

CFP[®] Board Women's Initiative

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Study Objectives

- The WIN study focuses on identifying differences between male and female advisors as well as differences between male and female CFP professionals across various advisor and practice metrics to uncover reasons for the low representation of women among financial advisors and CFP professionals. Aite Group analyzed data gathered through financial advisor surveys to compare male and female advisors based on the following advisor and practice characteristics:

Advisor characteristics

- Compensation
- Career and firm satisfaction
- Firm switching behavior and rationale for switching

Practice characteristics

- Revenue
- AUM
- Client wealth profile
- Source of revenue (commission vs. AUM-based fees vs. fee for service)
- Business model (financial planning-oriented vs. investment management or both)
- Firm type (RIA, wirehouse, insurance b-d, bank b-d, independent b-d)

- In addition, the analysis will evaluate differences between male and female advisors' views of CFP certification, both among CFP professionals and other advisors. For advisors who have not pursued CFP certification, the analysis will help answer the questions:
 - Have they considered pursuing certification?
 - Why do they not pursue certification?
 - What are the barriers?

Study Methodology – Survey Design, Fielding and Data Analysis

- The data gathered for this analysis comes from online surveys designed by Aite Group in 2012 and 2013
- Aite Group worked with The Logit Group Inc. to program and host the survey; the RIAs and registered representatives (collectively referred to as “financial advisors”) were sourced from a panel managed by Research Now.
- The surveys were fielded in March 2012 and January 2013 and gather detailed information on approximately 600 and 500 U.S. financial advisors, respectively
- Aite Group senior analyst Sophie Schmitt conducted the data analysis using the statistical software program SPSS
- Given the number of female advisors surveyed, the differences discussed in this report have a 7-point margin of error at the 95% confidence level for 2012 data and an 8-point margin of error at the 95% confidence level for 2013 data.
- Given the number of female CFP professionals surveyed, the differences discussed in this report for this group have a 14 point margin of error at the 95% confidence level for 2012 data (except where noted) and a 20 point margin of error at the 95% confidence level for 2013 data.

Summary of Key Findings

- Female advisors are younger and have been in the industry for fewer years
 - Around half of female advisors are age 40 while one-third of male advisors are as young
 - Over 40% of female advisors have 8 years or fewer of industry experience (vs. less than 40% of male advisors)
- Differences in age and industry experience are similar among the population of CFP professionals
- Fewer female advisors are “very satisfied” with their careers relative to male advisors (18% vs. 30%)
- In the 2013 survey female CFPs are more likely to express average satisfaction with their careers relative to male CFP advisors though none of the female CFPs express strong dissatisfaction with their careers while almost 20% of male CFPs express strong dissatisfaction
- Career satisfaction is similar between male and female CFP professionals in the 2012 survey
- Female advisors are more likely to switch firms in order to join an advisor team at a different firm compared to male advisors (16% of female advisors vs. 4% of male advisors)
- Male advisors were more likely to leave a firm because they were dissatisfied with the firm (33% of male advisors vs. 19% of female advisors)
- Male financial advisors are more likely to be practice owners than female financial advisors (over 60% of male advisors vs. 40% of female advisors)

Summary of Key Findings (2)

- Practice ownership differences are less conclusive among CFP professionals; 2012 survey results show that female CFP professionals are less likely to be practice owners while 2013 survey results show an equal percentage of male and female CFP professionals are practice owners
- Differences in practice ownership between male and female advisors exist for early career and mid-career advisors (first 20 years)
- A larger percentage of male advisors indicate that their primary compensation comes from AUM and/or advice fees; 20% versus 10% of female advisors
- More female advisors are salaried than male advisors; 20% to 30% of female advisors based on 2012 and 2013 surveys, respectively, versus just over 10% of male advisors are salaried
- A significantly larger percentage of male advisors earn a high income of \$215,000 or more relative to female advisors (26% vs. 8%)
- Three-quarters of female advisors earn less than US\$140,000 in income while just under half of male advisors earn less than this amount
- Findings are consistent among CFP professionals; 70% of female CFP professionals earn less than US\$140,000 while 40% of male CFP professionals earn less than this amount
- While incomes rise with length of service for both male and female advisors there remain income differences between female and male advisors who have between 9 and 20 years of experience
- Female advisors are more likely to work in US\$1 million dollar+ practices relative to male advisors (one-third vs. close to 20% for male advisors)

Summary of Key Findings (3)

- Female advisors were also less likely to work in small practices that generate less than US \$300,000 in production
- Early career female advisors are more likely to work on teams than early career male advisors
- Practice structure preferences are similar among more senior advisors (9 years +)
- These findings do not apply to CFP professionals; female and male CFP professionals are as likely to work on teams as they are in solo practices
- Among advisors with more than 8 years of experience, female advisors on teams are more likely to earn less than male advisors on teams (both 2012 and 2013 surveys); almost 60% of female advisors on teams earn less than US\$140,000 while 40% or fewer male advisors earn the same
- The 2013 survey shows that a larger percentage of female advisors view financial planning as important for their practice relative to male advisors. These findings are similar among CFP professionals
- Male and female advisors are equally likely to start working towards CFP certification
 - Approximately 10% of advisors are already working on CFP certification
 - Between 5% and 10% of advisors are very likely to start working on CFP certification in the next few years
 - Between 30% and 40% of advisors will possibly work on CFP certification
- For female advisors lack of time and need were equally important reasons for not pursuing CFP certification (close to 40% of advisors) while for male advisors lack of time was not cited as frequently as lack of need (note that this difference could not be confirmed with statistical testing)

Summary of Key Findings (4)

- Female CFP professionals were more likely to indicate that CFP certification had a significant or considerable impact on their self-confidence than male CFP professionals
- Female professionals were more likely to indicate that CFP certification had a significant or considerable impact on their investment management approach than male CFP professionals

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Survey Population

- Approximately one-third of advisors surveyed are female
- One-third of CFP® professionals are female
- Between 20% and 25% of female advisors are CFP professionals, a similar proportion compared to male advisors

Female representation		
	2012	2013
Across advisors	32%	32%
Across CFP® professionals	32%	27%

CFP representation		
	2012	2013
Across female advisors	26%	17%
Across male advisors	25%	21%

Sample sizes	2012	2013
Female advisors	197	155
Female CFPs	51	26

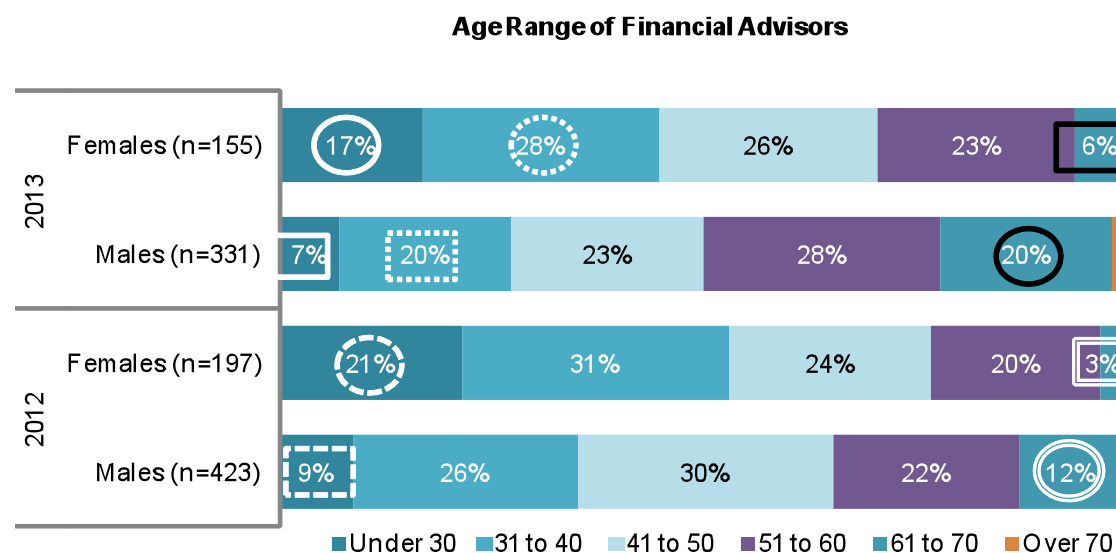
Demographics – Age and LOS for FAs

- Female advisors are younger and have been in the industry for fewer years
 - Around half of female advisors are age 40 while one-third of male advisors are as young
 - Over 40% of female advisors have 8 years or fewer of LOS (vs. less than 40% of male advisors)

- The low representation of experienced female advisors means younger female advisors will face difficulties finding an experienced female mentor

Years of experience	2012		2013	
	Female	Male	Female	Male
8 years or fewer	57%	37%	44%	29%
9 to 20 years	27%	39%	41%	43%
More than 20 years	15%	24%	15%	28%

Note: dark grey shaded percentages are significantly greater than adjacent percentages within the same year



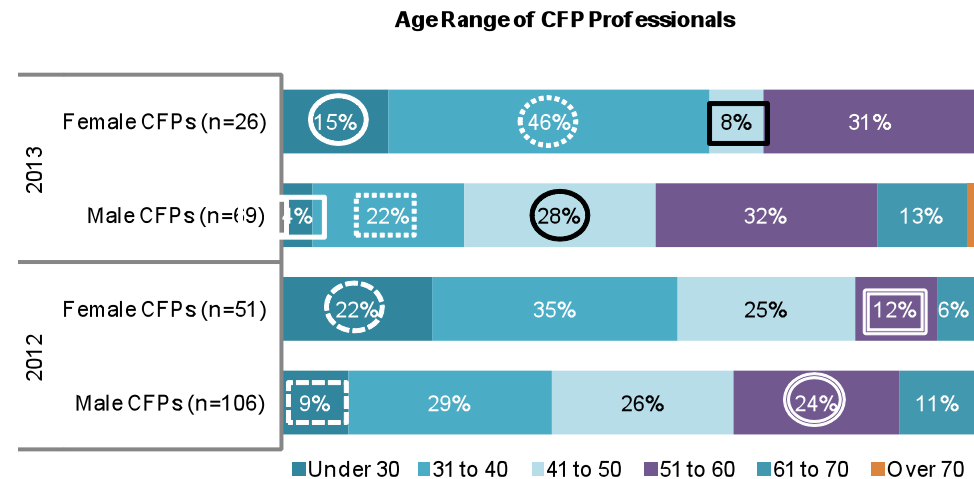
Percentages outlined by squares differ significantly from those outlined by circles for each category

Demographics – Age and LOS for CFP Professionals

- Findings are consistent among the population of CFP professionals
- Over half of female CFP professionals surveyed in 2012 had 8 years of experience or fewer while just over 30% of male CFP professionals had similar LOS
- In both 2012 and 2013 surveys, over half of female CFPs are age 40 or younger whereas fewer than 40% of male CFPs are as young

Years of experience	2012		2013	
	Female	Male	Female	Male
8 years or fewer	63%	35%	42%	26%
9 to 20 years	24%	44%	50%	42%
More than 20 years	14%	21%	8%	32%

Note: dark grey shaded percentages are significantly greater than adjacent percentages within the same year

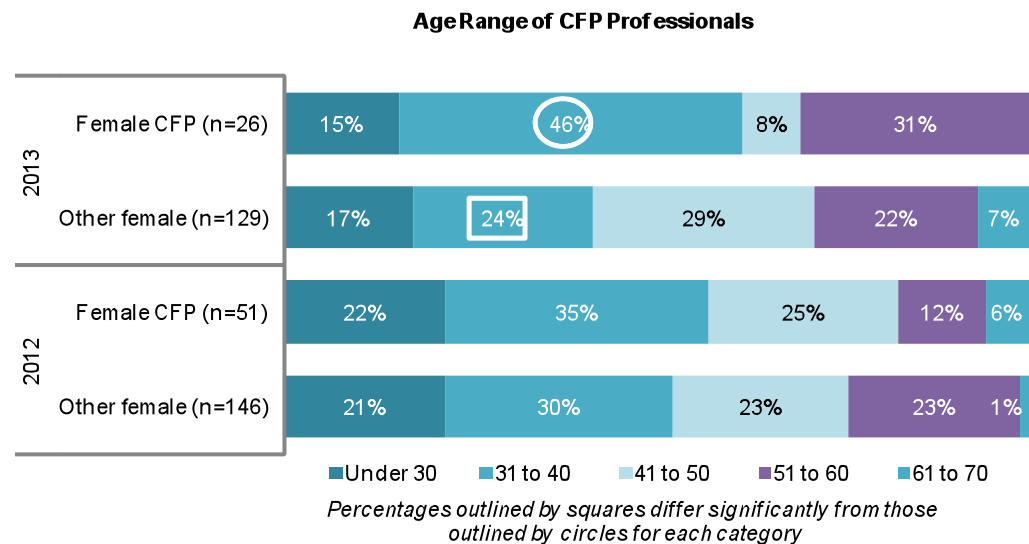


Percentages outlined by squares differ significantly from those outlined by circles for each category

Demographics – Age and LOS for Female CFPs and Other Female Advisors

- In both 2012 and 2013 surveys female CFPs and other female advisors (those without CFPs) share similar industry experience profiles
 - In the 2012 survey over half of advisors in both groups had fewer than 8 years of experience and in the 2013 survey over 40% were early career advisors
- The age distribution of female CFPs and other female advisors is similar in the 2012 survey
- The sample of CFP professionals from the 2013 survey skews younger than the sample of other female advisors as more than half of female CFPs surveyed in 2013 are under the age of 40 while just over 40% of other female advisors are as young ; while female CFPs are younger in age they are not less experienced

Years of experience	2012		2013	
	Female CFP	Other Female	Female CFP	Other Female
8 years or fewer	63%	55%	42%	44%
9 to 20 years	24%	29%	50%	40%
More than 20 years	14%	16%	8%	16%



Firm Type – Across Advisors

- Male and female advisors show no difference in wealth management firm preferences. The 2013 survey showed a larger percentage of male advisors working with RIAs, but this was not consistent with 2012 survey results
- The 2013 survey shows a larger percentage of female advisors were employed by bank broker-dealers relative to male advisors, but this difference was not found in the 2012 survey

Type	Definition	2012		2013	
		Female	Male	Female	Male
Wirehouse	Merrill Lynch, UBS, Wells Fargo Advisors, Morgan Stanley (more than 10,000 advisors)	21%	15%	16%	14%
Independent RIA	Mostly small firms but also have RIA groups working within larger broker-dealer firms	22%	18%	9%	17%
FA with other Self-clearing Firm	Large / regional players: Ameriprise, Edward Jones, Raymond James, LPL, J.P. Morgan, RBC WM (between 5,000 and 15,000)	13%	19%	17%	20%
FA with online broker	Schwab, Fidelity, TD Ameritrade on the retail side (fewer than 2,000 advisors)	3%	5%	7%	5%
FA with insurance b-d	e.g. AXA, Northwestern (fewer than 10,000 advisors, some with more than 5,000)	14%	12%	7%	12%
FA with independent b-d	e.g. Commonwealth Financial, ING (fewer than 5,000 advisors)	17%	22%	23%	22%
FA with bank b-d	e.g. PNC, M&T Bank (fewer than 1,000 advisors)	10%	9%	21%	10%

Note: dark grey shaded percentages are significantly greater than adjacent percentages within the same year
Totals may not sum to 100% due to rounding.

Firm Type – CFP Professionals

- The distribution of male and female CFP professionals across firm types is similar
- The 2012 survey shows that female CFP professionals have a preference for bank broker-dealers but this finding was not confirmed with the 2013 survey

Type	Definition	2012		2013	
		Female	Male	Female	Male
Wirehouse	Merrill Lynch, UBS, Wells Fargo Advisors, Morgan Stanley (more than 10,000 advisors)	12%	13%	12%	12%
Independent RIA	Mostly small firms but also have RIA groups working within larger broker-dealer firms	10%	17%	23%	13%
FA with other Self-clearing Firm	Large / regional players: Ameriprise, Edward Jones, Raymond James, LPL, J.P. Morgan, RBC WM (between 5,000 and 15,000)	16%	22%	8%	32%
FA with online broker	Schwab, Fidelity, TD Ameritrade on the retail side (fewer than 2,000 advisors)	8%	6%	4%	6%
FA with insurance b-d	e.g. AXA, Northwestern (fewer than 10,000 advisors, some with more than 5,000)	4%	8%	15%	9%
FA with independent b-d	e.g. Commonwealth Financial, ING (fewer than 5,000 advisors)	31%	25%	27%	20%
FA with bank b-d	e.g. PNC, M&T Bank (fewer than 1,000 advisors)	20%	9%	12%	9%

Note: dark grey shaded percentages are significantly greater than adjacent percentages within the same year
Totals may not sum to 100% due to rounding.

Firm Type – Female CFPs vs. Other Female Advisors

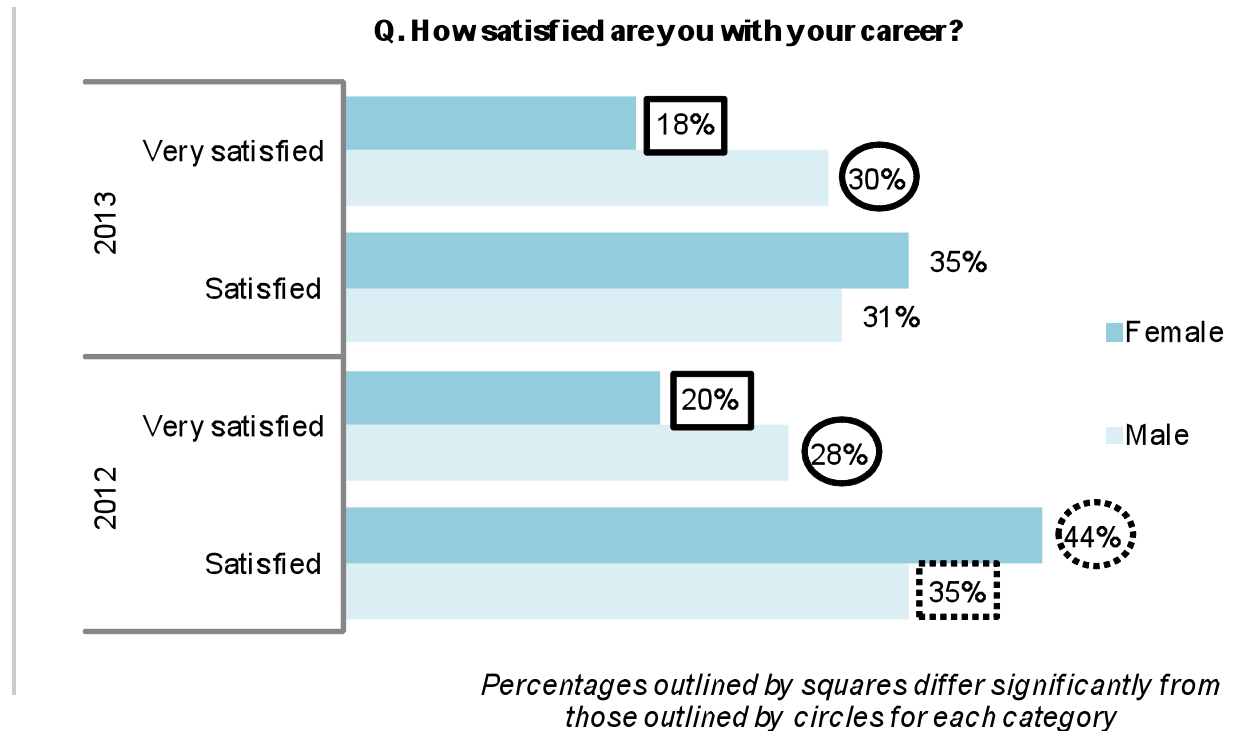
- Female CFPs are more likely to work for independent broker-dealers than other female advisors

Type	Definition	2012		2013	
		Female CFP	Other Female	Female CFP	Other Female
Wirehouse	Merrill Lynch, UBS, Wells Fargo Advisors, Morgan Stanley (more than 10,000 advisors)	12%	13%	12%	19%
Independent RIA	Mostly small firms but also have RIA groups working within larger broker-dealer firms	10%	8%	23%	21%
FA with other Self-clearing Firm	Large / regional players: Ameriprise, Edward Jones, Raymond James, LPL, J.P. Morgan, RBC WM (between 5,000 and 15,000)	16%	17%	8%	14%
FA with online broker	Schwab, Fidelity, TD Ameritrade on the retail side (fewer than 2,000 advisors)	8%	14%	4%	9%
FA with insurance b-d	e.g. AXA, Northwestern (fewer than 10,000 advisors, some with more than 5,000)	4%	10%	15%	13%
FA with independent b-d	e.g. Commonwealth Financial, ING (fewer than 5,000 advisors)	31%	19%	27%	12%
FA with bank b-d	e.g. PNC, M&T Bank (fewer than 1,000 advisors)	20%	19%	12%	10%

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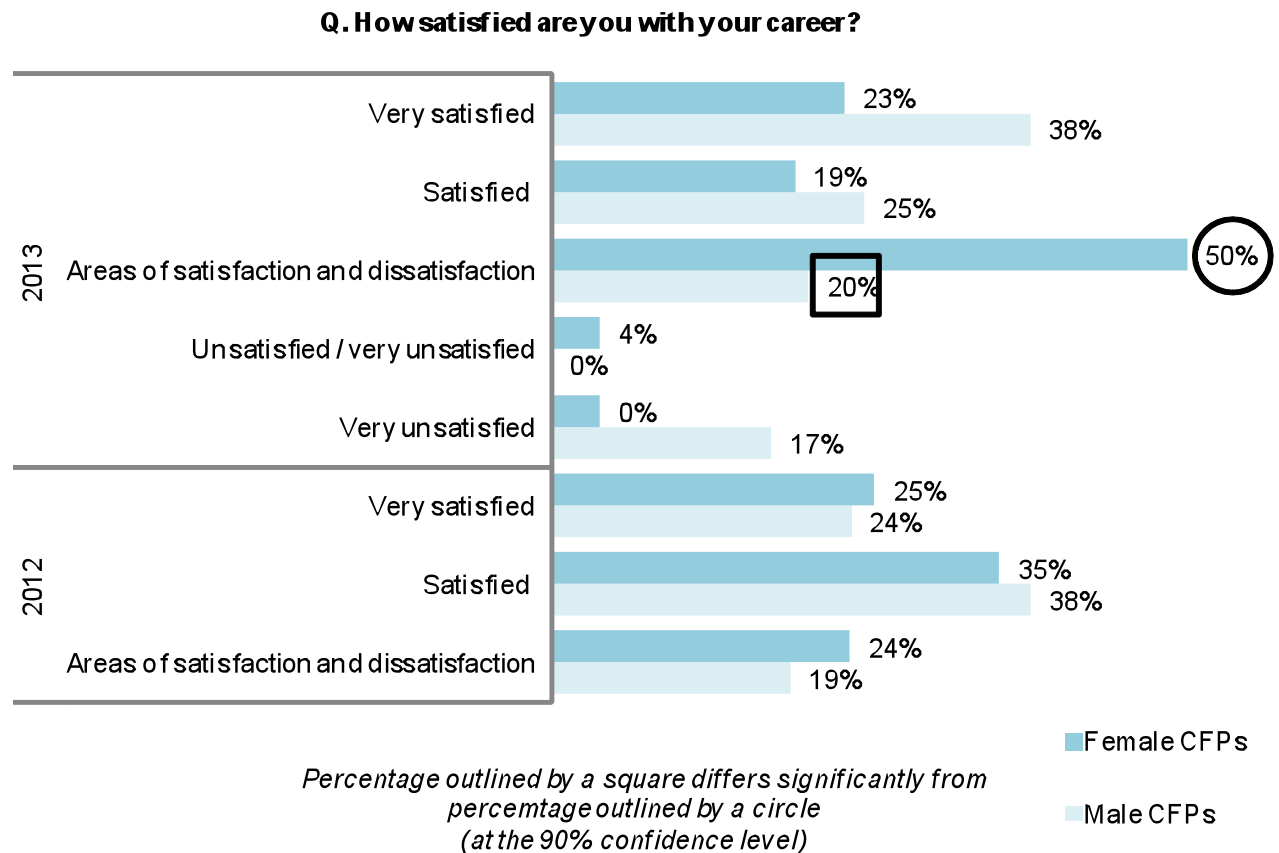
Career Satisfaction – Female vs. Male Advisors

- Fewer female advisors are “very satisfied” with their careers relative to male advisors (18% vs. 30%)
- Findings are consistent in both 2012 and 2013 surveys
- Differences in career satisfaction between men and women are similar when looking at practice owners and advisors with similar years of industry experience



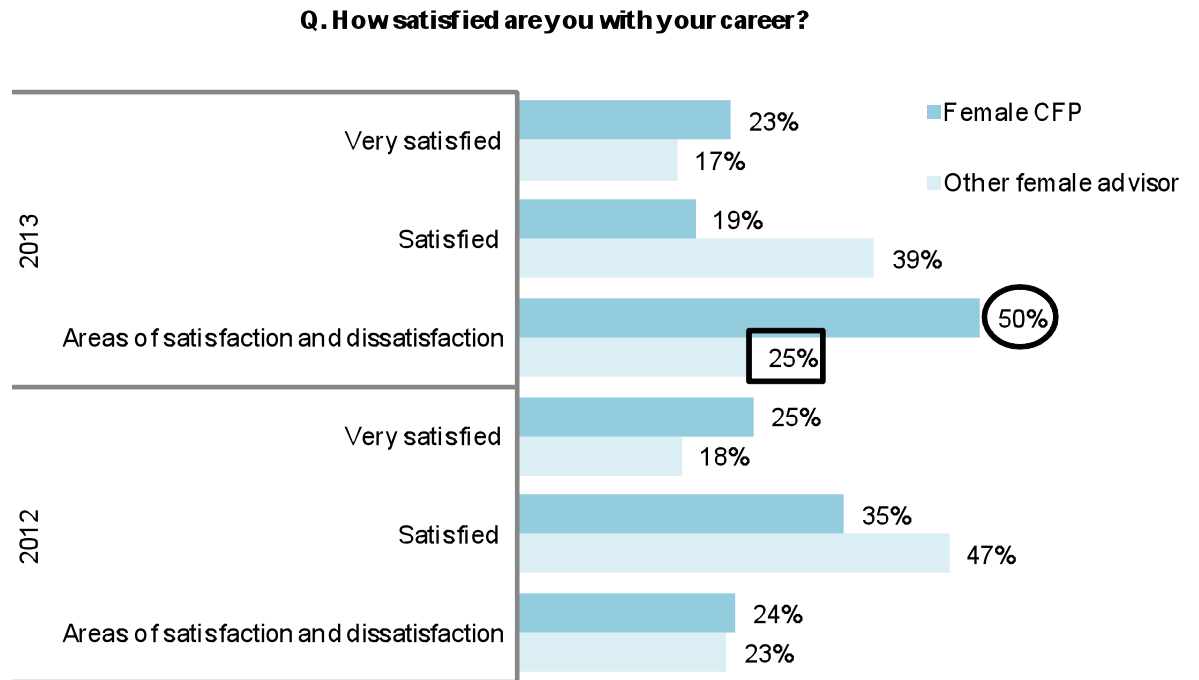
Career Satisfaction – Female vs. Male CFPs

- In 2013, female CFPs are more likely to express average satisfaction with their careers relative to male CFP advisors though none of the female CFPs express strong dissatisfaction with their careers while almost 20% of male CFPs express strong dissatisfaction
- Career satisfaction is similar between male and female CFP professionals in the 2012 survey



Career Satisfaction – Female CFPs vs. Other Female Advisors

- Female CFPs were more likely to express average satisfaction with their careers than other female advisors in the 2013 survey
- Satisfaction with career was similar between the two groups in the 2012 survey

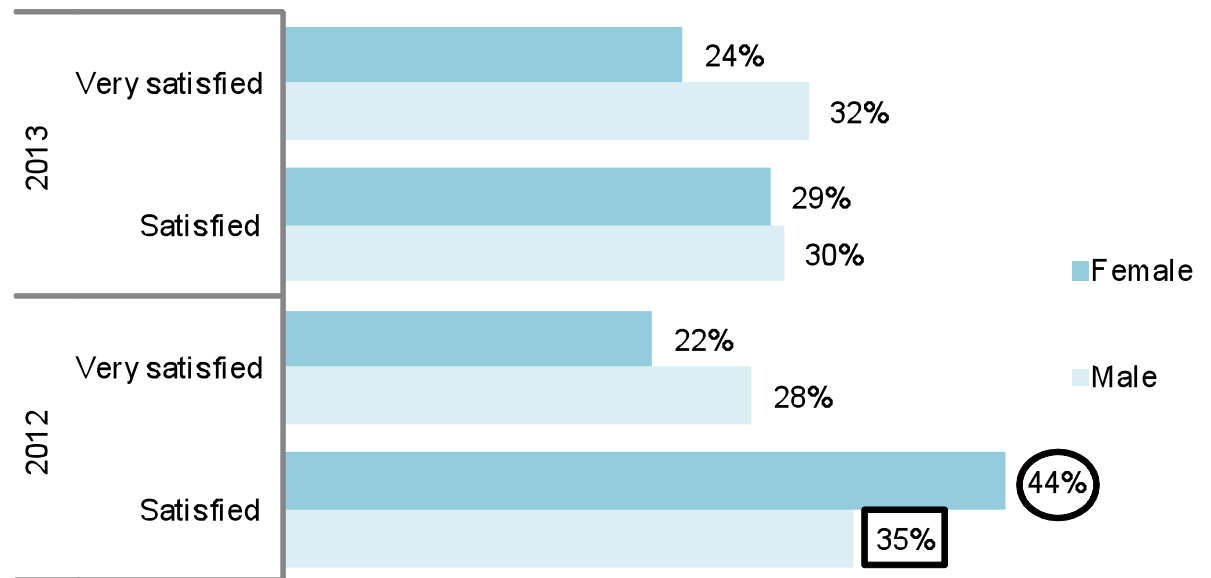


Percentages outlined by squares differ significantly from those outlined by circles for each category

Firm Satisfaction – Female Advisors

- Minor differences between the percentage of male and female advisors who are “very satisfied” are not statistically significant
- Female advisors are less likely to express dissatisfaction with their firms relative to male advisors

Q. How satisfied are you with your firm?

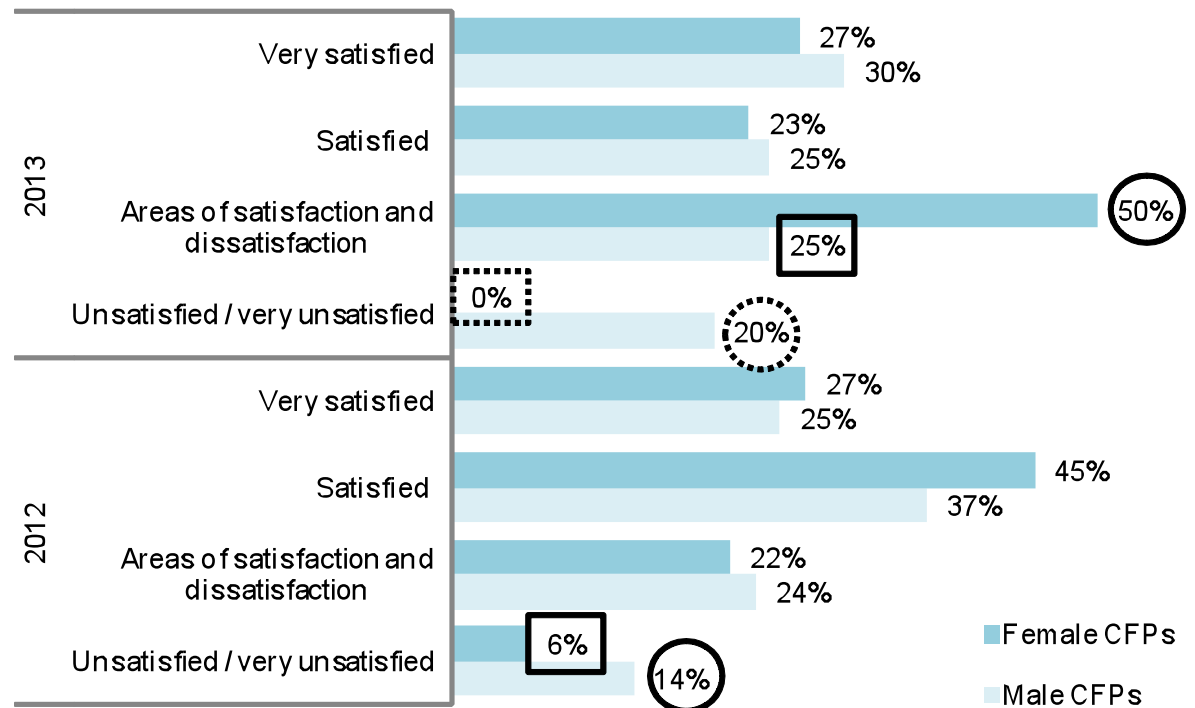


Percentages outlined by squares differ significantly from those outlined by circles for each category

Firm Satisfaction – Female CFPs

- Female CFP professionals are as likely as male CFP professionals to express satisfaction towards their firms
- They are less likely to state that they are unsatisfied/very unsatisfied with their firms

Q. How satisfied are you with your firm?

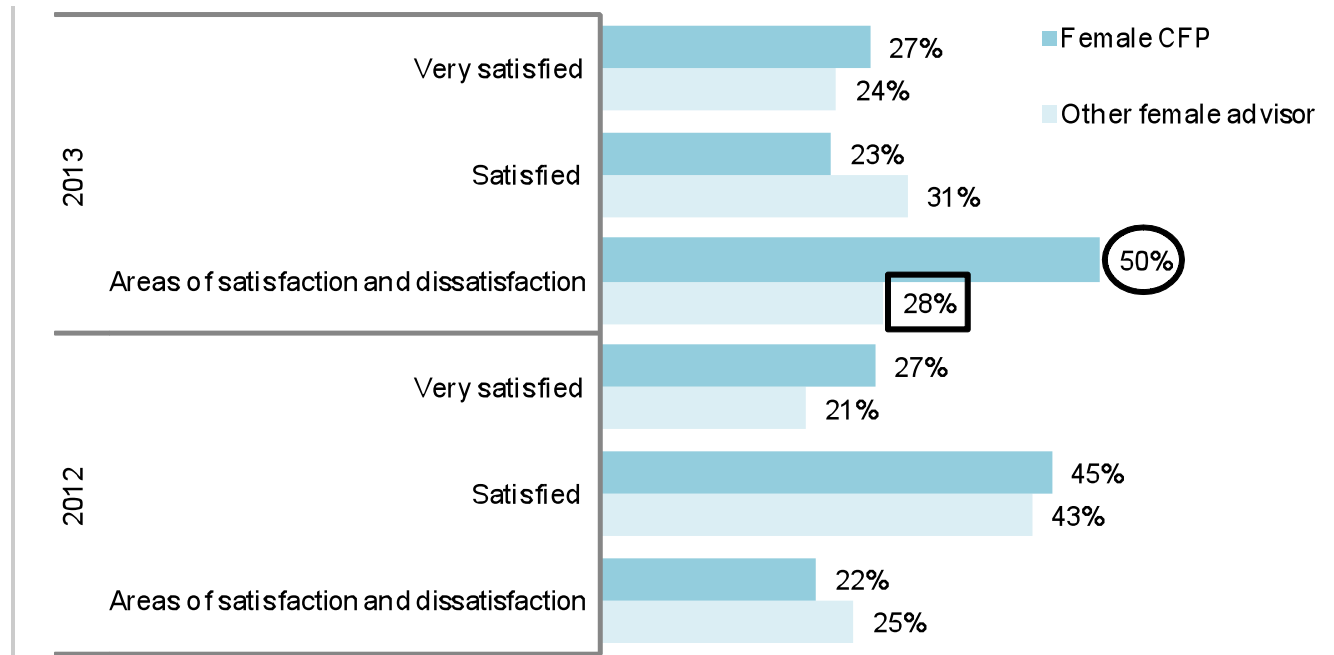


Percentages outlined by squares differ significantly from those outlined by circles for each category (at the 90% confidence level)

Firm Satisfaction – Female CFPs. Vs Other Female Advisors

Q. How satisfied are you with your firm?

- In the 2013 survey, female CFPs are more likely to indicate satisfaction with their firm is average relative to other female advisors though they are less likely to express dissatisfaction with their firms; these results are similar to those comparing male and female CFPs on the prior page
- 2012 firm satisfaction is similar for both groups of female advisors



Percentages outlined by squares differ significantly from those outlined by circles for each category

Switching Behavior

- The top reasons advisors cite for leaving a former firm have to do with their dissatisfaction with the firm, their desire to build a practice / go independent, or their interest in joining an advisor team at a different firm
- Female advisors are more likely to switch in order to join an advisor team at a different firm than are male advisors (16% vs. 4%)
- Male advisors are more likely to leave due to their dissatisfaction with their former firm (33% vs. 19%)

	Across Advisors		Across CFP Professionals	
<i>Q. What is the dominant reason that motivated you to leave your former firm?</i>	Female (n=67)	Male (n=125)	Female CFP (n=10)	Male CFP (n=27)
Dissatisfaction with former firm	19%	33%	10% (1)	37%
Opportunity to build your own practice	19%	18%	20% (2)	15%
Opportunity to join an advisor team at another firm	16%	4%	40% (4)	7%
Go independent and no longer be an employee	13%	16%	0%	7%
Move to a different advice model	10%	10%	20% (2)	4%
Sign on bonuses offered by other firms	10%	5%	0%	4%
Bought out firm / went under	3%	1%	0%	0%

Note: dark grey shaded percentages are significantly greater than adjacent percentage within advisor category

Switching Behavior Among Female Advisors

- Based on the 2013 survey, Female CFP professionals are more likely than other female advisors to switch firms in order to join an advisor team

	Across Female Advisors	
<i>Q. What is the dominant reason that motivated you to leave your former firm?</i>	Female CFP (n=10)	Other Female (n=57)
Dissatisfaction with former firm	10% (1)	21%
Opportunity to build your own practice	20% (2)	19%
Go independent and no longer be an employee	0%	16%
Opportunity to join an advisor team at another firm	40% (4)	12%
Sign on bonuses offered by other firms	0%	12%
Move to a different advice model	20% (2)	9%
Bough out firm / went under	0%	4%

Note: dark grey shaded percentages are significantly greater than adjacent percentage within advisor category at the 90% confidence level

Practice Ownership: Male Advisors More Likely to be Practice Owners

- Male financial advisors are more likely to be practice owners than female financial advisors (over 60% of male advisors vs. 40% of female advisors)
- Female financial advisors are more likely to be advisors without significant ownership in the practice (half of female advisors vs. one-third of male advisors)

What is your role in the practice?	2012		2013	
	Female	Male	Female	Male
Financial advisor owning all or part of the practice	43%	65%	39%	63%
Financial advisor without significant ownership	49%	33%	46%	33%
Operational/support or non-client-facing role	8%	2%	15%	4%

Note: dark grey shaded percentages are significantly greater than adjacent percentages within the same year

CFP Professionals Practice Ownership

- Male CFP professionals are more likely to be practice owners than female CFP professionals (2012 survey)
- Differences in the proportion of practice owners between men and women were not significant in the 2013 survey

What is your role in the practice?	2012		2013	
	Female	Male	Female	Male
Financial advisor owning all or part of the practice	46%	67%	58%	68%
Financial advisor without significant ownership	51%	32%	42%	25%
Operational/support or non-client-facing role	1%	1%	0%	8%

Note: dark grey shaded percentages are significantly greater than adjacent percentages within the same year

Practice Ownership – Female CFPs vs. Female Advisors

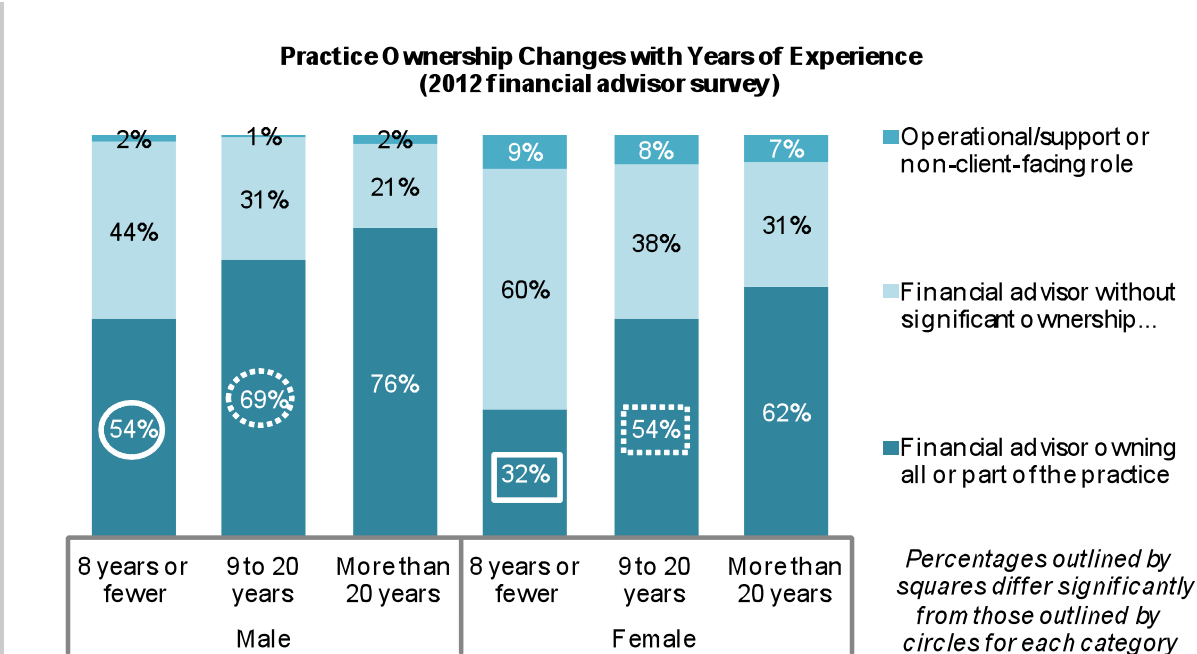
- In the 2013 survey a larger percentage of female CFP professionals are practice owners relative to other female advisors
- In the 2012 survey a similar percentage of female CFP and other female advisors are practice owners

What is your role in the practice?	2012		2013	
	Female CFP	Other Female	Female CFP	Other Female
Financial advisor owning all or part of the practice	46%	42%	58%	35%
Financial advisor without significant ownership	51%	48%	42%	47%
Operational/support or non-client-facing role	2%	10%	0%	18%

Note: dark grey shaded percentages are significantly greater than adjacent percentages within the same year

Practice Ownership Differences Remain for First 20 years

- Both 2012 and 2013 surveys show differences in practice ownership between men and women among financial advisors with fewer than 8 years of experience and those with 9 to 20 years of experience
- The practice ownership difference is insignificant for advisors with more than 20 years of experience (note that we used the 2012 survey data due to the larger sample of female advisors with 20+ years of experience)



Main Source of Compensation Across Advisors

- A larger percentage of male advisors relative female advisors indicate that their primary compensation comes from AUM and/or advice fees; 20% versus 10%
- More female advisors are salaried than male advisors; 20% to 30% of female advisors based on 2012 and 2013 surveys, respectively versus just over 10% of male advisors are salaried
- This difference is not surprising due to the larger proportion of early career advisors among female advisors compared to male advisors

What is your compensation primarily based on?	2012		2013	
	Female	Male	Female	Male
Fees from AUM and/or advice services	12%	21%	11%	22%
Fees and commissions	33%	41%	30%	37%
Commissions from stocks and bonds	10%	9%	3%	7%
Commissions from mutual funds	9%	9%	5%	8%
Commissions from annuities	9%	7%	7%	5%
Salary	20%	12%	32%	13%
Hours Worked	7%	2%	8%	3%

Note: dark grey shaded percentages are significantly greater than adjacent percentages within the same year

Main Source of Compensation CFP Professionals

- Differences between the proportion of male and female advisors who are primarily compensated based on fees are insignificant among CFP professionals; approximately 20% of male and female CFP professionals generate revenue primarily from AUM-based fees
- Differences between men and women with respect to the proportion of salaried advisors could not be substantiated with statistical testing

What is your compensation primarily based on?	2012		2013	
	Female	Male	Female	Male
Fees from AUM and/or advice services	20%	24%	23%	20%
Fees and commissions	37%	44%	46%	45%
Commissions from stocks and bonds	14%	8%	0%	9%
Commissions from mutual funds	4%	7%	8%	4%
Commissions from annuities	6%	6%	8%	6%
Salary	20%	9%	15%	12%
Hours Worked	0%	2%	0%	1%

Main Source of Compensation Female Advisors

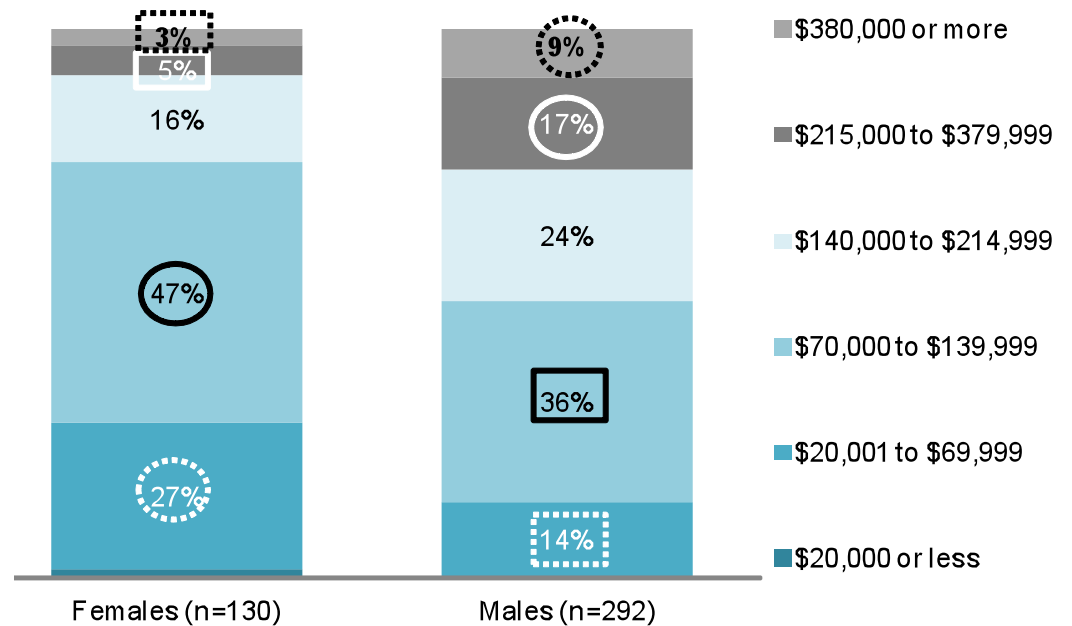
- Female CFP professionals are more likely to indicate that their primary compensation comes from AUM fees and/or advice services compared to other female advisors (20% vs. 10%) in both 2012 and 2013 surveys

What is your compensation primarily based on?	2012		2013	
	Female CFP	Other female	Female CFP	Other female
Fees from AUM and/or advice services	20%	10%	23%	9%
Fees and commissions	37%	32%	46%	27%
Commissions from stocks and bonds	14%	8%	0%	3%
Commissions from mutual funds	4%	10%	8%	5%
Commissions from annuities	6%	10%	8%	7%
Salary	20%	21%	15%	35%
Hours Worked	0%	10%	0%	10%

Income Across Advisors

- A significantly larger percentage of male advisors earn a high income of \$215,000 or more relative to female advisors (26% vs. 8%)
- Three-quarters of female advisors earn less than US\$140,000 in income while just under half of male advisors earn less than this amount
- Income distribution is similar in the 2012 survey

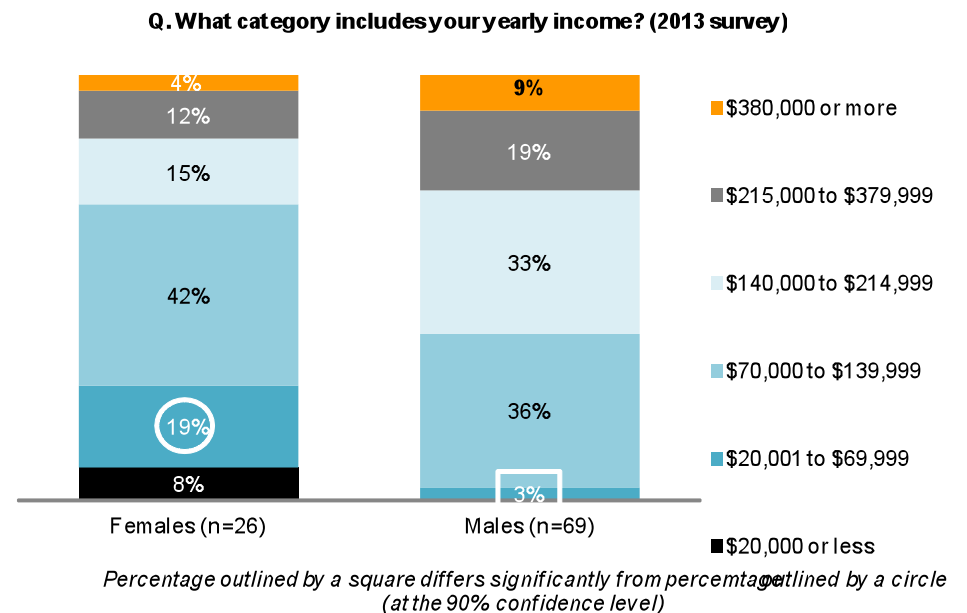
Q. What category includes your yearly income? (2013 survey)



Income Across CFP Professionals

- Differences between the proportion of high earning male advisors and high earning female advisors are not as large and could not be substantiated due to the small sample size of female CFP professionals (26)
 - Almost one-third of male CFP professionals earn \$215,000 or more while under 20% of female CFP professionals earn this much

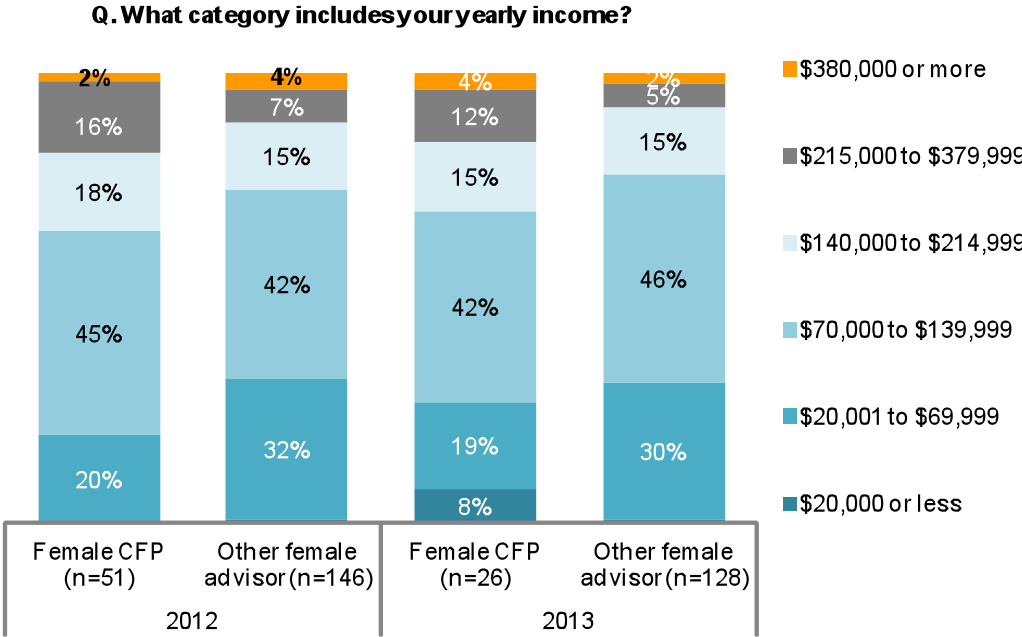
- Consistent with the findings among the general population is the larger percentage of median and bottom earners among female advisors relative to male advisors
 - 70% of female CFP professionals earn less than US\$140,000 while 40% of male CFP professionals earn less than this income figure



Note: the percentage of female advisors earning less than US\$70,000 is significantly greater than the percentage of male advisors earning less than US\$70,000 (70% vs. 40%).

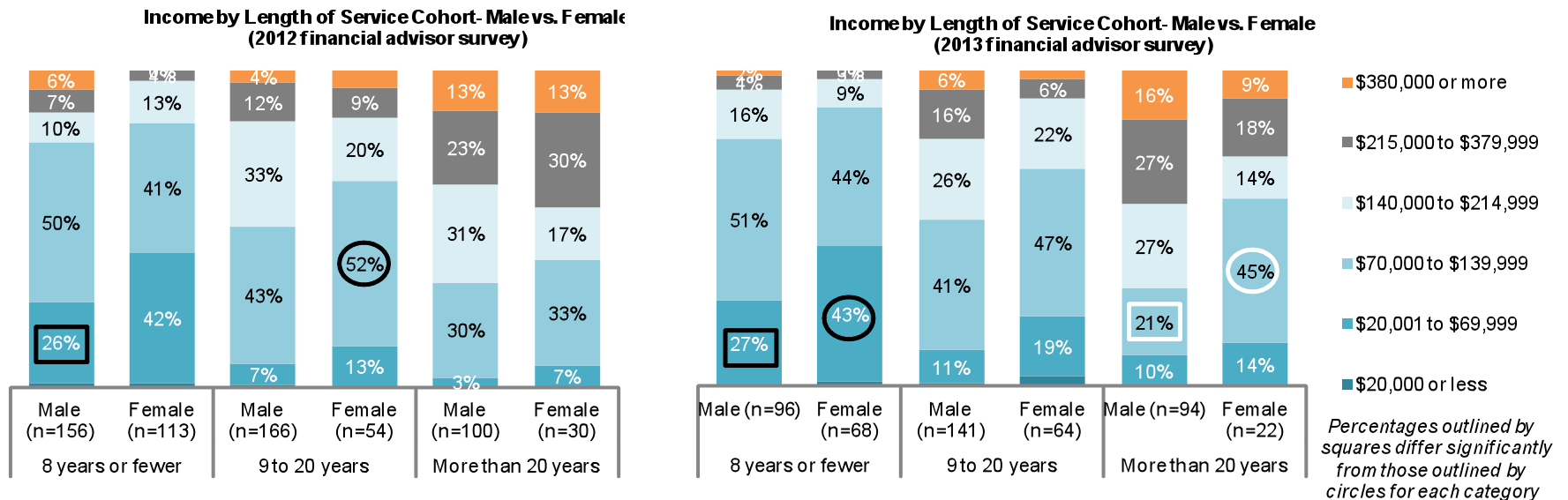
Income Differences – Female CFPs vs. Other Female Advisors

- The income distribution for female CFPs and other female advisors is similar in both surveys
- The 2012 survey shows that almost 20% of female CFPs earn at least US \$215,000 or more while just over 10% of other female advisors earn as much; this difference could not be validated with statistical testing



For the First 20 Years, Income Differences Remain

- While incomes rise with length of service for both male and female advisors there remain income differences between female and male advisors within length of service cohorts
 - Female advisors with 8 years or less of experience are more likely to earn less than \$70,000 vs. male advisors (over 40% vs. less than one-third for male advisors)
 - Close to 70% of female advisors with 9 to 20 years of experience earn less than US\$140,000 while half of male advisors earn the same
- Results among financial advisors with more than 20 years of experience are inconclusive as 2013 survey results show income differences while 2012 survey results show insignificant differences (60% of female advisors with more than 20 years of experience earn US\$140,000 or more while just over 65% of male advisors earn as much based on the 2012 survey)



Isolating Gender Impact on Income

- Based on a regression of two years of survey data, gender alone has an impact on income after correcting for advisor years of experience, size of practice (based on practice revenue) and practice ownership
- The regression indicates that female advisors earn US\$32,000 less in income relative to male advisors after correcting for advisor years of experience, size of the practice and practice ownership of the advisor
- The regression equation is as follows:

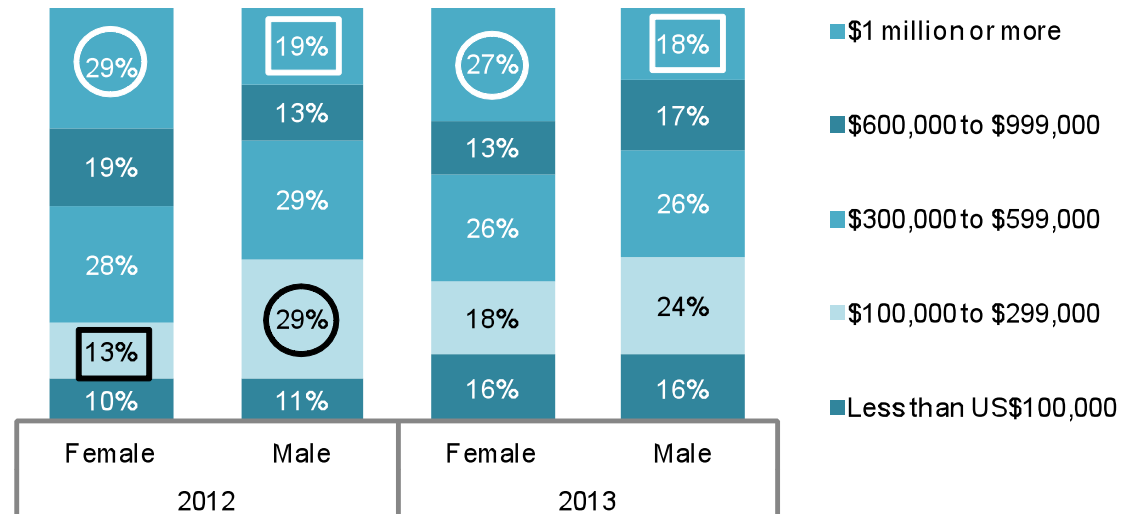
$$\begin{aligned} \text{ADVISOR INCOME} &= \$94,590 \text{ (median advisor income)} \\ &+ (\$32,240) * \text{GENDER (Male = 0, Female = 1)} + \\ &+ \$3,600 * \text{YEARS OF EXPERIENCE} \\ &+ 0.45\% * \text{PRACTICE PRODUCTION} \\ &+ \$19,300 * \text{PRACTICE OWNERSHIP} \\ &\quad \text{(owner or part-owner = 1, non-owner = 0)} \end{aligned}$$

- All of the independent variable estimates above are significantly different from zero (p-value of zero and t-statistic greater than 2)
- Note the regression used dummy variables and the mid point of advisor years of experience, income, and practice production ranges

Production – More Female Advisors Work in Large Practices

- Female advisors are more likely to work in US\$1 million dollar+ practices relative to male advisors (one-third vs. close to 20% for male advisors)
- Female advisors were also less likely to work in small practices that generate less than US\$300,000 in production

Q. What was the approximate amount of revenue generated by your practice?

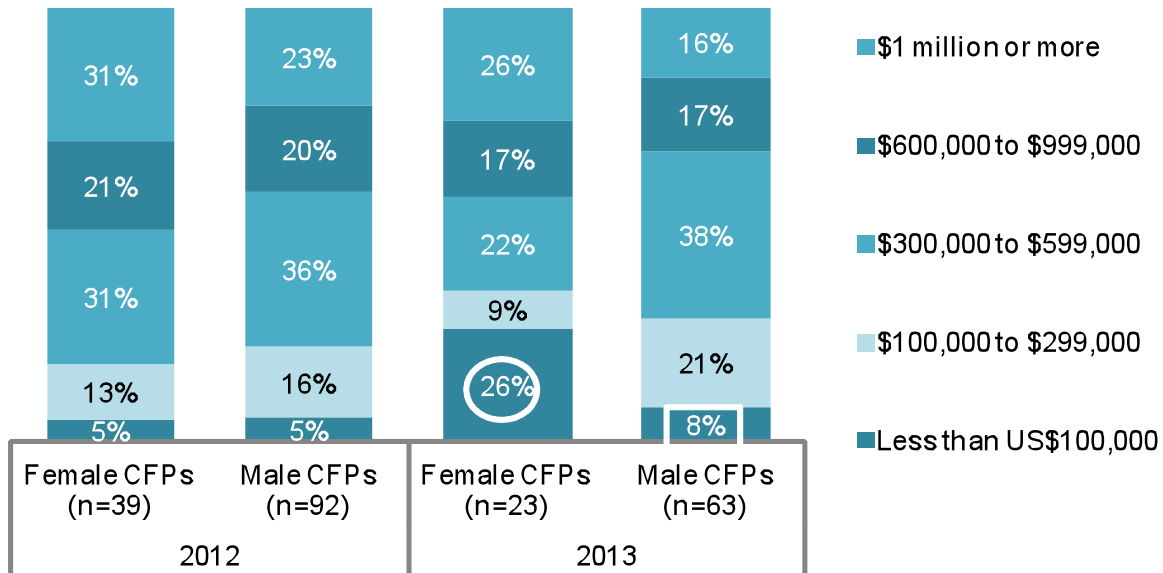


Percentages outlined by squares differ significantly from those outlined by circles for each category

No Material Differences in Production Between Male and Female CFP Professionals

- Differences between male and female practice production were not visible among the population of CFP professionals
- In 2013, there was a significantly larger percentage of female CFPs working in practices generating less than US \$100,000 in revenue

Q. What was the approximate amount of revenue generated by your practice?

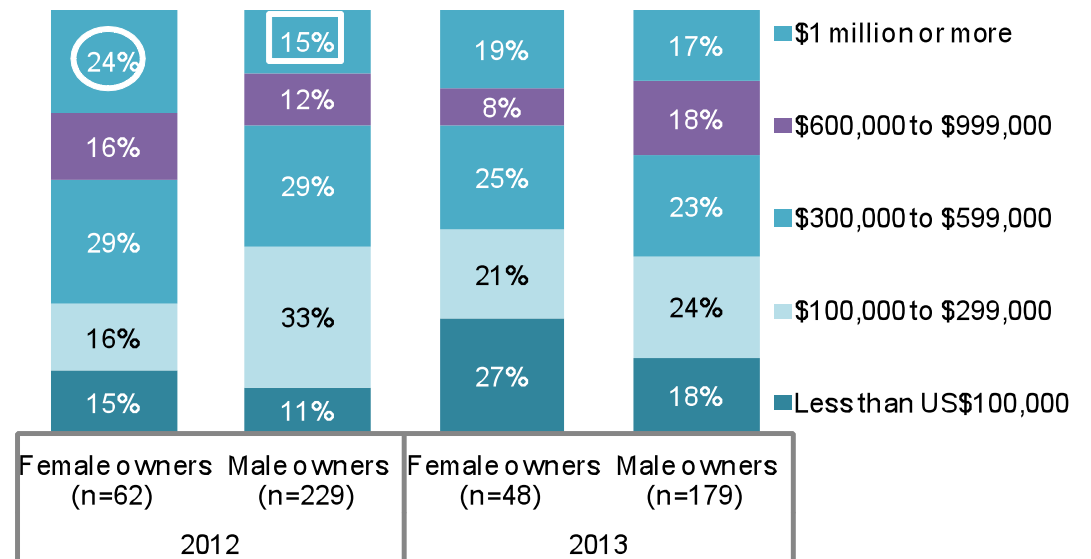


Percentages outlined by squares differ significantly from those outlined by circles for each category

Minor Differences in Production Between Male and Female Practice Owners

- 2012 survey results show that a larger percentage of female owners work in US \$1 million+ practices relative to male advisors though 2013 results show no difference in this percentage

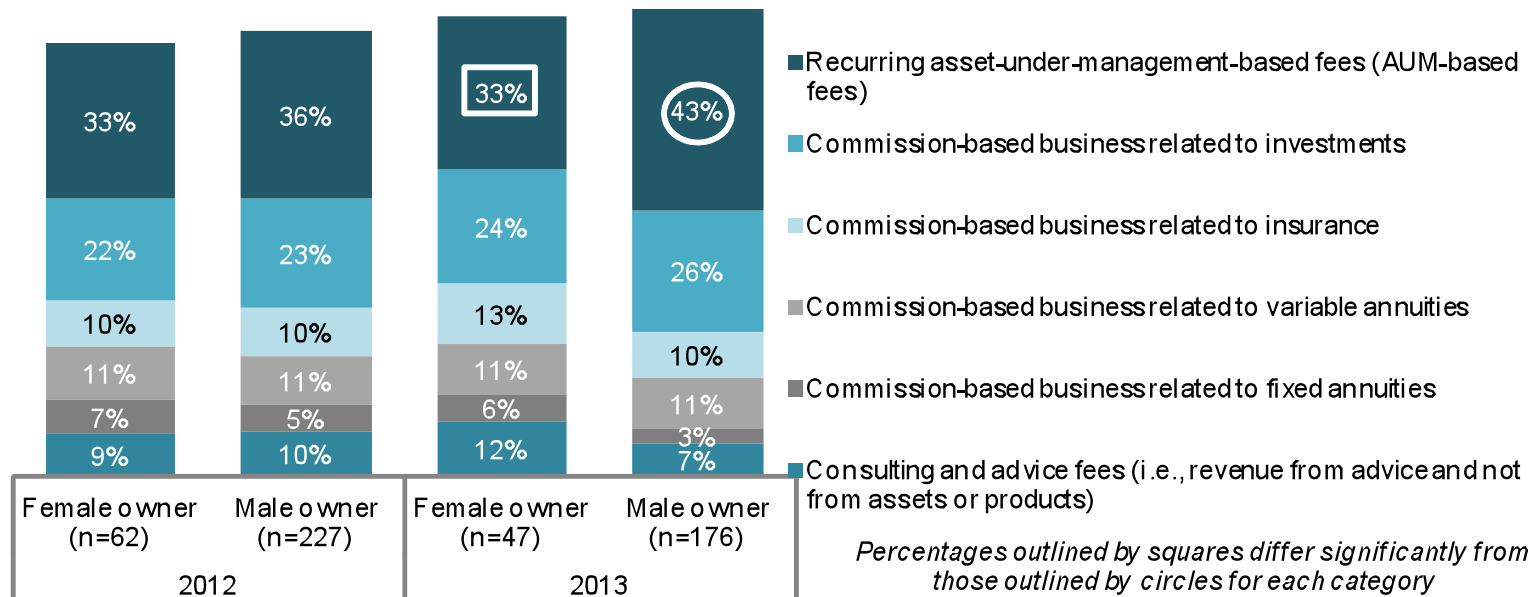
Q. What was the approximate amount of revenue generated by your practice?



Minor Differences in Source of Revenue Among Practice Owners

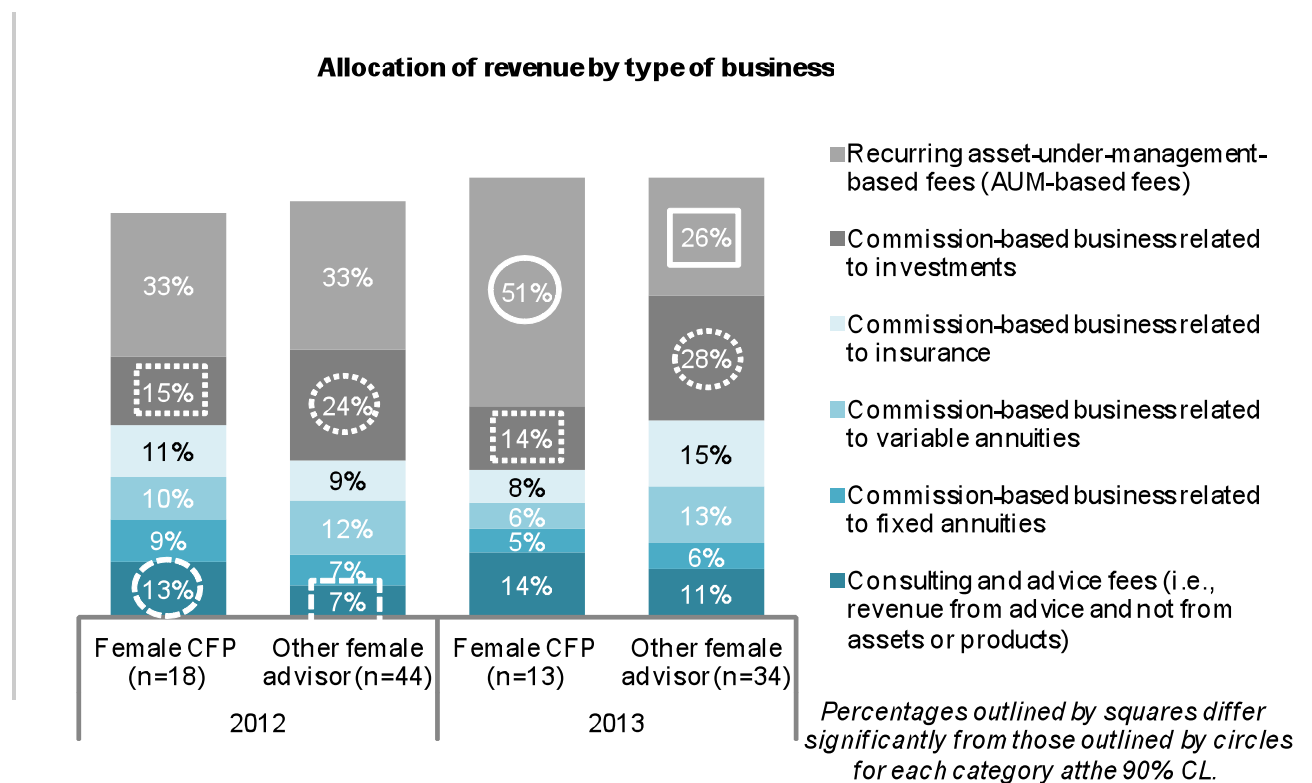
- 2012 survey results indicate there is no difference in the revenue composition of practices based on practice owner gender though 2013 survey results show male practice owners derive a larger share of revenue from AUM-based fees

Allocation of revenue by type of business



Female CFP Practice Owners Generate More Practice Revenue from Fees vs. Commissions

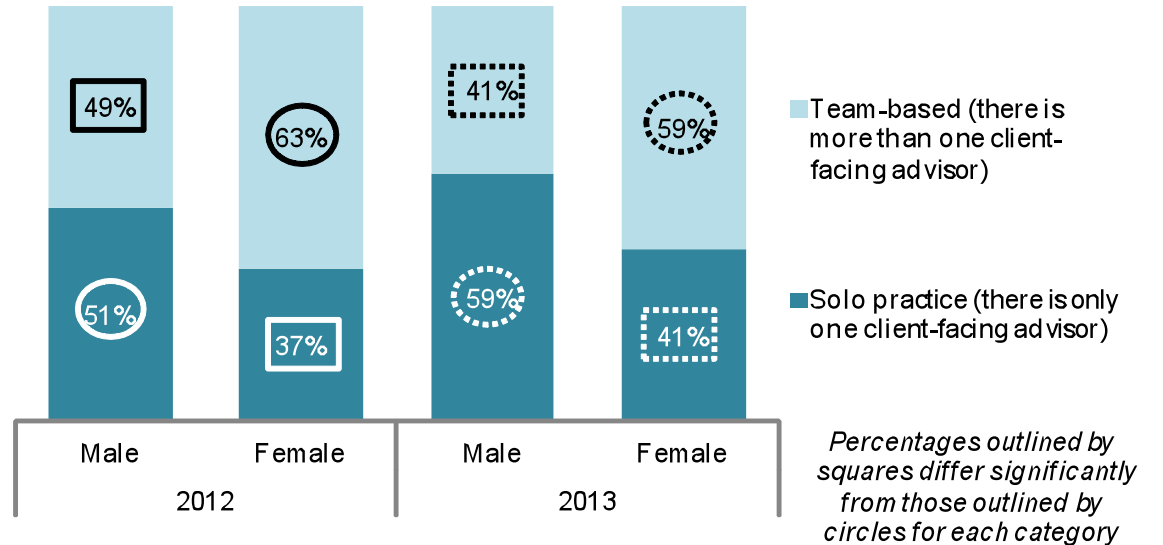
- Female CFP professionals who are practice owners generate more of their revenue from AUM or advice fees (AUM fees in the 2013 survey and advice fees in the 2012 survey)
- Other female advisors generate more of their revenue from investment commissions compared to female CFP professionals (both 2012 and 2013 survey findings)



Practice Structure – More Female Advisors Work on Teams

- Overall, female advisors are more likely to work in team practices than are male advisors (findings from both 2012 and 2013 surveys)
- 60% of female advisors work on teams while around 40% of male advisors work on teams

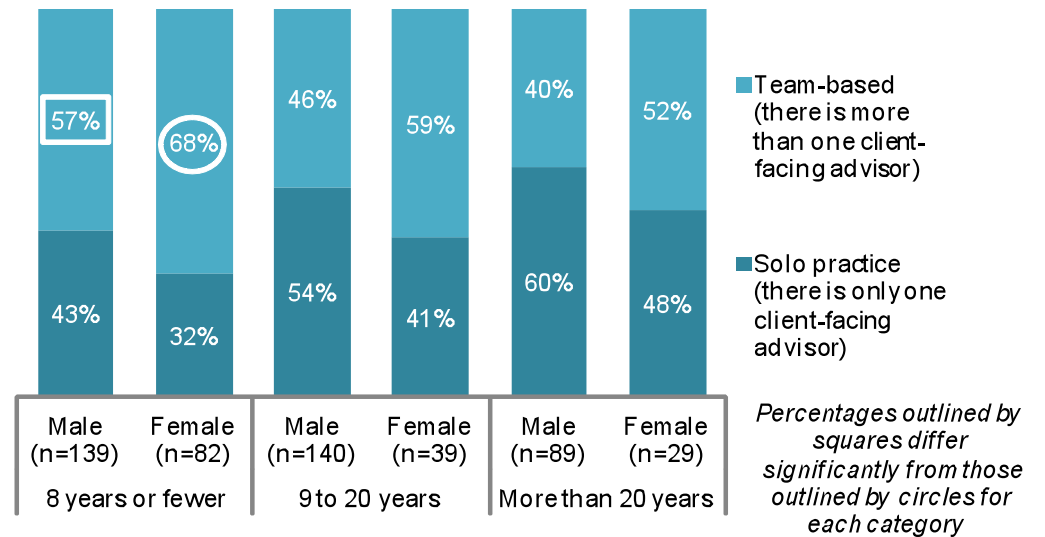
Percentage of Advisors on Teams



Early Career Female Advisors More Likely to Work on Teams

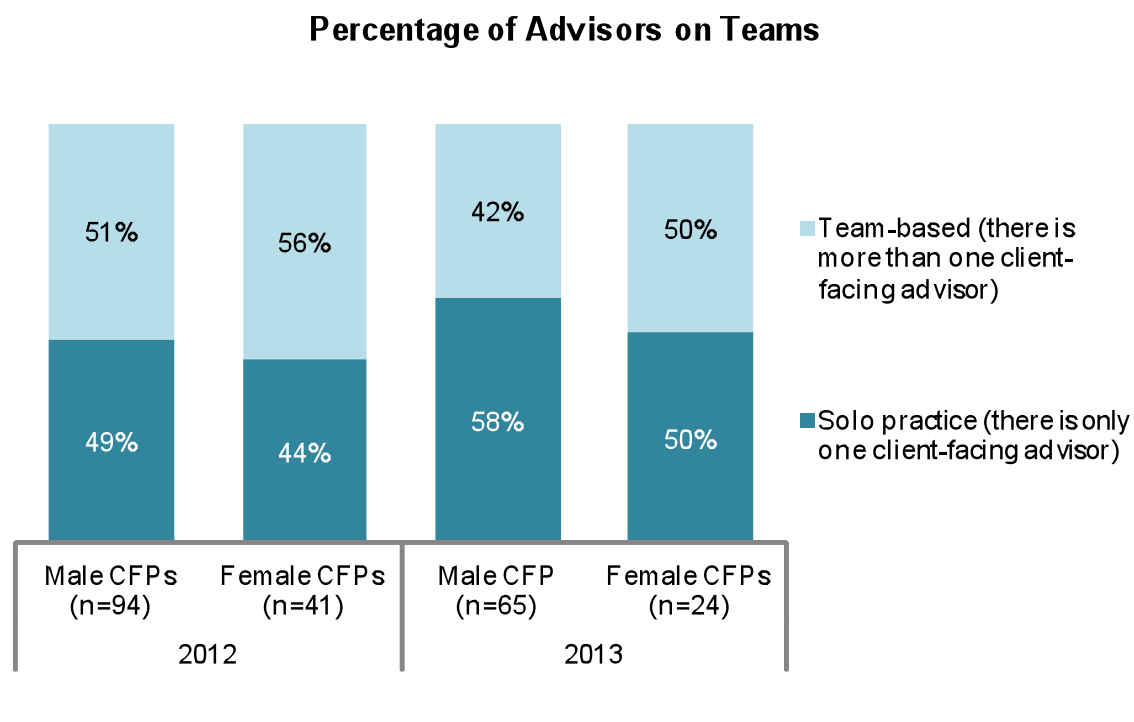
- An evaluation of practice structure preferences among advisors with similar years of industry experience reveals that female advisors with fewer than 8 years of experience are more likely to work on teams than male advisors with the same number of years of experience
- These differences in practice structure preferences are not significant among advisors with more years of experience

Practice Structure by Advisor Years of Experience and Advisor Gender



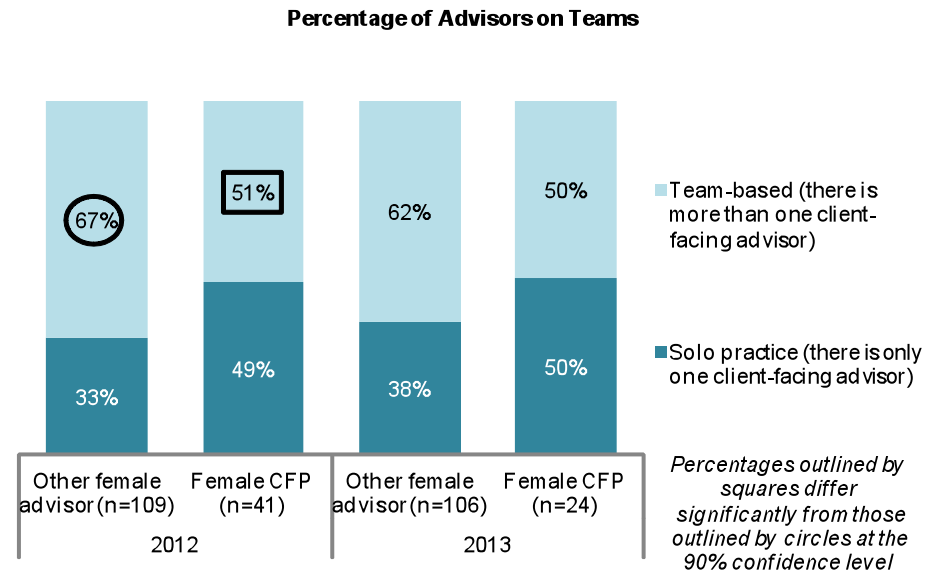
CFP Professionals by Practice Structure

- Female and male CFP professionals are as likely to work on teams as they are in solo practices



Female CFP Professionals More Likely to Work in Solo Practice vs. Other Female Advisors

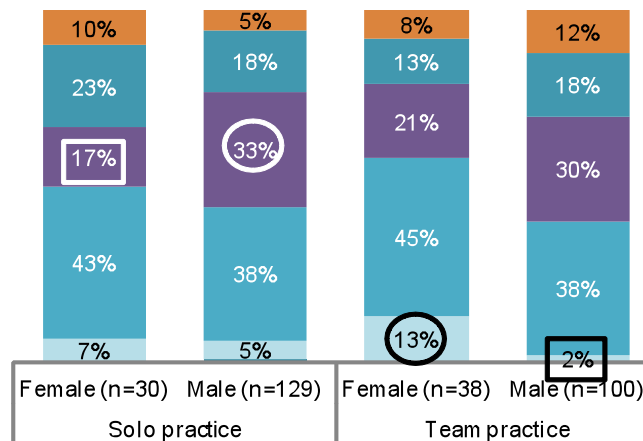
- Almost 70% of female advisors without CFP certification work on teams while half of female CFP professionals work on teams (2012 survey)



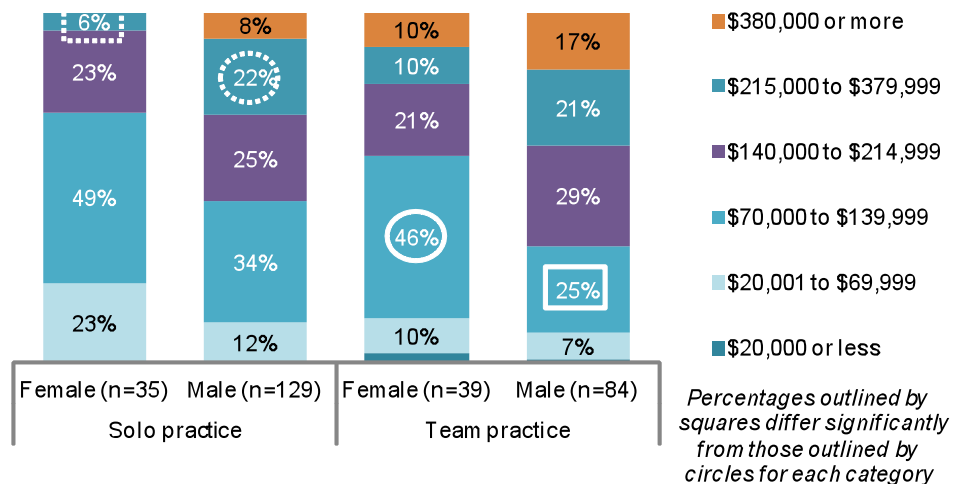
Among Experienced Advisors, Female Advisors on Teams Earn Less

- Among advisors with more than 8 years of experience, female advisors on teams are more likely to earn less than male advisors on teams (both 2012 and 2013 surveys); almost 60% of female advisors on teams earn less than US\$140,000 while 40% or fewer male advisors earn the same
- Differences between solo practice male and female advisor incomes are significant in the 2013 survey (men are more likely to earn more than women) but are not as significant in the 2012 survey

Income by Practice Structure and Gender
Advisors with more than 8 years of experience (2012 survey)

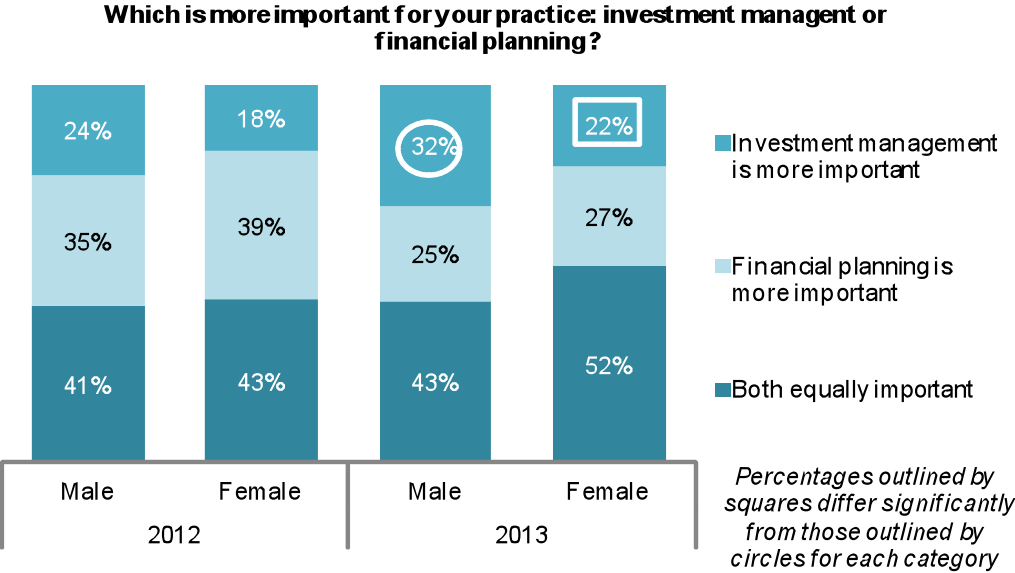


Income by Practice Structure and Gender
Advisors with more than 8 years of experience (2013 survey)



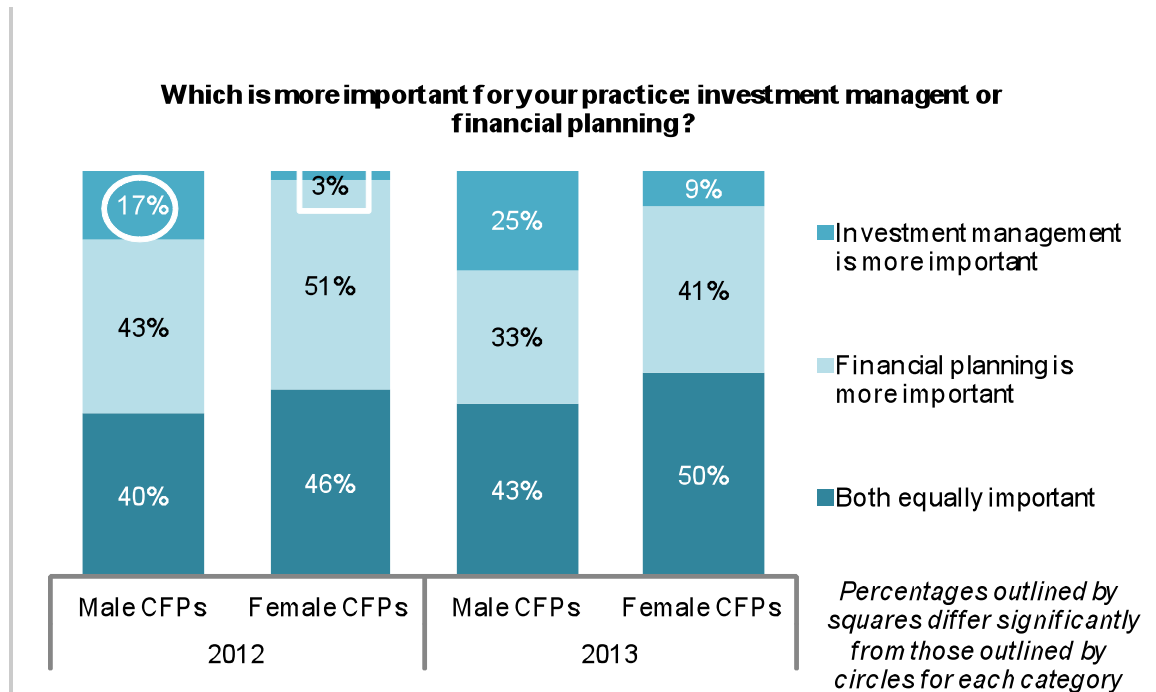
Business Model – Female Advisors More Likely to View Financial Planning as Important

- The 2013 survey shows that a larger percentage of female advisors view financial planning as important for their practice relative to male advisors



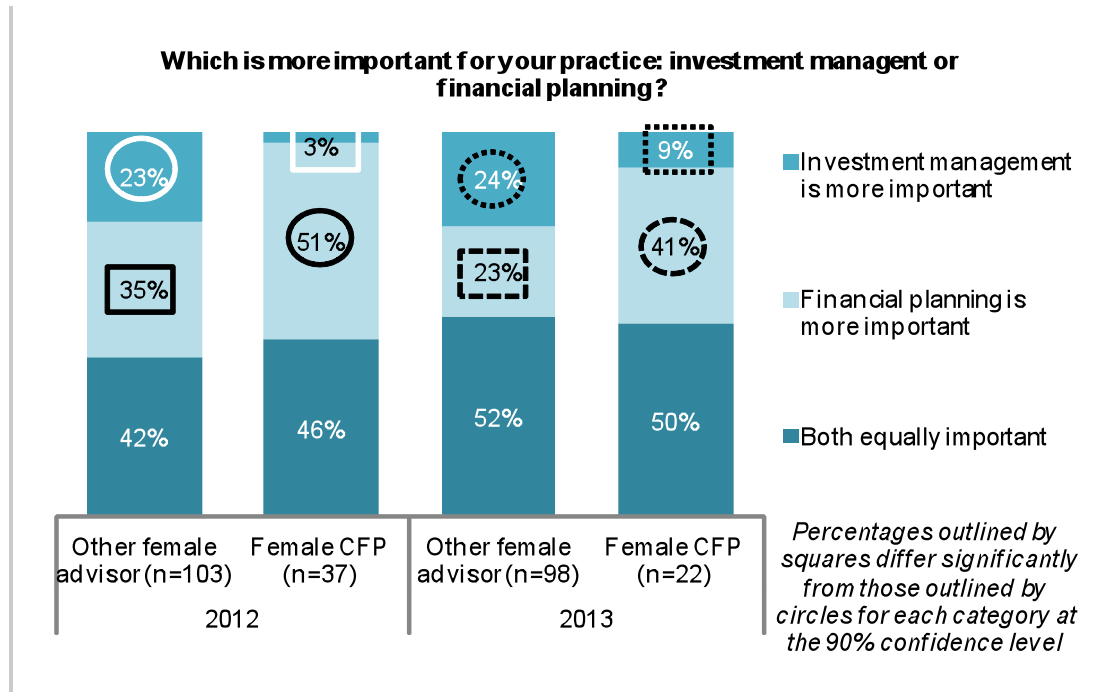
Female CFPs More Likely to View Financial Planning as Important Vs. Male CFPs

- Similarly among CFP professionals: a larger percentage of female advisors indicate that financial planning is important relative to male advisors
- A larger percentage of male advisors see investment management as more important for their practice than financial planning



Female CFPs More Likely to View Financial Planning as Important vs. Other Female Advisors

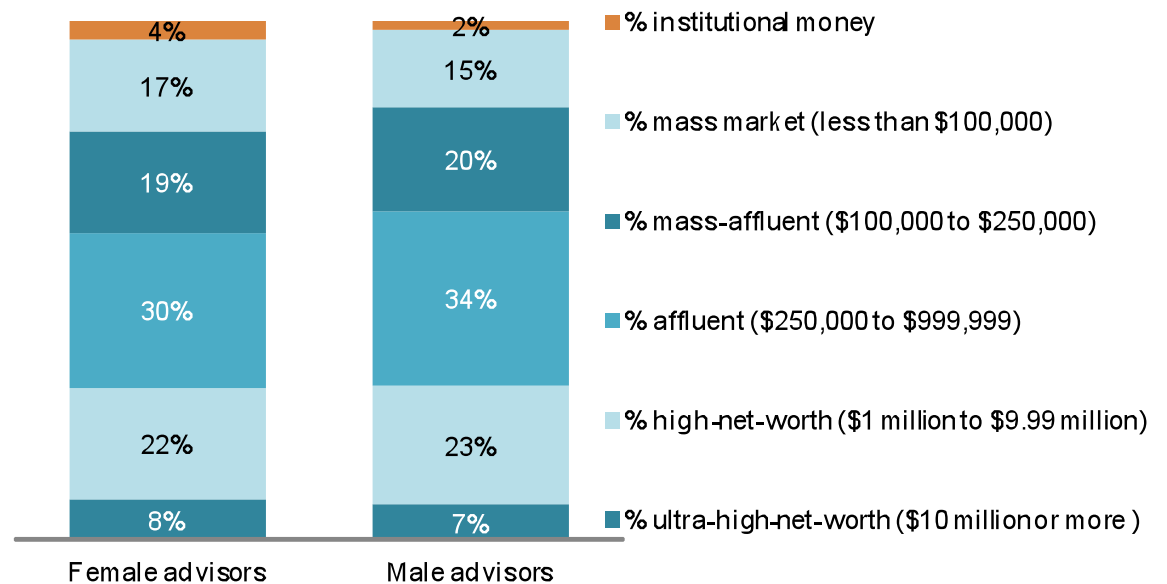
- Female CFP professionals were more likely to state that financial planning is more important than investment management than were other female advisors in both the 2012 and 2013 surveys



Wealth Segments – Male and Female Advisors Work in Practices with Similar Clients based on Wealth Profile

- Female and male advisors report a similar break-down of clients by wealth segment

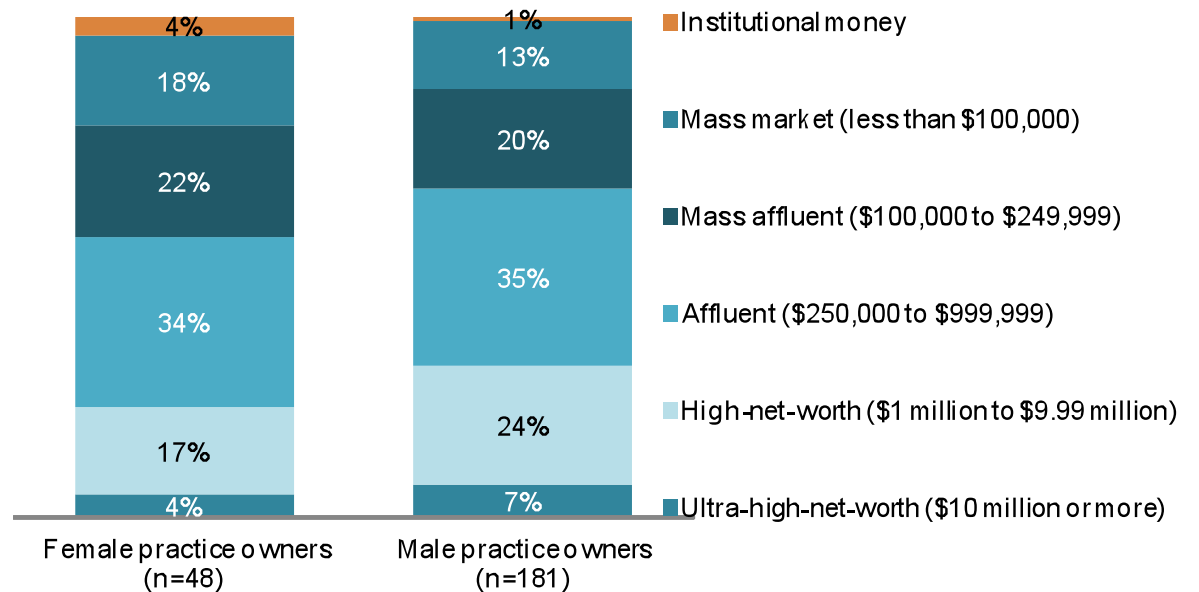
Please provide an approximate break-down of your practice's clients by wealth segment? (2013 financial advisor survey)



Client Wealth Profile is Similar for Male and Female Practice Owners

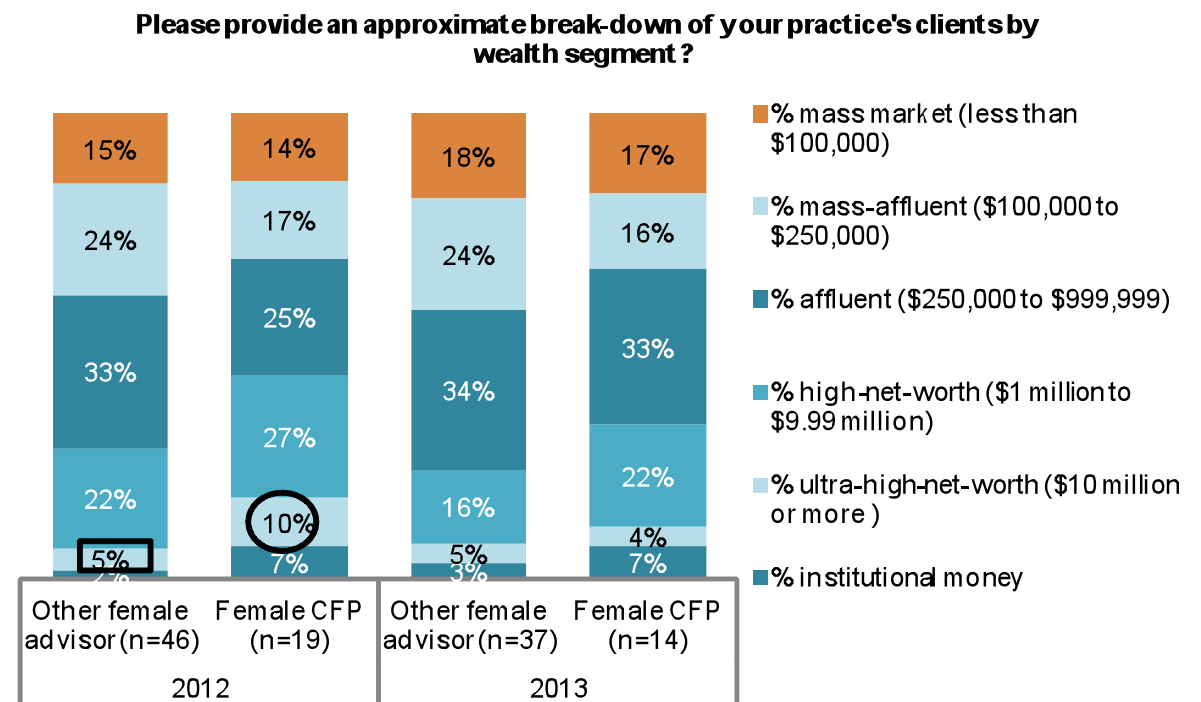
- An analysis of the client wealth profile of practice owners reveals no differences between male and female practice owners

Allocation of Clients by Wealth Segment among Practice Owners (2013 financial advisor survey)



Female CFP Owners Work with Wealthier Clients Vs. Other Female Advisors

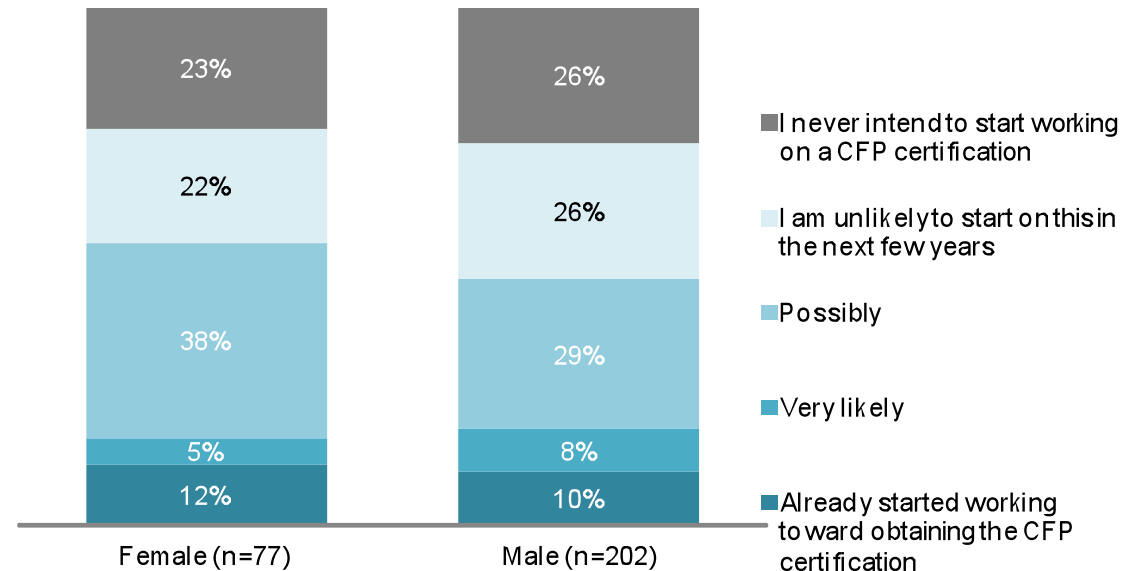
- Female CFP practice owners have a larger share of clients who are ultra-high-net-worth and high-net-worth relative to other female advisors
- In the 2012 survey almost 40% of CFP practice owner clients are HNW or UHNW compared to under 30% for other female advisors
- The 2012 survey results could confirm this finding through statistical testing but not the 2013 survey



Interest in Pursuing CFP Certification

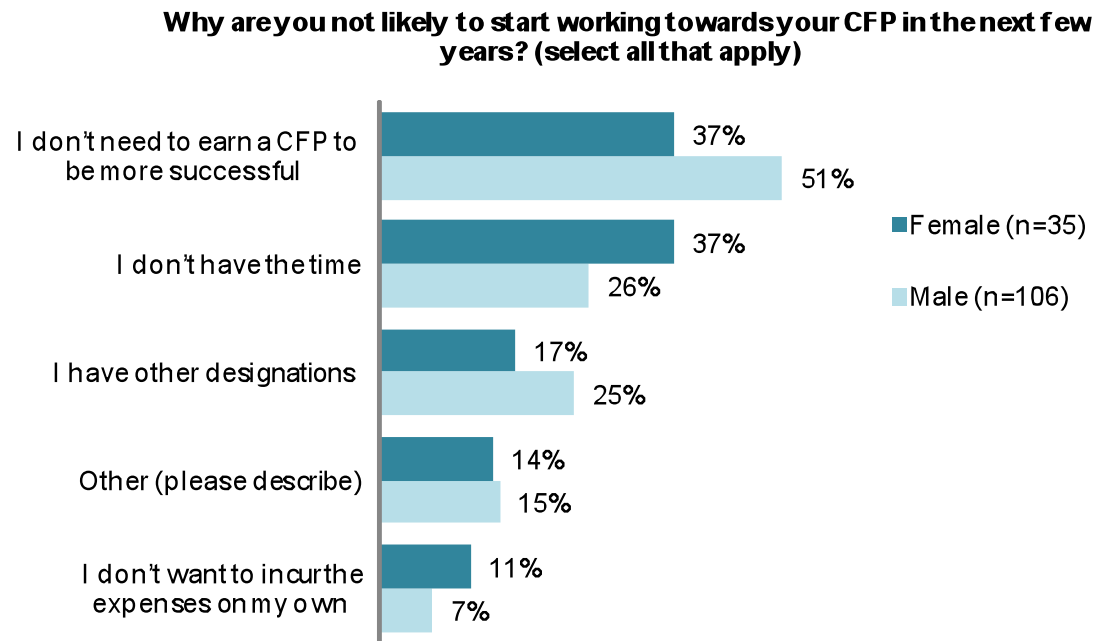
- Male and female advisors are equally likely to start working towards CFP certification
 - Approximately 10% of advisors are already working on CFP certification, between 5% and 10% of advisors are very likely to start working on CFP certification in the next few years and between 30% and 40% of advisors will possibly work on CFP certification

Q. You mentioned earlier that you do not have a CFP, how likely are you to start working towards your CFP in the next few years?



Reasons Against Pursuing CFP Certification

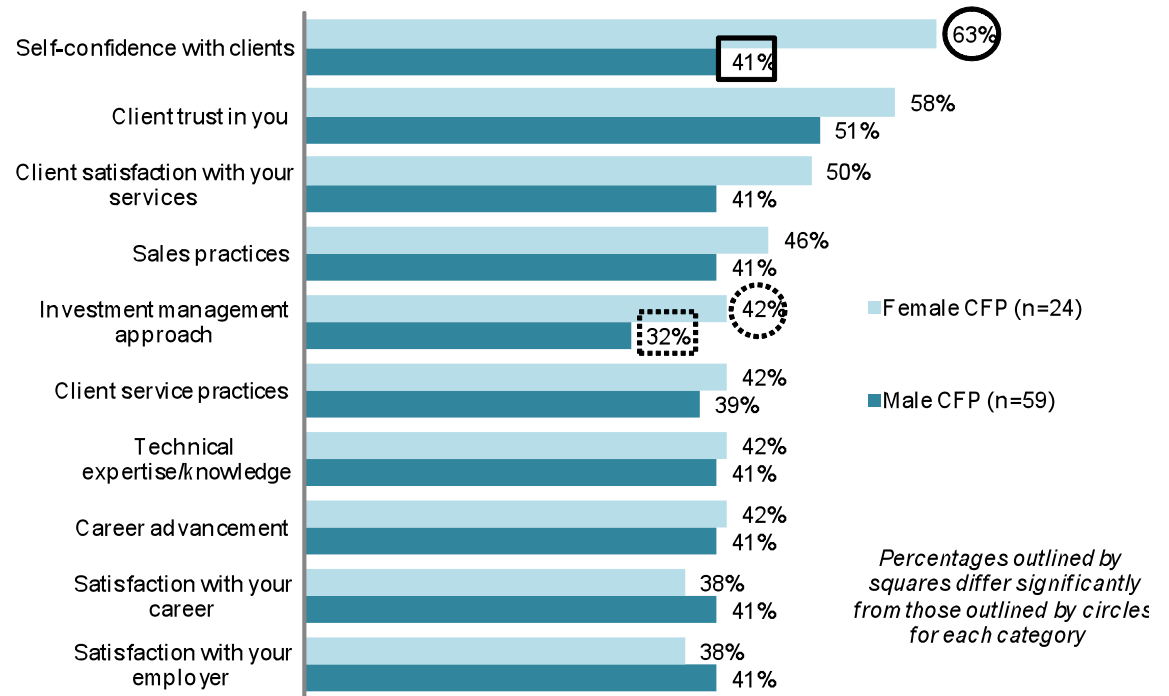
- Male and female advisors who indicate they will not be pursuing CFP certification did not differ in their reasons for this choice
- For both advisor groups the most frequently cited response was lack of need and time
- For female advisors lack of time and need were equally important reasons (close to 40% of advisors) while for male advisors lack of time was not cited as frequently as lack of need (note that this difference could not be confirmed with statistical testing)



Impact of CFP Certification on Advisors

- For female advisors, CFP certification had the most impact on self-confidence, followed by client trust
- Female CFP professionals were more likely to indicate that CFP certification had a significant or considerable impact on their self-confidence than male CFP professionals
- Female professionals were also more likely to indicate that CFP certification had a significant or considerable impact on their investment management approach than male CFP professionals

Q. What impact has obtaining the CFP had on the following factors (% of advisors indicating impact was significant or considerable)?



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