

IN GOOD COMPANY

HOW INVESTING IN WOMEN HELPS YOUR BUSINESS THRIVE

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BY SUSAN H. BURNELL

Companies that hire, develop and promote women convey to the world a strong message of commitment to diversity. Companies that understand the current dynamics and realities of the workforce know that it is essential to embrace the people power they have—and at least half of that power comes from women.

The ranks of college graduates now include more women than men, and women make up a higher proportion of the workforce than ever before. Companies that provide opportunities for women to advance in their careers can take advantage of this female talent pool streaming in from colleges. Conversely, companies that ignore women are placing themselves at a disadvantage.

The statistics tell the story of a yawning gap that needs to be closed. According to the Catalyst 2010 study, *Targeting Inequity: The Gender Gap in U.S. Corporate Leadership*, women comprise nearly half the U.S. labor force and earn 57% of bachelor's degrees and 60% of master's degrees. Yet they hold only 6.3% of top-earning executive positions in major public corporations surveyed. Further, according

to the 2009 FWA 100® Study, women represent only 17.8% of board members and 15% of executive officers in public companies in the New York metropolitan area, percentages that have barely increased over the past few years.

Diversity creates better decision-making, and that's healthy for every company's bottom line. Following the collapse of financial markets in 2008,

many industry observers noted that greater diversity of thought—including perspectives offered by women—might have given voice to important issues that weren't raised. Going forward, the industry has the opportunity to cultivate this diversity of thought and better position itself for the future by developing outstanding female leaders.

Best Practices

Companies that invest in the success of women recognize the value of supporting their participation in outside professional organizations.

The Financial Women's Association (FWA) is a professional organization that helps corporations develop women leaders. For 55 years the FWA has connected, educated and advanced women in business and finance, and today it continues to deliver networking, skills-building and leadership opportunities to its nearly 1,000 members.

"The FWA works with our members and the corporate supporters in our President's Circle to develop leaders in a strategic way. For example, as corporations flatten their management structures, the FWA can provide volunteer participants with a whole range of skills they might be less likely to acquire on the job," says Lily Klebanoff Blake,

President of Klebanoff International and a past President of the FWA.

"Additionally, the FWA partners with corporations to give their women at all stages of the career continuum the knowledge, skills and networks they need to succeed in today's marketplace," Blake adds.

Operating with a small core staff, FWA relies on its volunteer leaders and committees to keep the organization thriving. Active members can expand their range of skills as they help to identify issues, plan, organize, interact with senior executives, lead and participate in committees. With more than 100 events throughout the year and some 30 committees, FWA gives members a chance to step outside their corporate silos, network with peers and bring back current knowledge about a broad range of issues.

Strategic Initiatives

Sponsorship for women is a major initiative for 2011-2012 FWA President Anne Izzillo and her leadership team. While FWA continues to offer mentoring programs for young women at the high school and college level, there is now added emphasis on programming that will help women gain greater visibility and promotion potential to leadership positions in their organizations. Along

FWA Members: Leaders in the Financial Services Industry

The Financial Women's Association mirrors the dynamic financial services industry, with a diverse membership that illustrates the breadth and depth of opportunities and occupations:

- Nearly 85% of members have been employed in the financial services industry for over 15 years
- 75% hold senior positions of power and influence within their companies
- Members are fairly evenly divided between very large and very small organizations
- 64% hold post-graduate degrees and 45% obtained an MBA
- Almost 40% personally earned over \$200,000 in 2009
- More than half state their net worth at more than \$1 million
- Most women in the FWA are long-term members

Wells Fargo Advisors: People Are Our True Advantage

A challenging economy and changing marketplace require talented Financial Advisors who are equipped to bring new ideas and perspectives to the work they do on behalf of their clients.

Wells Fargo Advisors is committed to building an inclusive work environment that attracts, develops and retains the most talented and diverse team in the industry, a team committed to advising and serving all our clients.

We know that advising a diverse client base requires a shared understanding of clients' goals and investment preferences. It also requires a high degree of insight and support from a firm that values its advisors not just for what they do, but for who they are.

Wells Fargo Advisors has pioneered new and innovative ways to help advisors address the needs of a diverse marketplace, including targeted online communications

and tools to help women plan for retirement and the groundbreaking "Accredited Domestic Partnership Advisor" (ADPA) certification.

By broadening the ranks of our Financial Advisor workforce and our leadership, we are making Wells Fargo Advisors a better organization—one that will remain relevant to our clients and successful in the marketplace. Our focus on diversity and inclusion is not a project. It's an enduring commitment to excellence in service to clients and communities that is reshaping and strengthening Wells Fargo Advisors.



with promoting best practices for establishing and sustaining sponsorship programs, FWA will help women learn the how-tos of finding a sponsor or becoming a sponsor.

“The FWA has been at the forefront of mentorship programs for the past 25 years,” says Izzillo. “Now the FWA needs to move the dial and be at the forefront of sponsorship to move more women into leadership roles, and eventually onto more corporate boards. The FWA is promoting the concept of sponsorship and developing tools that each organization can use to implement its own sponsorship programs.”

A successful sponsor is someone who can speak on a woman executive’s behalf when she’s not in the room. A sponsor identifies her success potential and sees that she is considered for top assignments and receives the visibility she needs to advance her career. A sponsor says, “This is someone I know. She can deliver. I trust her and you can trust her with this opportunity.” Individuals who have that champion are more likely to be noticed and promoted.

At its annual dinner in May, the FWA honored Sylvia Ann Hewlett, Founding President of the Center for Work-Life Policy, and Irene Dorner, President

and CEO of HSBC Bank USA, N.A., as role models and advocates for women’s success in the workplace. Hewlett’s research has noted the strong impact that sponsorship can have on a woman’s success in her career.

FWA also hosts smaller, private roundtable sessions for members of the President’s Circle (its official corporate sponsor and financial partner program). Participants whose companies seek to establish pilot programs for sponsoring women in the workplace will be able to learn from those who have programs already in place.

“Our President’s Circle enables leading corporations to share their best practices among experts on women’s professional advancement in the financial marketplace,” Blake says.

Global Relevance

Success for women in the financial services industry now requires a deeper understanding of global economic issues. Yet not every company has the resources to provide its leadership teams opportunities for international travel and study of emerging nations. FWA has been opening horizons since its first international conference in China in 1977. Delegates have met in Turkey,

Poland, India and more than two dozen other nations.

In 2012, FWA will hold an international conference in the United Arab Emirates of Dubai and Abu Dhabi, Izzillo

FWA has been opening horizons since its first international conference in China in 1977.

announced earlier this year. The annual international trips are a prime opportunity for women financial leaders to gain extra relevance to their companies in a global economy. Delegates learn about a nation’s financial markets, energy, infrastructure, commerce and socio-economic issues.

An FWA delegation visited Brazil in 2011. As a result of contacts made with key business leaders and senior government officials, members of the delegation were able to report back to their companies with valuable insights into the country’s various economic drivers. “It’s one thing to read about another country’s economy, opportunities and challenges, but there’s great value in face-to-face meetings. That access is enriching to delegates and their companies’ decision-making,” Blake notes. Participants often have a

Johnson & Johnson

Johnson & Johnson recognizes that women make or influence 85% of health care decisions, so it’s critical to have that reflected in our employee and executive base. Our Women’s Leadership Initiative is now in its 16th year as a corporate-sanctioned, globally managed, volunteer organization that helps maintain a talent pipeline of strong women across J&J. We focus on skills development, networking, mentoring and visibility for managers all the way up to VP and management board level, and the company promotes flexible work arrangements for our employees.

We share many of FWA’s tenets for developing women leaders, and understand how valuable it can be for women to have outside opportunities to network, practice and develop skills, as well as mentor other women in the community.

Our commitment to women leaders is one way we demonstrate our values and leverage all of the business experience available to us.

Kendall O'Brien is Group Finance Vice President of Johnson & Johnson's Medical Devices and Diagnostics Group. She chairs the company's Women's Leadership Initiative and is a leader in the company's overall diversity programs.



Johnson & Johnson

forum for discussing best practices for empowering and advancing women.

FWA further expands the value of international networking and knowledge with educational sessions throughout the year for members and non-members who do not make the trip.

The organization also helps its members spot national and regional trends and stay abreast of current issues related to U.S. business, finance and civic affairs through regular briefings with government officials, policymakers and community and industry leaders.

Funding the Future

FWA is committed to supporting the next generations of women in the financial services industry. For nearly 30 years, it has contributed to scholarship and mentoring programs, internships

and community service activities with the help of its members and President's Circle participants.

Since 1983, FWA's scholarship programs have awarded more than \$1.25 million in scholarships at the graduate and undergraduate levels to women pursuing careers in business and finance. Earlier this year, the FWA of New York Educational Fund received a \$215,000 donation from BMO Capital Markets, the investment and corporate banking arm of BMO Financial Group. Over the past seven years, FWA has received almost \$1.25 million to support its undergraduate educational and scholarship programs from BMO Capital Markets' Equity Through

Education initiative aimed at creating a more diverse workplace.

In addition to providing scholarships, FWA and its corporate sponsors fund financial literacy initiatives, mentoring

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for young professionals, entrepreneurship programs and microfinance opportunities. These programs also provide paths for member volunteers to develop a greater depth of understanding about the diverse communities they—and their companies—serve. ■

Q&A: WEALTH MANAGEMENT FOR WOMEN

STEPHANIE ACKLER, CFA

Managing Director—Investments, Ackler Wealth Management of Wells Fargo Advisors

Q: What are some of the greatest challenges facing women investors?

A: Some women are exceptionally savvy in their careers, yet they may not be focused on their money, or what their money can do for them and their families. So we talk about their goals, challenges and fears. We develop a clear financial plan that empowers them to connect to their money and to their future.

Q: What financial question do you hear most frequently?

A: "Am I going to have enough to live on?" While that's tough to definitively answer, we have a conversation to create clarity and reduce fear around this major concern. Each client deserves and receives our complete attention and expertise as we create a personalized plan that is essentially a "path" to their future. Regardless of their stage in life—married, divorced, single or widowed—they want a secure future; we work every day to make that happen.

Q: What factors make retirement planning different for women?

A: Women live longer than men, and historically make less over their lifetime. They tend to be out of the workforce



Photograph by Scott Kwak

more frequently than men. Their Social Security income tends to be less, and their long-term-care needs are often greater. We look at the statistics and risks, but we spend more time connecting with each client. We know we have done our job when they tell us they have a better understanding and are excited about their future knowing that we are managing their portfolios.

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