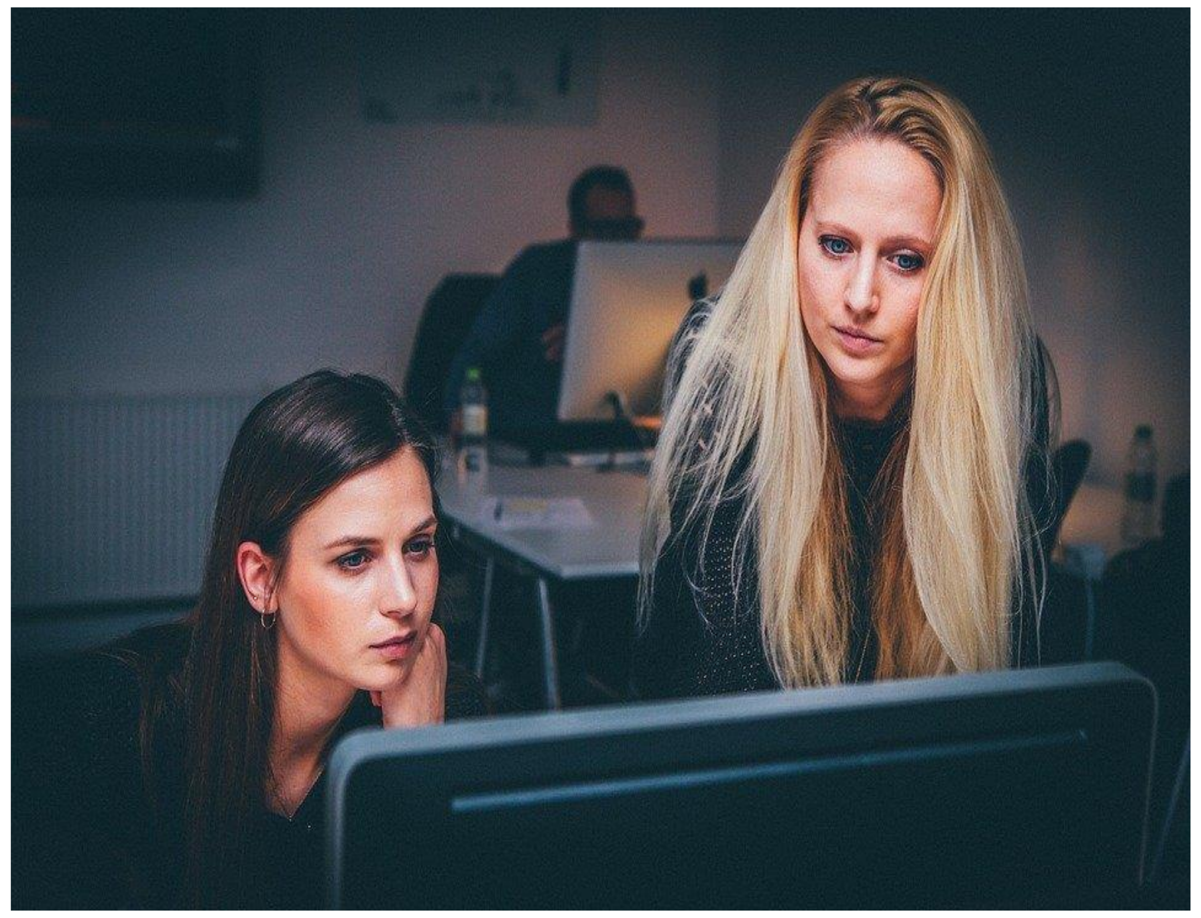
Gender, Women, & Power: Equality in Financial Planning

Nathan Astle & Meredith Moore

School of Family Studies and Human Services, Couples and Family Therapy Program & Artisan Financial Strategies

INTRODUCTION

Gendered roles around money have affected women's access to wealth, class, employment (Mcginn & Oh, 2017; Hu, 2019), and marital satisfaction (Addo & Sassler, 2010; Durband, Huston, & Britt, 2010). As financial planners frequently meet with couples in the planning process, it becomes key for planners to understand both historical context for the lack of financial literacy and financial power that women have in many heterosexual couples. Looking at previous generations gender norms can explain many of the problems women face in past and current relationships (Bisdee, Daly, & Price, 2013) and planners have an increased need to understand the mechanics of couple financial management and how to navigate power imbalances in the room. This article aims to fill gaps in current financial planning literature by both conceptualizing how gender and power interact in financial mediums through a feminist theoretical frame and provide suggestions for planners on decreasing gender power differentials in couples financial planning. This article will also provide historical context and framework around women's work in and out of the home, which further explains the current financial management trends of women that financial planners see in their offices. The authors will provide several tools for engaging and empowering women in the financial planning process based on skills commonly used in couples therapy, and the personal experience of a twenty-year financial planning professional. This conceptual model consists of a 3-part approach that focuses on financial literacy, application of financial knowledge, and providing accountability through the financial planner. Implications and future research needs will be discussed.



PROCESS

Financial Literacy

- Women and girls have been socialized to participate minimally with financial decision making (CITE).
- Financial planners must intentionally engage women as equal partners in the planning process.

Application of Knowledge

- Gender roles have dictated relationship processes in past generations (CITE) which informs couple communication in the room.
- Challenging couple and individual beliefs regarding finances requires empathetic listening, "join" with client system, and model equality in discussion time.

Accountability

- Clients experience change as they are challenged to break out of traditional gender norms and practice new ways of being (CITE).
- The financial planners role is to follow up with both their financial progress and the ways they have confronted gendered expectations around finances.

THEORY

Feminist theory provides a way to explain and predict behaviors, specifically that a large part of behavior is comprised of social norms based on gender (CITE). On a macro-level "feminine" behaviors are rewarded for women as are "masculine" behaviors rewarded for men, while not conforming to this norm is met with societal punishment. This explains part of the gap that women experience when trying to identify with what is traditionally is the male responsibility.

Feminist theory goes beyond other theories as a "critical theory" meaning that feminists aim to level the power differences between the genders to achieve equality (CITE). This happens on a macro and micro scale with interactions aimed at reducing power differentials between men and women clients as well as minimizing power differentials between the client and the financial planner. Financial planners who use feminist theory would seek not only to explain their clients behavior but to challenge those gendered assumptions.

TOOLS

Although feminist theory provides a lens for understanding client behavior, the interventions specifically evolved from feminist theory are minimal. However, other therapeutic tools can be used to balance power, empower oppressed populations, and help clients reach their goals through the feminist lens. A crucial tool is validating the experience of women as they traditionally have not been socialized to work with money in a financial planning setting. Their discussions will focus on skills and strengths the client has that empower them to take a more active role in their financial and personal lives. An example of this could be if a couple comes in for services, focusing on equal and egalitarian time spent with both partners as well as holding accountable both partners to the goal of equality. Planners using feminist theory can also use tools like money genograms (CITE) to help clients see the intergenerational transmission of money values and how those differed from men and women across time. Financial planners also take a non-blaming stance for the women who have not been socialized to handle money.

ETHICAL CONSIDERATIONS

Any critical theory faces the challenges of putting a planners personal values onto the client. Although a planner might value empowerment of women in the planning engagement, a client or the client system might not share the same values. It is crucial that a feminist financial planner appropriately challenge their own power in the room as the "expert" to avoid power struggles. To "act in a manner that reflects positively on the financial planning profession" (CFP Board, n.d.) requires planners to do their own self-work related to power, women, and their political understanding of feminism.

BENEFITS

Financial planners are on the front line of challenging women's oppression in the area of financial literacy and financial growth. Utilizing this model can fill a need for those in power (financial planners) to use that power for the benefit of the oppressed (women who have been socialized antagonistic to money matters). It pushes individual and systemic change and takes the financial planning process to a new level. The benefits include both financial gain and personal progress for the clients served.

CONCLUSION

This poster has focused on the challenge of women being socialized to not engage in financial planning and the challenge some experience in the room with their planners. Using feminist theory as a framework, the authors provided a basic outline of how to engage with women to combat these issues. Though different business models will require adaptations, the principles of financial literacy, application, and accountability are crucial to empowering women to take equal part in the financial planning process.

QUESTIONS?

Please contact Nathan Astle: nastle93@k-state.edu