, and five independent broker dealers, has taken an unusually aggressive approach to supporting women advisors through its Women and Finance Institute. Launched in 2012, the Ladenburg Thalmann Institute of Women and Finance (LTIWF) provides additional education and networking support to female advisors affiliated with Ladenburg’s independent brokerage and advisory firms. In addition to offering advisors practice management and business development ideas, the institute mentors younger advisors through its LIFT Mentoring Program. Each year the institute hosts the Ladenburg Thalmann Institute of Women & Finance Symposium, an educational and networking event for female advisors throughout the organization.

Jaime Desmond, Ladenburg Thalmann’s Chief Operating Officer for asset management, has been involved with the institute since its inception in 2012. “The idea really came from Dick Lampen, our CEO, who was reading a lot about our industry and realizing that there is a minority of female financial advisors,” says Desmond. Although at the time Ladenburg Thalmann had

a high percentage of female advisors, Lampen saw continued recruiting of women as a key to the firm’s growth. “He asked, ‘What can we do to support our female advisors? How can we grow that list?’”

Not long after the start of the LTIWF, Jaqueline Simkin, the owner and founder of Miami-based Simkin Management, joined the Ladenburg Thalmann board of directors, and took an active role in shaping the program. The first Symposium was held in 2012, and since the program has grown significantly.

“Today, we not only have an annual event where we get women advisors together for networking and education, but we have our mentoring program that starts to build up financial advisors in the system. We even have an internal listserv so female advisors can communicate with each other. We also have an internal website that has a lot of content and we sponsor at least quarterly educational calls, discussions, seminars, and webinars throughout the year,” says Desmond.

That level of support has paid off in increased recruiting and retention of female advisors. Three of Ladenburg Thalmann’s broker dealer affiliates lead

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the industry in percentage of female advisors; Triad Advisors with 30.5% female advisors, Securities America with 29.4% and KMS Financial Services with 27.7%, according to Financial Planning Magazine.²

CONNECTING WITH WOMEN, BUILDING A NETWORK

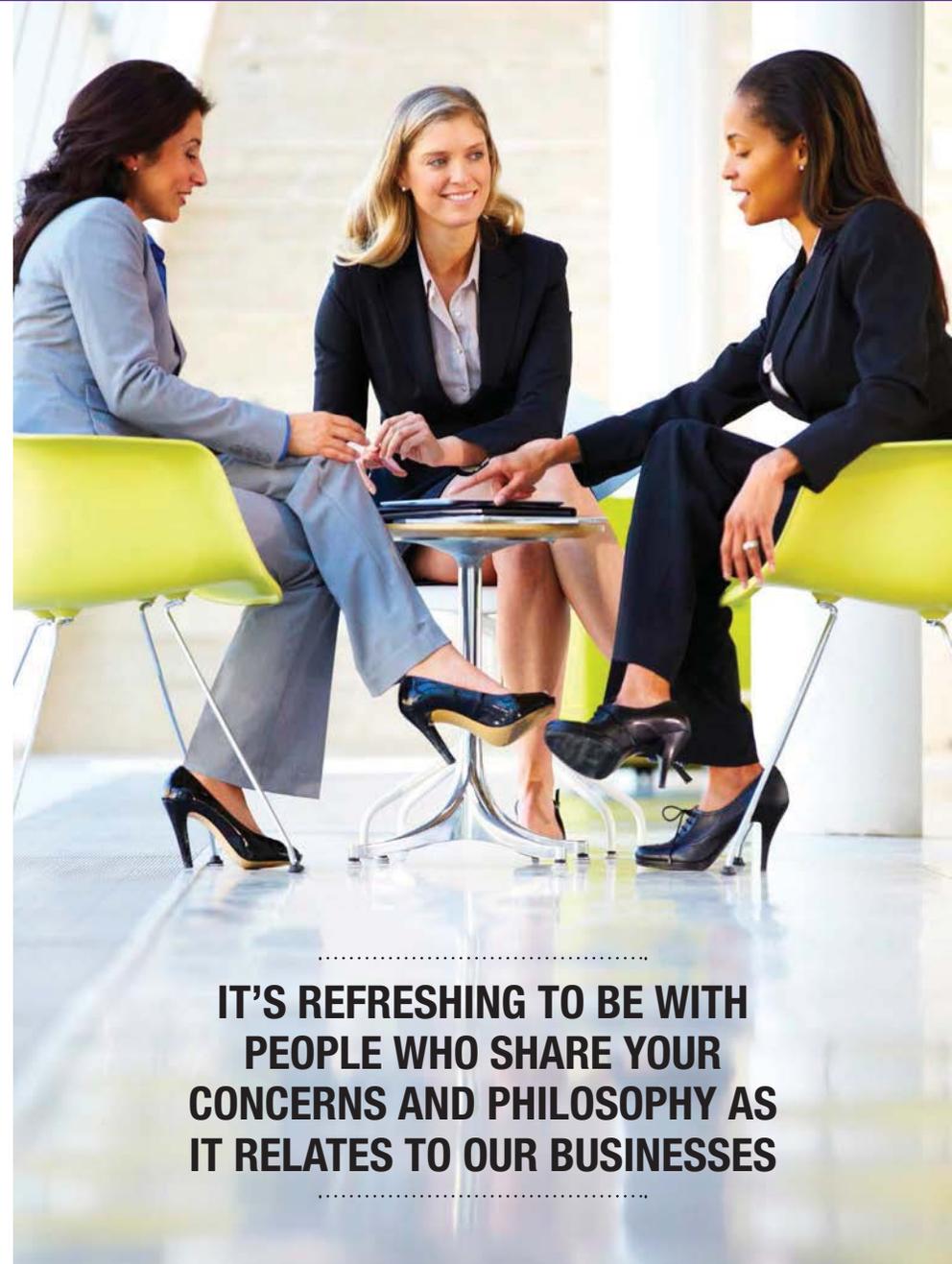
In October of this year, 180 women financial advisors from all over the Ladenburg Thalmann organization will attend a Symposium in Salt Lake City, Utah. The keynote speaker is Colonel Jill Morgenthaler. She will draw on leadership lessons from three decades of military service in some of the world's most dangerous military zones. Panels and speakers will address hot-button issues like elder fraud, cybersecurity, the 2016 presidential election, practice development strategies like exceeding client expectations, and how female advisors can best work with male clients. Most of the topics are not gender-specific, and Desmond says that's intentional.

"The challenges of being a financial advisor are the same, whether you're a man or a woman, in that you want

to do the best thing for your clients in a tough market environment while complying with the regulations in our industry. "There isn't anything particular to women she explains, I personally take the approach that if our female advisors stand next to our male financial advisors in terms of production, success, and clients, then the institute is working. I think that the women truly enjoy networking with each other. Women, as small business owners and managers of not only their businesses, but their households, find something in common with being able to relate to other female advisors."

"It's a fabulous program," says Sharla Jessop, CFP®, a vice president and private wealth management consultant at Salt Lake City-based Smedley Financial Management. She has participated in the Institute since it began in 2012. "It's valuable not just because it brings new information to female advisors, but because it gives the female advisors an opportunity to meet and learn from each other. You can almost create a board of directors of your own where you can share ideas with other female advisors and other women in our industry."

²"IBDs with the most female reps," by Michelle Zhou, Financial Planning, August 22, 2016. <http://www.financial-planning.com/slideshow/ibds-with-the-most-female-reps>



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“It’s refreshing to be with people who share your concerns and philosophy as it relates to our businesses,” says Paula Dorion-Gray, CFP®, the chief executive and founder of Dorion-Gray Financial Planning in Crystal Lake, Illinois. “I’m not the only advisor who is more interested in adding value through relationships than in alphas and betas and the sharp ratios. I think women approach our clients a little bit differently. I’m making a generalized statement, but I think we’re much more relationship driven, much more involved in the relationship side than we are in the rate of return and that component of it. It’s good to be with other people who all approach it in the same way with the same philosophy.”

Consider Simone Gladstone, CFP®, who has been in the financial advisory business for 25 years. Her all-woman firm, Compass Rose Strategic Planners in New London, CT., specializes in serving multiple generations of families to meet their financial and estate planning needs. An Army veteran, she says she has never had any problem with self-confidence. She is a four-time winner of Connecticut’s Five Star Wealth Managers designation. As experienced as she is, Gladstone says that the Ladenburg Thalmann Women and Finance

Institute never fails to bring her new ideas and inspiration.

For instance, in 2013, Premier Trust, Ladenburg Thalmann’s trust company affiliate, presented a roundtable on estate planning. Gladstone attended and made a strong connection. “We developed a really good one-on-one relationship with them and through that relationship we’ve been able to help some of our larger clients work through some very challenging decisions with children that have disabilities and other family issues. We’ve developed the confidence to include Premier Trust in conference calls with our clients about these issues,” says Gladstone.

Gladstone says it’s more about the relationships she develops than the information she receives that make the Symposium so valuable. “When you have to refer a family to a trust company because they need their help you’re sort of giving up control,” she says. “One of the things in our business philosophy is that we would never recommend anything to our clients that we would not do ourselves. We have to spend a lot of time getting to know the companies and firms that we’re going to recommend to clients before we will recommend them.”

As a result of this confidence, trusts have become a larger part of her firm's offering. "We have a minimum for account size which brings in larger clients," she says. "That's where trusts become more important. It's the clients who have over a million dollars that can afford to leave a trust to a disabled child, but that child might not be able to manage it themselves." Other families dealing with mental health issues, drug or alcohol addiction, and similar challenges can also benefit from these additional capabilities.

"They take such a holistic approach to business including your home, your health, and everything we need to know to run our businesses," says Gladstone. "The Symposium takes us away from being in our business every day to actually work on our business. Getting away from the office and working in their programs allows us to learn so much about skills, regulations, and the actual portfolio managers themselves, that it really keeps you educated and up to date on everything to do with our business."

"I think the more information you have and the more informed you are, regardless of what area of your business, whether it's marketing or the regulatory and compliance issues, the better you will do your job and the more productive you can be," says Jessop.

BRINGING THE NEXT GENERATION ALONG WITH MENTORING

Every year, the Institute pairs established advisors with rookie peers in a one-year program called the LIFT Mentoring Program. The idea is to share best practices with the next generation of women advisors, helping them gain the confidence and tools to succeed.

Simone Gladstone coached a new advisor recently and says she's learned almost as much as her mentee did through the process. "We looked at our businesses together to help her develop a solid plan for going forward," she says. "We had monthly conference calls where we shared results. She asked some questions about my business that I had to go back and research. The issues she wanted to work on, we had to work on together. It really changed our perspective on how to grow the business."



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CONNECTING WITH WOMEN CLIENTS

Sharla Jessop says that participating in the institute has sharpened her own focus on serving female clients. Approximately 60% of her clients are either single women or couples, she estimates. She recently started a women's advisory council at her own firm, with female clients participating, to make sure she's offering them the service and support they need. "Just from going to the classes and hearing how our advisors are directing their practices, one of the things that I've gained and I'm trying to share with my colleagues is having a better focus on our female clients," she says. "We want them to feel that they are our client, and not just tote-along to their spouse."

There's no question that supporting and developing female advisors is critical competing for more female clients. In a recent survey more than half (55%) of women between ages 25 and 34 prefer to work with a female advisor. Women who used female advisors were more confident in their advisor's investing skills, and more likely to say their advisor has their best interest in mind and at heart.³

"My own belief is that we are compassionate, we listen and really try to put ourselves in the shoes of the client and do the right thing for them all the time," says Gladstone. "Men can be that way as well, but women have that nurturing compassion for people and that helps a lot. We get to the emotional perspective of the client, I think, a lot quicker than the men."

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³Wanted: Female Advisors," by Jerilyn Klein Byer, FA Magazine, March 1, 2016. <http://www.fa-mag.com/news/wanted--women-financial-advisors-25321.html>

A PARTNER FOR WOMEN FINANCIAL ADVISORS

As the trust company partner of Ladenburg Thalmann, Premier Trust has proudly supported the Women and Finance Institute since its inception. We are a leading trust company staffed with advisors trained in asset protection issues. With 35 team members and more than 150 years combined experience in the trust business, we can help you grow and protect your business.

Located in trust-friendly Nevada, Premier Trust administer trusts only and does not manage investments. Our clients maintain continuity in their investment plans and retain the relationships they have with their trusted investment and financial professionals. We work closely with financial advisors and other professionals, including attorneys and CPA's to help them organize, structure, and administer their clients' estate plans. If you'd like to learn more about how we can help you assist clients with their trust needs, contact us at 702-577-1777 or email us at info@premiertrust.com. Thank you.