



# Women and Wealth

**Insights study**

# Welcome

Women have more money, power and influence than any other time in history. As we turned the page and entered a new decade, we were eager to understand attitudes and preferences around women and their finances, particularly how women are unique.

We asked 3,000 women and men of all ages about their hopes and fears regarding money, how they engage with financial education and how confident they are about managing their personal finances.



While we know that women have more money and power than ever before, the survey results tell us they aren't getting the most out of it. One of the most surprising results is what we're calling the "engagement gap." Simply put, women don't engage with their money as much as men do.

My vision is that "women and money" will become a topic that future generations of women will look back on and wonder why we ever needed to talk about it. My hope is to spark a conversation that drives change, equity, inclusion — to promote financial literacy and give a voice to taboo topics of money — and to elevate all voices in this important dialogue.

**Gunjan Kedia**, *Vice Chairman*

U.S. Bank Wealth Management and Investment Services

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# Unpacking financial empowerment

Depending on what you read, you may be just as likely to see a headline about female empowerment as you are to see ongoing coverage of the gender pay gap or the scarcity of female CEOs in the Fortune 500. Macro issues like these take on personal meaning for women when they're negotiating a raise or planning their financial future. So how are women with wealth *actually* feeling about money? What role does generation play? Is financial empowerment becoming the norm?

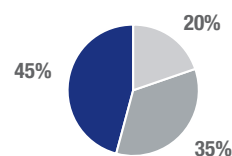
To get their finger on the pulse of these issues and more, U.S. Bank Wealth Management conducted a survey with the following goals:

- 1 Uncover wealth-related emotions, aspirations and concerns of women across generations.
- 2 Identify differences in how men and women engage with their finances.
- 3 Understand attitudes and preferences about professional financial advice in order to find opportunities for the industry to better serve women.

The survey included 3,000 men and women who play a role in managing their household finances — sole, primary or joint — and have a minimum of \$25K in investible assets.

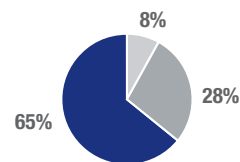
\*Sum of percentages is 101% due to rounding

## Survey respondent demographics



## Age

20%	Under 35
35%	35-54
45%	55+



## Investible assets\*

28%	\$25K-\$99,999
65%	\$100K-\$1MM
8%	\$1MM+



# The road to empowerment

Women have always worked, but the profile of the working woman has changed dramatically. Today's workforce includes women who are more educated and who are the mothers of school-age children. These female workers are often older because they've delayed entering the workforce until they've earned college degrees.

Women still dominate in fields like K–12 education, nursing, and the retail and service sectors. And many women disproportionately work low-paying roles such as housecleaning and childcare that support others. Yet since the 1970s, the number of women in higher-paying science, technology, engineering and math (STEM) jobs — especially in fields like psychology, math and life sciences<sup>2,3</sup> — has increased.

This evolution in the workplace has occurred alongside changes in society and family structure. Expectations around marriage in particular have evolved over the past few generations, with the median age of marriage for women rising from 20.8 in 1970 to 28 in 2019.<sup>4</sup> Before 1975, married women couldn't get their own credit cards without permission<sup>5</sup> — and few women left their parents' household until it was time to marry. Today, younger generations of women are independently managing their personal finances without the influence or support of a spouse. Even after marriage, millennial women are more likely to continue to keep finances separate from their spouse or partner. This is partially driven by the likelihood of cohabitation before marriage. When they do marry, couples are often hesitant to change their financial routines.<sup>6</sup> Meanwhile, 50% of U.S. adults are single,<sup>7</sup> meaning millions of women are running their own households. This financial independence does carry challenges given the gender pay gap. While it has improved from 60% in the 1950s,<sup>8</sup> women still earn only about 85% of what men earn today.<sup>9</sup>

## COVID-19 job loss by gender

This year, women became at risk of losing hard-won ground due to the COVID-19 pandemic. In April 2020 alone, over half of jobs lost in the U.S. belonged to women, and women's unemployment rate jumped from 3.1% in February to 15% in April, compared with 13% unemployment among men.<sup>1</sup>



Education and work are the other major factors at play. Women are earning bachelor's degrees at a faster rate than men — though an unfortunate consequence is that women hold nearly two-thirds of the student debt in the U.S.<sup>10</sup> This puts substantial pressure on women to secure employment post-college. 76% of women ages 25–54 were in the workforce as of August 2019, which is the highest level of participation the U.S. has seen since 2002.<sup>11</sup>

Now, just because a woman is employed doesn't guarantee her ability to climb the ladder at work or build and sustain wealth. Women hold 37% of first-/mid-level manager positions at S&P 500 companies. Yet it's important to note they hold just 27% of executive/senior-level positions and 21% of board seats. And fewer than 6% of CEOs at these companies are women.<sup>12</sup>

But having income flowing is the first step.

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Here are a few data points showing how women are taking their careers and finances into their own hands:

**44%** of women with a private net worth of \$100,000+ are **self-made**.<sup>13</sup>

The number of women-owned businesses has **grown 58%** since 2007.<sup>14</sup>



**Over one-third** of women say they've asked for a raise, and 74% say they received what they asked for.<sup>15</sup>



Theoretically, each of the aforementioned shifts enables women to feel in control of their personal lives, careers and finances – particularly if they’re able to save and invest money. Yet a significant gap exists: Women don’t engage with their money as much as men and are less confident managing their money than men. They also start managing their money later. We know that *when* people start engaging is key: Our survey data showed that both women and men who engage early with their finances are more confident with them long term.

Why does this gap exist? One key reason is that girls historically haven’t been exposed to financial literacy. Older women are much less likely to cite financial literacy programs at work and school or through immediate/extended family as how they learned about finances than younger women. Instead, they cite their ongoing curiosity and learning (37%) and conversations with a financial advisor or specialist (46%) at higher rates. This shows that women have had to rely more on their own initiative to become financially savvy. The fact that 21 states now mandate a financial education class in high school<sup>16</sup> may have had an impact on younger women; however, our study showed only 3% of women under 35 cited school as being most influential to their knowledge of finances.

Along with the lack of financial education, this engagement gap has roots in the family structure and cultural norms. As mentioned previously, many women are now controlling their own finances and living independently. But it takes years — perhaps even generations — to overcome the fact that women were traditionally less in control of the money in their households and, because they earned less than men, often didn’t have money to invest. All of this has led to women feeling more stress and anxiety about financial planning than men.

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Our survey data showed that both women and men who engage early with their finances are more confident with them long term.



Based on U.S. Bank’s research, more women than men associate negative feelings such as stress and anxiety with financial planning. A high percentage of women say they don’t enjoy spending time with their finances.



**Top-ranked emotions associated with financial planning by gender**

	<b>Women</b>	<b>Men</b>
1	Self-Confidence	Self-Confidence
2	Stress	Excitement
3	Anxiety	Happiness

When we look at women across generations, different emotions pop up when it comes to engaging with their finances. Pride ranks higher for younger women, while stress and anxiety are felt more strongly by older women. Interestingly, the top three emotions for men did not vary by age. The top choices were consistent across millennial, Gen X and boomer men. Millennial women are twice as likely (35%) as older women (15%) to say they enjoy spending time with their finances, but the majority of women still do not enjoy the experience. Reasons so many women don’t associate financial planning with joy may include their focus on security and worries about having enough for retirement — stats both explored later in this report. The lack of financial education early in life may also play a role for older women.

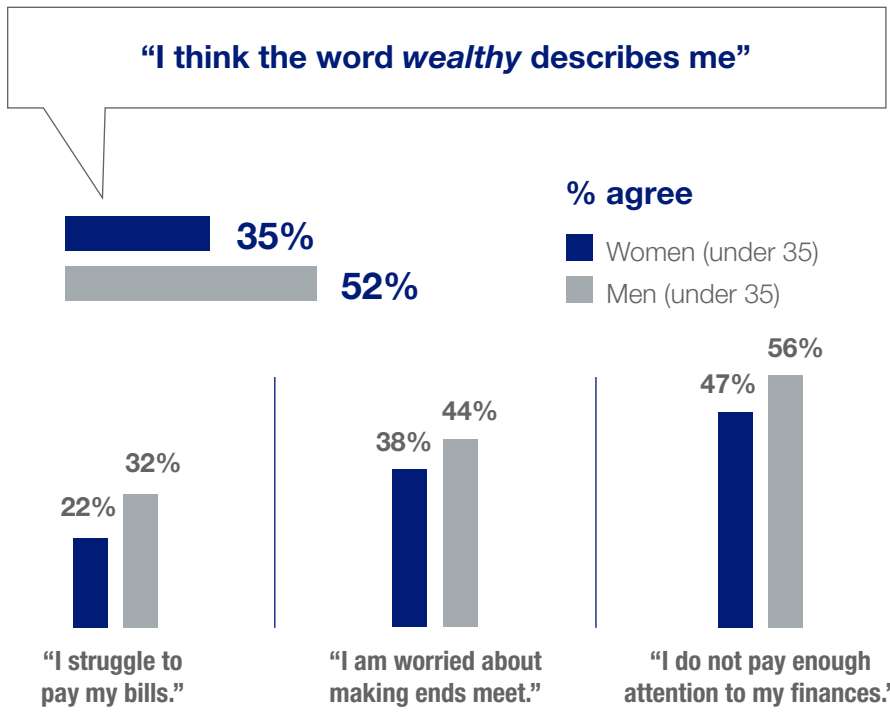
**Generations defined<sup>17</sup>**

- Generation Z:  
Born 1997–2012
- Millennials:  
Born 1981–1996
- Generation X:  
Born 1965–1980
- Boomers:  
Born 1946–1964
- Silent Generation:  
Born 1928–1945

**Top-ranked emotions associated with financial planning by age**

	<b>Women under 35</b>	<b>Women 55+</b>
1	Self-Confidence	Self-Confidence
2	Pride	Anxiety
3	Stress	Stress

Meanwhile, associating self-confidence with financial planning doesn't necessarily equate with feeling like day-to-day finances are under control. For millennials in particular, there is a gender difference. While millennial women aren't as likely as millennial men to describe themselves as "wealthy," they report fewer concerns about their everyday finances than their male peers. This is positive news despite the fact that millennial women have more debt — primarily due to student loans — than millennial men.





# From empowerment to engagement

Social norms around how we talk about and engage with money are shifting, making it less taboo to bring up money and investing with peers. It also means financial content is easier than ever to find in the media, particularly in digital channels that are built with specific audiences in mind.

## The digital divide

Men and women alike are turning to online tools to make managing their finances easier, and the biggest differences can be found among generational lines. Millennial men engage similarly to millennial women, and boomer men engage similarly to boomer women. That said, when we look across age groups, men are still engaging with personal finances at a higher rate than women.

## How men and women engage with money

	Women	Men
I talk about money with friends	52%	61%
I use apps to track my finances	36%	48%
I listen to money-related podcasts	19%	30%
I watch money-related TV shows	28%	46%

Among women, millennials are leading the charge when it comes to engaging with their money in new ways. They are more likely than boomer women to learn about finances through podcasts, mobile apps, and talking with friends and family.

## How women engage with money

	Under 35	35–54	55 and older
I talk about money with friends	68%	55%	42%
I use apps to track my finances	64%	45%	21%
I listen to money-related podcasts	41%	29%	22%
I watch money-related TV shows	31%	23%	11%

These results imply millennial women are either more comfortable with the changing norms or simply more aware of the financial content and tools that exist. While 64% of women under 35 use personal finance or budgeting apps, only 30% of women over 35 do so. Data suggests that digital engagement is a key point of distinction in the level of confidence respondents have in their ability to manage finances.



## Female-focused financial content

- [Refinery29's Money Diaries](#)
- [Wall Street Journal's Secrets of Wealthy Women podcast](#)
- [Ladies Get Paid](#)
- [The Fiscal Femme's Savvy Investor course](#)
- [So Money with Farnoosh Torabi podcast](#)

# Putting wealth to work

The majority of men and women are motivated to create wealth because of the financial security it provides. However, it's significantly more important to women, as 72% of women say financial security is a "main motivator" versus 59% of men. Along with this need for financial security, women are more concerned about having enough money for retirement, with 43% stating this as their top concern versus 33% of men.

Several more differences between women's and men's motivations for building wealth also illustrate that men put less of a priority on financial security than women:

- Women are less likely than men to be concerned about leaving a legacy.
- Women don't worry as much as men do about building social status through wealth.
- Relative to men, women are less concerned about building wealth in order to buy the things they really want.
- Women don't cite early retirement as a key motivator for building wealth as often as men.

**Financial security**  
is a "main motivator"

**72%**  
Women

**59%**  
Men



## What does wealth mean to you?

We asked women and men to put wealth into their own words. Here's what they said:

“Wealth means having the resources to adequately provide for the needs and wants of my family. It means being able to do what I want when I want without financial constraints.”

– Gen X woman

“Wealth means being able to get what I want without worrying if I can afford it, like buying a new car and not being able to tell from my brokerage statement when I bought the car.”

– Boomer man

“Wealth means having something to pass on to the next generation.”

– Gen X man

“Wealth to me is something that adds stability to life. . . . It gives [you] comfort when raising a family and offers peace of mind going forward.”

– Millennial woman

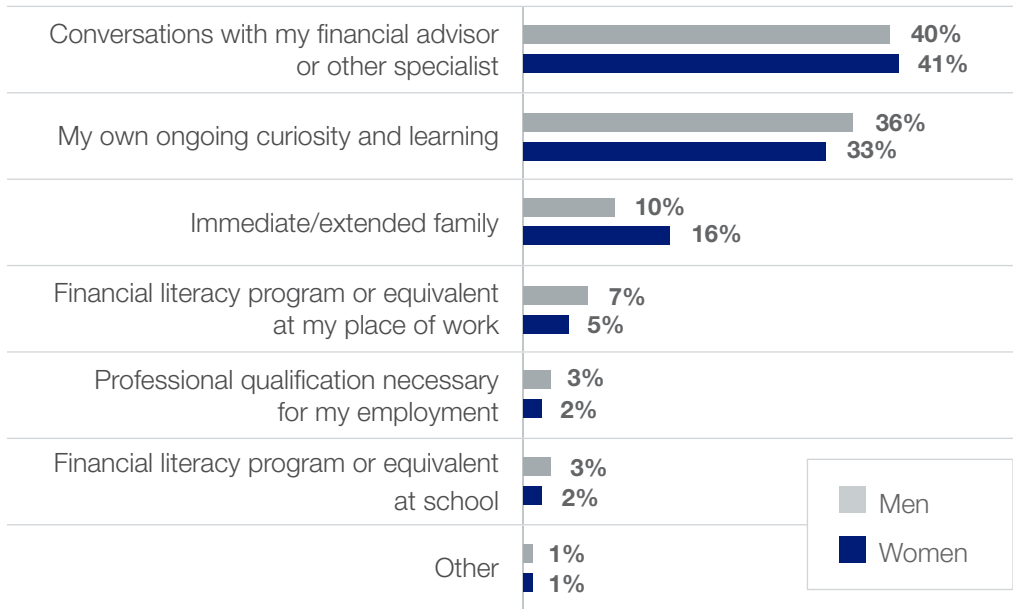
“The ability to live comfortably, to retire on time, and to give to my children and family. To travel. [It doesn't mean being] flashy or ostentatious.”

– Boomer woman



As women work to build and maintain their wealth, many are tapping financial advisors for support. In fact, use of financial advisors is nearly the same between women (70%) and men (72%) in the demographic surveyed. Like men, women are most likely to credit their advisor for their financial education. However, women are less likely than men to credit their ongoing curiosity or financial literacy programs through school or their employer as having an impact on their financial education.

### Top influences on financial education by gender



**About a third** of women have been working with their current financial advisor for over 10 years versus a quarter of men who can say the same.

But what about the 30% of women (and 28% of men) who aren't working with financial advisors? The most common reasons are:

	Women	Men
1 I can do it myself	33%	42%
2 Fees	21%	16%
3 Haven't gotten around to it	15%	6%
4 Don't see the value in having an advisor	8%	13%

Notably, fewer women than men feel they can manage their money on their own, and women are more likely than men to say they "haven't gotten around to it." Both support the idea that women aren't engaging with their money at the same rate as men. Women who "haven't gotten around to it" tend to be younger and/or have less than \$1MM of investible assets. Taking the step toward working with an advisor can start with a wide range of triggers such as hearing about a friend or family member's positive experience, getting a new job or going through a big life transition. Interestingly, women who do begin working with an advisor are more likely than men to maintain that relationship for the long run.

# What's next?

The fact that women have made strides in terms of owning their financial future – and feeling confident along the way – is certainly reason to feel optimistic. Millennial women are set to be the most educated group in history and, despite the persistent gender pay gap and significant student loan debt, many have money to invest. So what can the financial industry do to support women and help reduce the engagement gap? And what can women do themselves to become more confident and involved? Here are just a few thought starters:

## Financial industry leaders

- Acknowledge the anxiety and stress that comes along with financial planning.
- Foster authentic conversations with women by speaking to a full range of emotions and experiences.
- Make content about financial planning accessible and understandable to a wide audience.

## Individual women

- Help each other by opening up about financial goals and struggles.
- Seek out apps and other digital tools that help with financial knowledge and planning.
- Listen to podcasts or watch shows about money.
- Share helpful resources.
- Make an appointment with a financial advisor.

### Only when the dialogue around wealth gets real

will financial empowerment become a lasting norm, not just a headline. And when it becomes a lasting norm, we'll have finally moved beyond the engagement gap that has existed for generations.



“ Women today have unprecedented power to use money to influence our society, and by taking a few simple steps to engage more and earlier with money, we can get there.”

– **Gunjan Kedia**  
*Vice Chairman*  
U.S. Bank Wealth  
Management and  
Investment Services

# Key findings

- **Roles continue to evolve.** Women are marrying later, running their own finances and becoming more educated than ever. Yet while wealth and business ownership are growing among women, their participation in high-level leadership positions still lags significantly behind men.
- **Women have mixed feelings about finances.** Women associate self-confidence with financial planning more than other emotions, yet they express stress and anxiety with the topic as well.
- **Generation matters.** Younger women are more likely than older women to use digital financial tools including apps and podcasts, and they're also more comfortable talking about finances with friends and family.
- **Motivation toward wealth varies by gender.** While millennial women are less likely than their male counterparts to describe themselves as “wealthy,” they report fewer concerns about their everyday finances. Women are more driven by “financial security” than men and focus more on retirement.
- **Financial advisors play a big role.** Nearly three-quarters of men and women in the demographic surveyed use financial advisors for support.

U.S. Bank Wealth Management aspires to be an advocate of women and their finances throughout their lives. We believe in supporting women throughout their journey with financial education and literacy, partnerships, and planning.

Interested in learning more? Visit [usbank.com/women-wealth](https://usbank.com/women-wealth) for additional insights.

## Methodology

The survey was fielded in the U.S. from October 24 to November 13, 2019, by Scorpio Partnership, an Aon company, on behalf of U.S. Bank.

The survey included 3,000 respondents.

- 1,514 women and 1,486 men responded to the survey.
- All participants were sole, primary or joint financial decision makers in their household.
- 1,000 participants had investible assets of \$25K–\$100K.
- 2,000 participants had investible assets greater than \$100K.



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