

BUILDING WEALTH: INSIGHTS ON WOMEN'S ASPIRATIONS & GROWING FINANCIAL POWER



WOMEN ARE INCREASINGLY TAKING CONTROL OF THEIR FINANCIAL WELL-BEING.

Today, they are more likely to lead or share with their spouse/partner in their household's financial decision-making. This reflects, in part, women's increasingly important role in the workforce.

Women's labor force participation rate was 57.3% in November 2024, up from 43.0% in 1969.¹ Men's participation rate dropped by nearly 12 percentage points to 67.9% over the same time frame.

Women also are significantly more likely to attain a college degree than men. Forty-seven percent of women 25 to 34 years old have earned a bachelor's degree, compared to 37% of men who have accomplished the same.² By contrast, 25% of 25–34-year-old men and women earned a bachelor's degree in 1995. Holding a college degree is a significant predictor of income. A 2021 Georgetown University Center on Education and Workforce report³ notes that women earning only a high school degree will earn a median of \$1.3 million over their lifetime. The median rises to \$2.4 million for women with a bachelor's degree.

As a result, women control a growing percentage of wealth in the U.S. In 2019, McKinsey & Company

reported that U.S. women controlled \$10.9 trillion in assets, fully one-third of total U.S. financial assets.⁴ Further, this is likely to grow in the coming years. A 2022 Cerulli Associates report finds that \$84 trillion in wealth will transfer to younger generations through 2045.⁵ Bank of America's analysis expects \$30 trillion of wealth in the United States will transfer to younger women, dramatically increasing women's financial power.⁶

As women attain greater wealth, these changes spark several questions: What are their top financial aspirations and challenges? How do women value financial planning, and what qualities do they seek from a financial planner? Answers to these questions will help prepare today's financial planners to serve tomorrow's clients and attract the next generation of planners to the field.

To help answer these questions, CFP Board contracted Heart+Mind Strategies (H+MS) to review existing publicly available research and conduct two surveys. One survey conducted October 29–November 18, 2024, was of 296 female CFP® professionals who work directly with clients and/or spend most of their time providing financial planning services. The second survey, conducted November 8–25, 2024, was of 301 female consumers in households with income of at least \$60,000 and/or minimum investable assets of \$50,000. The literature review and the data collected from the two surveys serve as the basis of this report.

1. Federal Reserve Bank of St. Louis, "Labor Force Participation Rate - Women (Seasonally Adjusted)," <https://fred.stlouisfed.org/series/LNS11300002>
2. Pew Research Center, "U.S. Women Are Outpacing Men in College Completion, Including in Every Major Racial and Ethnic Group," <https://www.pewresearch.org/short-reads/2024/11/18/us-women-are-outpacing-men-in-college-completion-including-in-every-major-racial-and-ethnic-group/>
3. Georgetown University Center on Education and the Workforce, "The College Payoff: More Education Doesn't Always Mean More Earnings," <https://cew.georgetown.edu/cew-reports/collegepayoff2021/#resources>
4. McKinsey & Company, "Women as the Next Wave of Growth in U.S. Wealth Management," <https://www.mckinsey.com/industries/financial-services/our-insights/women-as-the-next-wave-of-growth-in-us-wealth-management>
5. Bank of America Institute, "Transformation, The Rising Wealth of Women," <https://institute.bankofamerica.com/content/dam/transformation/rising-wealth-of-women.pdf>
6. Bank of America Institute, "Transformation, The Rising Wealth of Women," <https://institute.bankofamerica.com/content/dam/transformation/rising-wealth-of-women.pdf>

KEY FINDINGS

Building Wealth: Women's Aspirations & Growing Financial Power



More than 2 in 3 women

serve as their households' primary decision-makers for investments.



56%

of women agree that financial planners are best able to help them achieve their financial priorities.

Women's top financial priorities are:



A comfortable retirement

Building emergency savings



Caregiving for loved ones

Women seek financial planners who:



Craft financial solutions to their specific challenges

Have a proven track record of success



Communicate complex financial concepts clearly

Hold certifications (e.g., CFP® certification)



Are empathetic

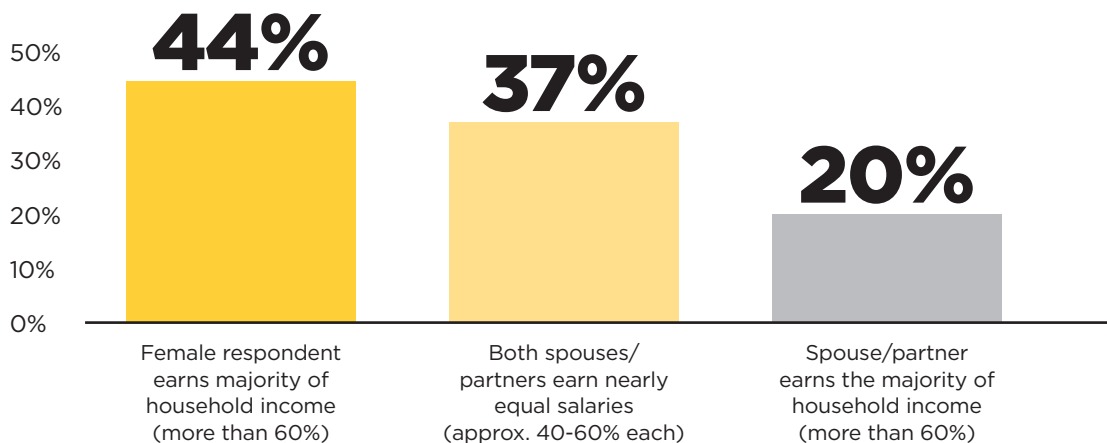
Women Are Growing Financial Contributors to Their Households and Increasingly Driving Decision-Making

CFP Board's survey of women confirms that they are significant financial contributors to their households and are increasingly involved in financial decision-making. Four in 5 partnered and employed women are their households' primary income earners or have a salary near that of their spouse/partner. Forty-four percent are the primary wage earners, while another 37% earn a salary that nearly equals that of their spouse/partner. Only 20% of partnered and employed women earn less than 40% of their household income.

Other studies also find that women's financial contributions are growing. For example, a 2023 Pew Research Center report⁷ notes that in about 3 of 10 marriages, both spouses earn approximately the same income. In 1972, the percentage was at 11%. The wife is the chief income earner among 1 in 6 married couples, up from a mere 5% in 1972. The percentage of higher-income wives grows with age, with 22% of 55-64-year-old wives being the primary wage earner.

4 in 5 Female Consumers' Income Equals or Exceeds That of Their Spouse/Partner

(Percentage Distribution of Partnered and Employed Female Survey Respondents)



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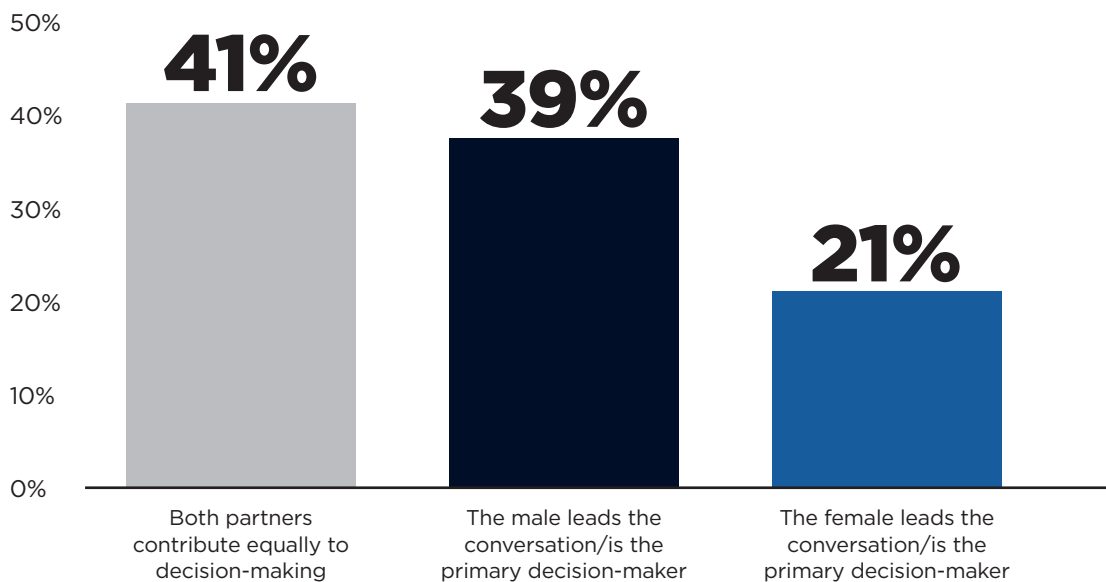
7. Pew Research Center, "In a Growing Share of U.S. Marriages, Husbands and Wives Earn About the Same," <https://www.pewresearch.org/social-trends/2023/04/13/in-a-growing-share-of-u-s-marriages-husbands-and-wives-earn-about-the-same>

Along with earning a more significant share of household income, women are more active in, if not outright leading, their household's financial decision-making. More than two-thirds (69%) of female consumers indicate that they are the primary decision-makers when making financial decisions on investments. Among married female survey respondents, 60% stated that they were the primary investment decision-makers in their households.

CFP® professionals confirm that their female clients are active in financial conversations. Three in 5 CFP® professionals report that among their partnered clients, the wife/female partner either leads the financial conversations or that both partners equally contribute to the conversation. Conversely, 2 in 5 CFP® professionals indicate that the male in the household leads financial discussions.

3 in 5 CFP® Professionals Report That Female Clients Lead Household Financial Conversations or Share Equally With Their Male Spouse/Partner

(Percentage Distribution of CFP® Professionals When Working with Partnered Couples)



Detail adds to more than 100% due to rounding.

Confidence About Financial Decision-Making Is Growing

Women’s financial confidence is on the rise, but there remains an excellent opportunity for financial planners to provide support. In particular, data from surveys conducted by CFP Board and third parties find that women are confident with managing everyday financial tasks but are likely to seek support about investing, building wealth and estate planning.

For example, the 2022 Bank of America report, *Women, Money and Confidence Study*⁸, finds that 48% of women are confident about managing their finances. But they are still hitting roadblocks, with 3 in 10 female survey respondents noting they are “worried” (32%) and “frustrated” (30%) about managing finances. An overwhelming majority of female survey respondents say they are confident with everyday tasks — e.g., paying bills, managing a budget and managing debt — but are less sure when managing investments, including creating a diversified portfolio.

A 2024 New York Life Wealth Watch survey⁹ arrives at similar conclusions. Women say they are most knowledgeable about paying bills, maintaining good credit and saving for emergencies. But they are less sure about how to build wealth, create investment portfolios and select insurance. Further, 8 in 10 women in the New York Life survey want to learn at least one financial topic. These topics include:

- Building wealth (29%)
- Saving for emergencies (28%)
- Saving for retirement (25%)
- Paying off/managing debt (24%).

Among younger female consumers, learning more about how to purchase a home is the top topic.

CFP Board’s survey of women finds nearly half of women expressing great confidence that they will achieve their financial goals. Forty percent of female consumers indicate they are “very sure” about their ability to achieve their future financial goals, and another 7% say they feel like a “pro” that they will hit their targets. Another 35% are “somewhat sure,” while the remaining 18% desire to expand their knowledge on achieving their financial goals.

While confident about their future, some women are less certain of managing their finances to achieve their goals. Twenty-nine percent of female consumers say that they are “very sure” of their ability to manage their own finances, with another 5% indicating that they are a “pro” when managing their finances. By contrast, nearly half of women are only “somewhat sure” of their ability to manage their finances, with another 19% desiring support in managing their finances.

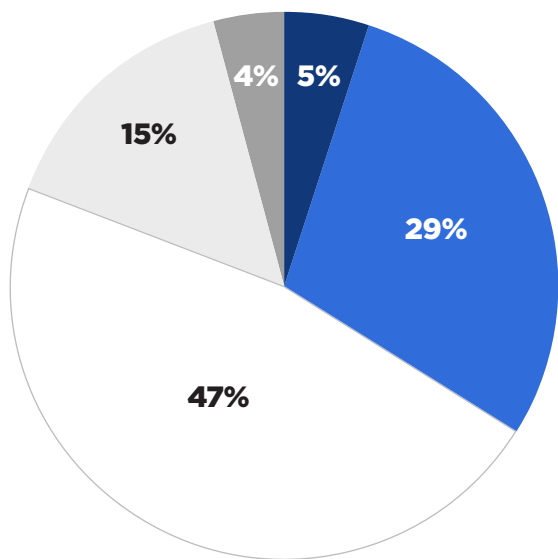
8. Bank of America, “Women, Money, Confidence: A Lifelong Relationship,” https://business.bofa.com/content/dam/flagship/workplace-benefits/id20_0905/documents/women-money-confidence.pdf

9. New York Life, “Women Confident Managing Short-Term Finances, But Less So on Long-Term Strategies, Finds New York Life Wealth Watch,” <https://www.newyorklife.com/newsroom/2024/survey-highlights-existing-financial-confidence-and-knowledge-gaps-between-men-and-women>

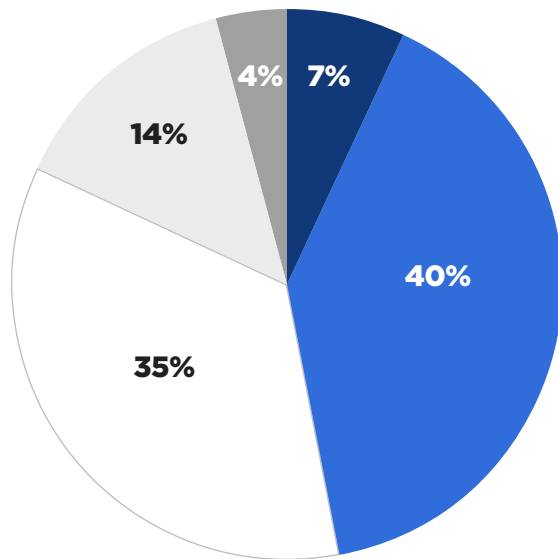
Many Women Are Confident About Achieving Financial Goals, Fewer Are Certain About How to Manage Finances

(Percentage Distribution of Female Survey Respondents)

Managing Own Finances



Achieving Financial Goals



■ Feel like a pro ■ Very sure □ Somewhat sure ■ Not too sure ■ Not sure at all



Financial planners best serve their female clients by understanding their wide range of financial priorities and marketing to them in relevant ways. Like male clients, women seek long-term financial security. But caregiving is another focus, which has become increasingly important for many women, particularly given the growing percentage of women who are their household's primary income earner as they support their young and adult children and/or provide care to another adult (e.g., a parent, grandparent, siblings). Without proper planning, caregiving — both in time and expenses — can harm one's financial well-being and ability to meet long-term financial objectives.

A majority of women responding to the CFP Board survey said they are most concerned about their own future financial health. Sixty-one percent indicated that their own financial future was their chief concern.

A third of female consumers said their chief financial concern was with their children. At the same time, 5% indicated that a close older relative, such as their mother, grandmother or sibling, is their most significant financial concern.

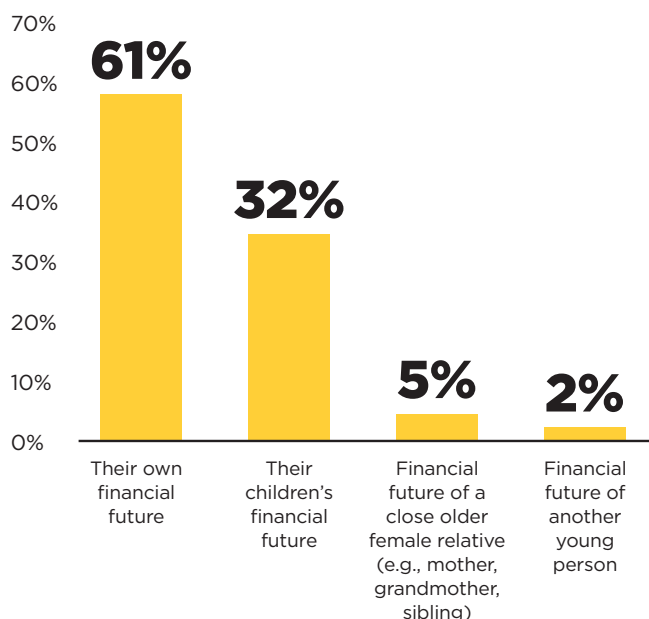
Financial planners report that female clients express concern for their loved ones. CFP® professionals report their female clients are most likely to express concerns about:

- Their children (37%)
- A close older relative, such as a mother, grandmother or sibling (25%).

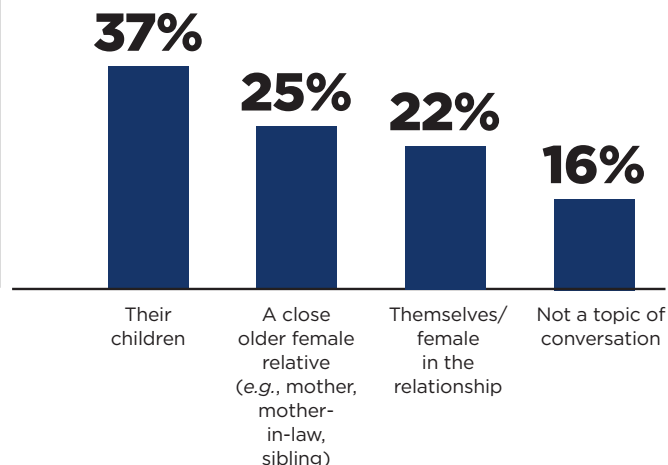
Only 22% of CFP® professionals say their female clients are most likely to express concerns about their own financial situation.

Women Say They Are Most Concerned About Their Own Financial Future, CFP® Professionals Say Their Female Clients Are More Concerned About Others

Women's Top Financial Health Concern
(Percentage Distribution of Female Survey Respondents)



CFP® Professionals See Their Female Clients More Concerned About Others
(Percentage Distribution of CFP® Professionals)

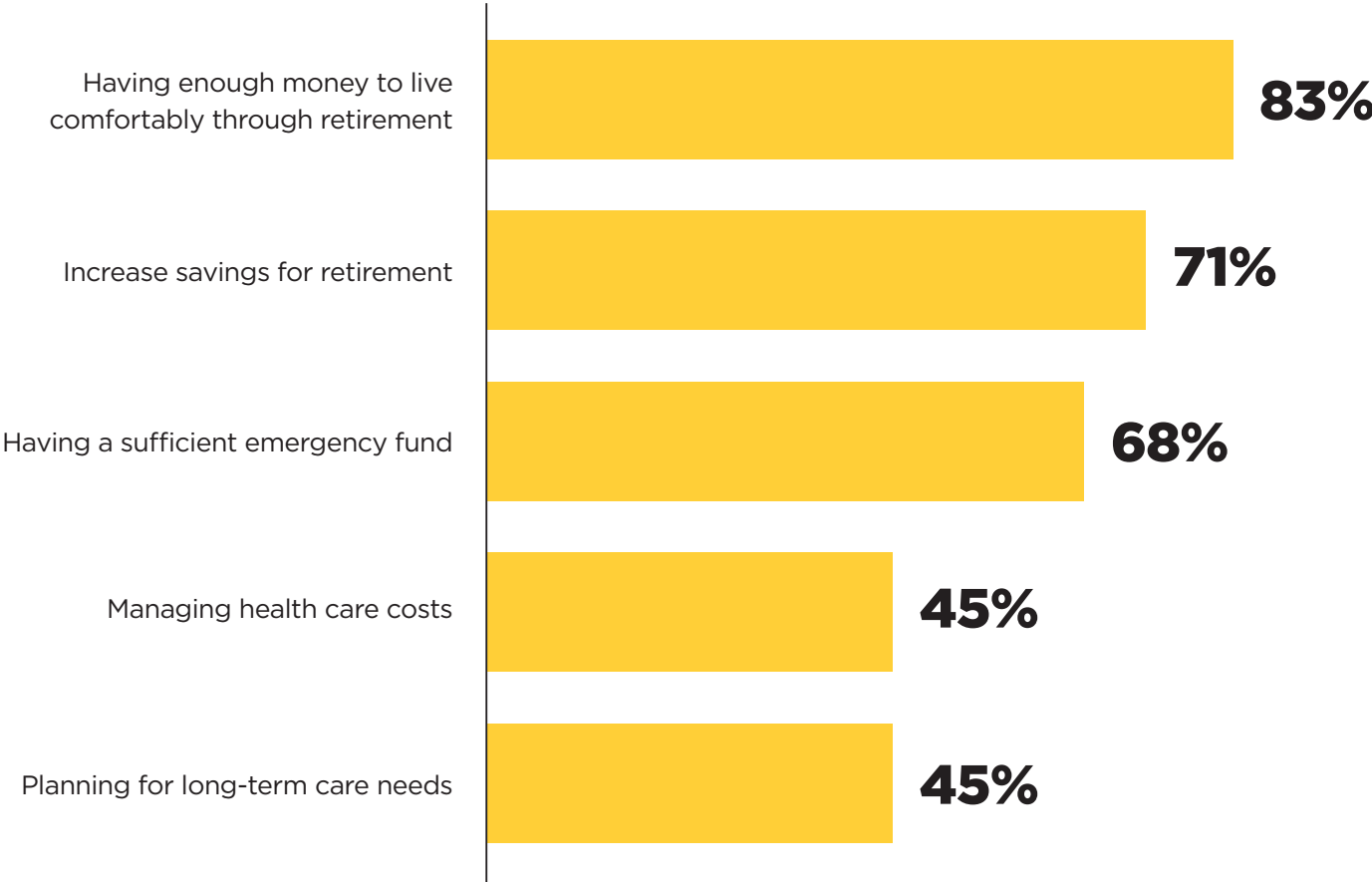


In more detail, 83% of females rate living comfortably through retirement/not outliving their money as a high priority, and 71% do the same in terms of increasing savings for retirement. Other priorities for female survey respondents are:

- Having a sufficient emergency fund (68%)
- Managing health care costs (45%)
- Planning for their long-term care needs (45%).

Not Outliving Their Money and Retirement Savings Are Women’s Top Financial Priorities

(Percent of Female Survey Respondents Indicating Item as a High Priority)



Financial planners pay close attention to how their female clients desire to care for those around them. As they listen to their female clients, CFP® professionals find caregiving is of critical (and unique) significance. For example, CFP® professionals indicate that women are more likely than men to focus on the following:



















- Planning for caregiving expenses for a loved one
- Personal long-term care needs

- Emergency funds
- Philanthropic giving
- Health care costs.

Conversely, CFP® professionals report that men are more likely than females to emphasize tax planning, paying off a mortgage, increasing retirement savings and estate planning.

Females Are More Likely Than Men to Emphasize Care Expenses Among Their Financial Priorities

(CFP® Professionals' Ranking of Foci by Client's Gender)

 More Likely to be a Female Focus	 Females and Males Equally Focus	 More Likely to be a Male Focus
 Planning for caregiving expenses for their loved ones	 Paying off student loans/college debt	 Reducing taxable income/tax planning
 Planning for their long-term care needs	 Saving for a down payment on a home/buying a home	 Paying off a mortgage
 Having a sufficient emergency fund	 Saving for children's education	 Increasing savings for retirement
 Exploring philanthropic giving	 Making sure they have enough money to live comfortably	 Planning to leave a financial legacy/inheritance
 Managing their health care costs	 Paying off credit card debt	 Creating an estate plan

How Financial Planners Best Serve Women

Serving women also means elevating the dialogue around areas where they may need the greatest support. For example, CFP® professionals note that many female clients seek solutions for their long-term care needs (43%). These same survey respondents also noted significant opportunities for outreach to female clients in support of their desire to:

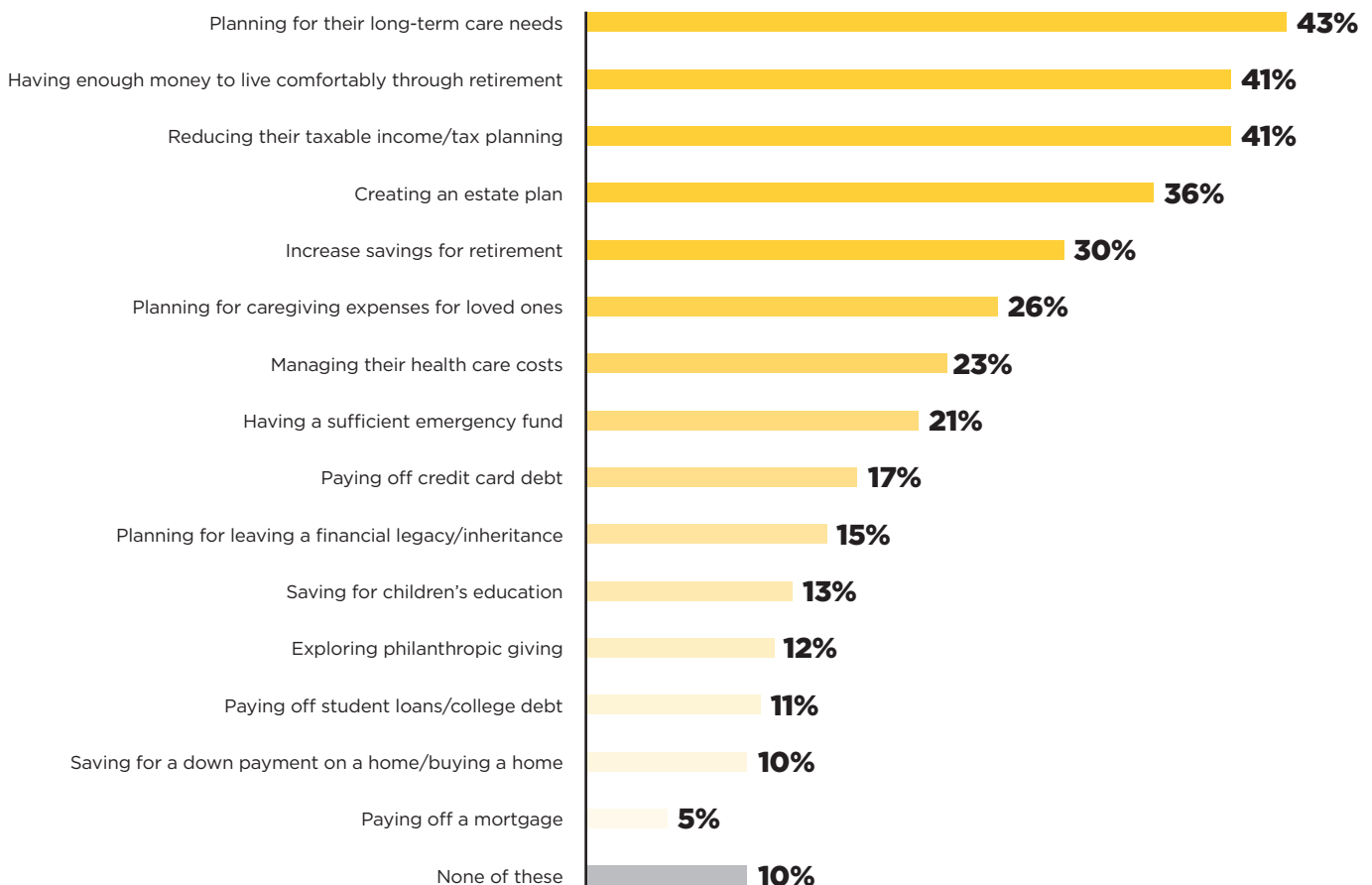
- Reduce taxable income (41%)
- Have enough money to live comfortably through retirement (40%)
- Develop an estate plan (36%)

- Increase retirement savings (30%)
- Plan for caregiving expenses for a loved one (26%).

These data indicate a clear opportunity for financial planners to better serve women by focusing on their unique priorities. Further, CFP® professionals can assist women to take greater control of their financial future by more proactively elevating understanding of issues of which they may not be aware or attuned to the long-term importance.

CFP® Professionals Say Their Women Clients Most Likely to Need Support for Long-Term Care, Along with Retirement, Tax and Estate Planning

(Percent of CFP® Professionals Indicating Their Female Clients Seek Support)



Women Prefer Humans Over Machines: Financial Planners/Advisers Best Equipped to Meet Women's Priorities

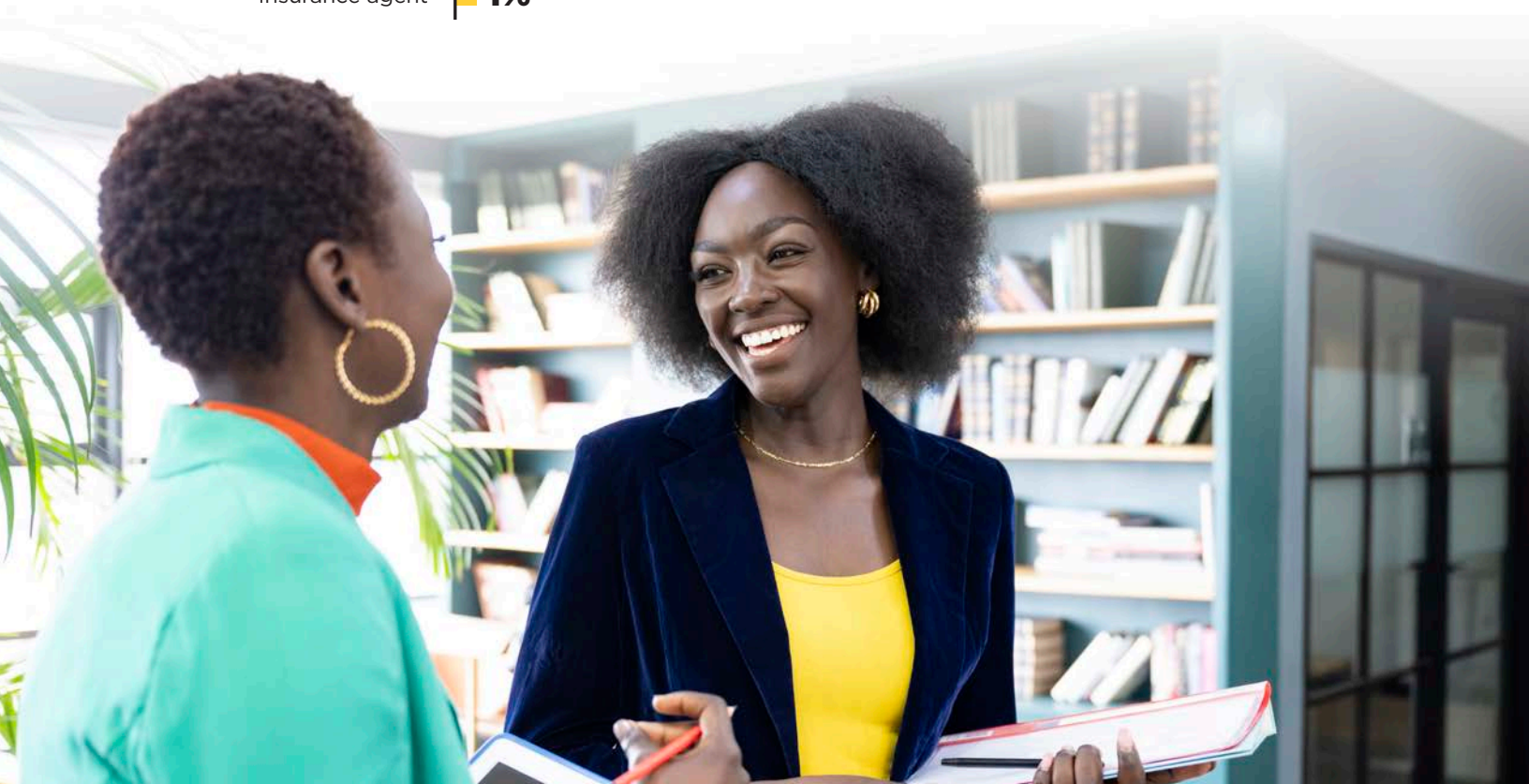
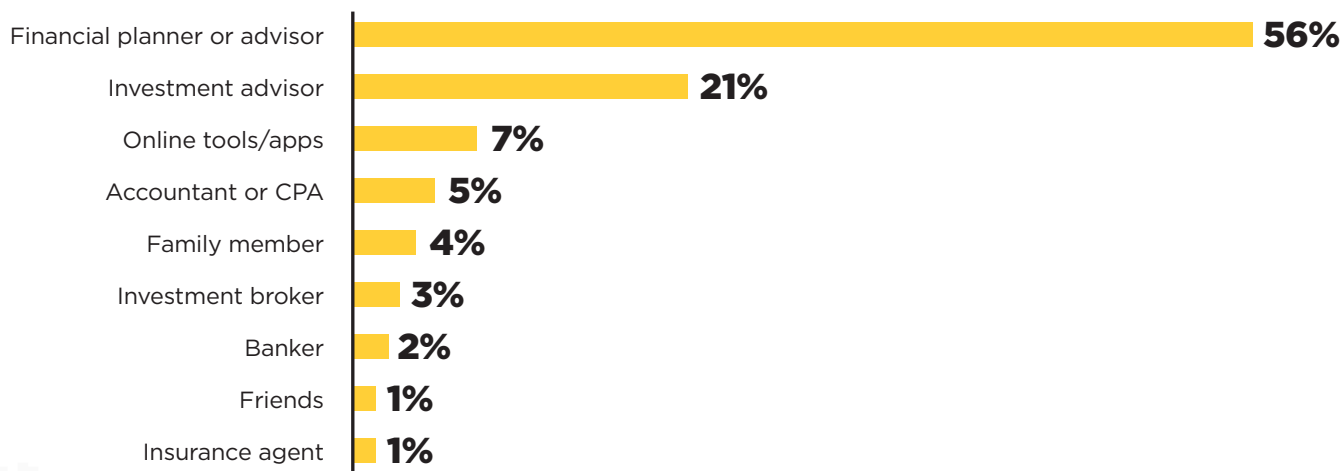
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Today, people have various resources at their disposal — online tools, firms and professionals — that can facilitate the achievement of financial goals. Despite the plethora of available resources, women are most likely to turn to a financial planner. Fifty-six percent of women say a financial planner who provides a

broad, comprehensive perspective and expertise is the resource they most trust to help them meet their financial goals. Another 21% of women say an advisor focusing on investments can best deliver this advice, whereas just 7% trust online tools and apps specifically designed for this purpose.

Women Are Most Likely to Trust a Financial Planner to Provide Advice on Financial Priorities

(Percentage Distribution of Resources to Provide Advice on Financial Priorities)



Women greatly value the role of financial planning and, specifically, financial planners in achieving their goals. Creating a financial plan allows a person to identify their financial goals and develop a road map for the steps needed to achieve them. Three in 5 women agree that it is either “extremely” or “very” necessary to work with a professional financial planner to develop a comprehensive financial plan, with 24% saying it is extremely necessary and 37%

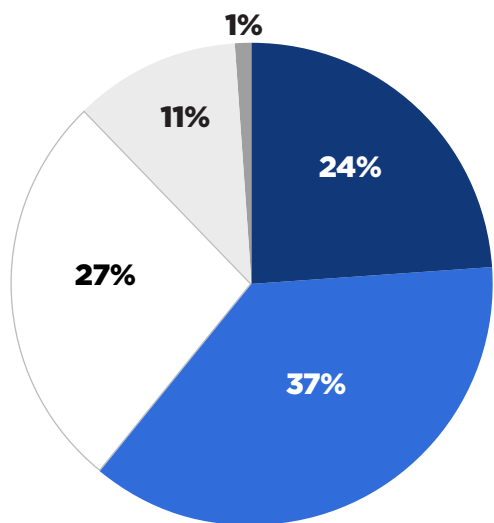
saying it is very necessary. Another 27% of women say that working with a financial planner is “somewhat” essential when developing a financial plan.

Driving this need is the trust women place with financial planners. Fifty-seven percent of women say they “completely” or “very much” trust professional financial planners, with 15% completely trusting them and 42% very much trusting them. Another 36% of women “somewhat” trust financial planners.

Women Trust Financial Planners and Say They Are Needed to Develop a Comprehensive Financial Plan

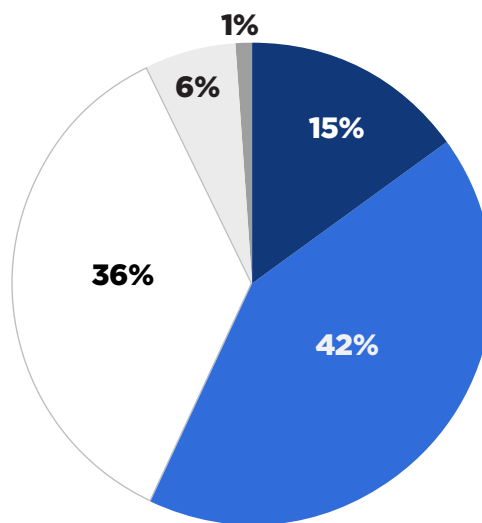
(Percentage Distribution)

Necessity to Working With Financial Planner to Develop a Comprehensive Financial Plan



- Extremely necessary**
- Very necessary**
- Somewhat necessary**
- Not very necessary**
- Not at all necessary**

Women’s Trust in Financial Planners



- Complete trust**
- Trust them very much**
- Somewhat trust them**
- Do not trust them very much**
- Do not trust them at all**

While only 1 in 10 surveyed women indicate a female advisor can best meet their unique needs, a majority of women say they have (or would) seek out a financial planner who shares their life experiences (58%) and demographic background (54%). Younger and multicultural women are directionally more likely to prefer a female advisor. Most women (80%), however, say they are agnostic about the gender of their advisors.

Women gravitate to a financial planner’s more tangible traits. Virtually all surveyed women indicate that it is essential that their financial planner:

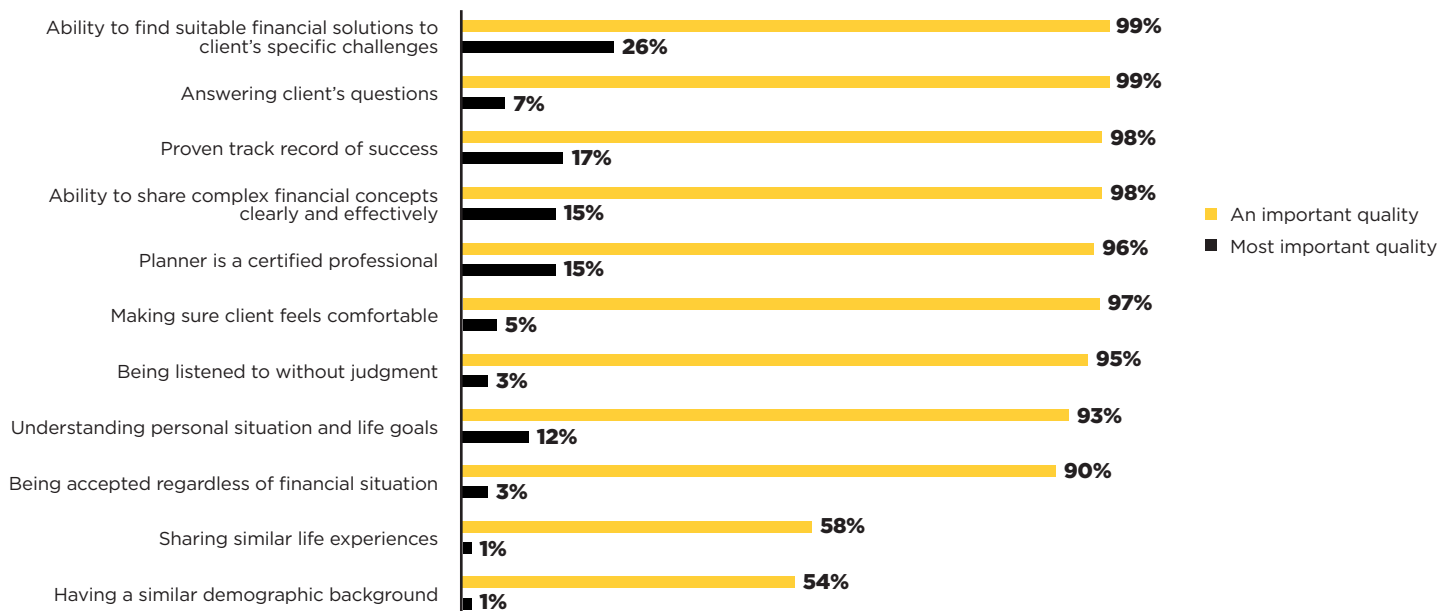
- Has the ability to find suitable solutions to their challenges (99% saying it is important, with 26% indicating that it is the most important trait)
- Answers their questions (99%)
- Has a proven track record of success (98%)
- Can share complex financial concepts clearly and effectively (98%)
- Is a certified professional (96%).

In addition, empathy is a significant theme for other traits sought after by female survey respondents. These qualities include:

- Makes the client feel comfortable (97%)
- Listens without judgment (95%)
- Understands personal situation and life goals (93%)
- Accepts the client regardless of their financial situation (90%).

Women Place Great Importance on Financial Planners Who Offer Solutions, Have a Track Record of Success, Communicate Clearly, Hold Certifications and Demonstrate Empathy

(Percent of Women Consumers Rating Quality as Important for Their Planner)



WOMEN ARE INCREASINGLY TAKING CONTROL OF THEIR FINANCIAL WELL-BEING.

Today, women are more likely to lead or share with their spouse/partner in household financial decision-making. As wealth continues to shift toward women, it is critical for the financial planning field to support the aspirations and challenges of their clients. Specifically, financial planning professionals should tailor their approach to address the needs and concerns of women.

Women share some of the same personal finance goals as men, such as focusing on a comfortable retirement. But beyond that, CFP® professionals find their female clients are more likely than their male clients to prioritize:

- Planning for caregiving expenses for a loved one
- Personal long-term care needs
- Emergency funds
- Philanthropic giving
- Health care costs

Women are growing more confident about finances but continue to seek resources for greater support. Data presented in this report show that women are confident in managing everyday financial tasks but are likely to seek support and ask questions about investing, building wealth and estate planning. The resource they are most likely to trust is a financial planner.

A majority of women place a high level of importance on financial planners who share a similar life experience and demographic background as themselves. Moreover, they seek financial planners who empathize with their situation by listening without judgment to understand their situation better.

The data presented in this report signal growing demand among women for a trusted financial planner who acts in their best interests, such as a CFP® professional. In January 2025, 23.8% of CFP® professionals are female. Whereas the number of women CFP® professionals has risen by half over the past decade, it will need to grow further to serve tomorrow's clients. Our following report, coming in the fall of 2025, will explore progress in attracting and retaining more women to serve as financial planners.



ABOUT THE REPORT

CFP BOARD

To gain a greater understanding of how women engage in financial planning, CFP Board contracted Heart+Mind Strategies (H+MS) to conduct a thorough review of existing publicly available research to provide a base of understanding. To supplement preexisting work, H+MS conducted two surveys. One survey conducted October 29–November 18, 2024, was of 296 CFP® female professionals who work directly with clients and/or spend most of their time providing financial planning services.

The second survey, conducted November 8–25, 2024, was of 301 women. The consumer data comes from two primary audiences:

Mass Affluent (N=234):

- Ages 26-65
- Household income \$75,000+
- Investable assets \$100,000+
- Shared/primary financial decision-maker
- Some post-secondary education
- Currently employed/retired

Non Mass Affluent (N=67):

- Ages 24-75
- Household income \$60,000+ OR investable assets \$50,000+
- Shared/primary financial decision-maker
- High school degree or equivalent
- Enrolled in post-secondary education, job seeker, employed or retired

Data from both the CFP® professional survey and the survey of women are subject to a sampling error of +/- 3.1% at the 95% confidence interval.



ABOUT THE REPORT

CFP BOARD

CFP Board is the professional body for personal financial planners in the U.S. CFP Board consists of two affiliated organizations focused on advancing the financial planning profession for the public's benefit. **CFP Board of Standards** sets and upholds standards for financial planning and administers the prestigious CERTIFIED FINANCIAL PLANNER® certification — widely recognized by the public, advisors and firms

as *the standard* for financial planners — so that the public has access to the benefits of competent and ethical financial planning. CFP® certification is held by more than 100,000 people in the U.S. **CFP Board Center for Financial Planning** addresses diversity and workforce development challenges and conducts and publishes research that adds to the financial planning profession's body of knowledge.



