

WOMENINVEST

# Women, Money and Choices

**AMERICAN PRIVATE WEALTH**

 **LPL Financial**

Member FINRA/SIPC

# Decisions, Decisions

- Life = choices
- As wealth increases, choices expand
- Strong decision-making ability is key

This presentation was created for educational and informational purposes only and is not intended as ERISA, tax, legal or investment advice. The presenter is providing educational services only and is not able to provide participants with investment advice specific to their particular needs. If you are seeking investment advice specific to your needs, such advice services must be obtained on your own separate from this educational presentation.



# The Power of Expectations

- Expectations determine satisfaction
- Expectations influence actions
- Expectations change with insight

“Women hold up half the sky.”

–*Chinese proverb*

WOMEN



# Money Alone Is Not the Answer

- Security and freedom are more important than status and respect
- The number of wealthy women is growing faster than the number of wealthy men
- 45% of American millionaires are women

Do women **manage money**  
and **make decisions** differently  
than men?



# Communication

- No one can read your mind
- You need to know what's important to you in order to let people know what you need



# Communication Preferences

1. Prepare for a meeting
2. Be in a meeting
3. Receive information and recommendations
4. Make decisions





# What's Your Communication Style?

1. Please circle the communication preferences you would like your spouse to be aware of and remember. Only circle the ones that strongly apply to you.

<b>Encourage my input</b>	<b>Slow down the pace of communication</b>	<b>Remember my need to analyze</b>
<b>Remember my need for control</b>	<b>Use graphics and verbal communications</b>	<b>Soften the tone of communication</b>
<b>Allow me time to process my response</b>	<b>Be an active listener</b>	<b>Look for ways to minimize the risks</b>
<b>Use logic, summaries and key points</b>	<b>Give direct answers; get to the point</b>	<b>Expect me to ask you to provide facts</b>

2. Think about how you would explain what you mean with each selection. What is difficult, what could be better, and what changes you would like to see.

3. Complete a simple statement of request

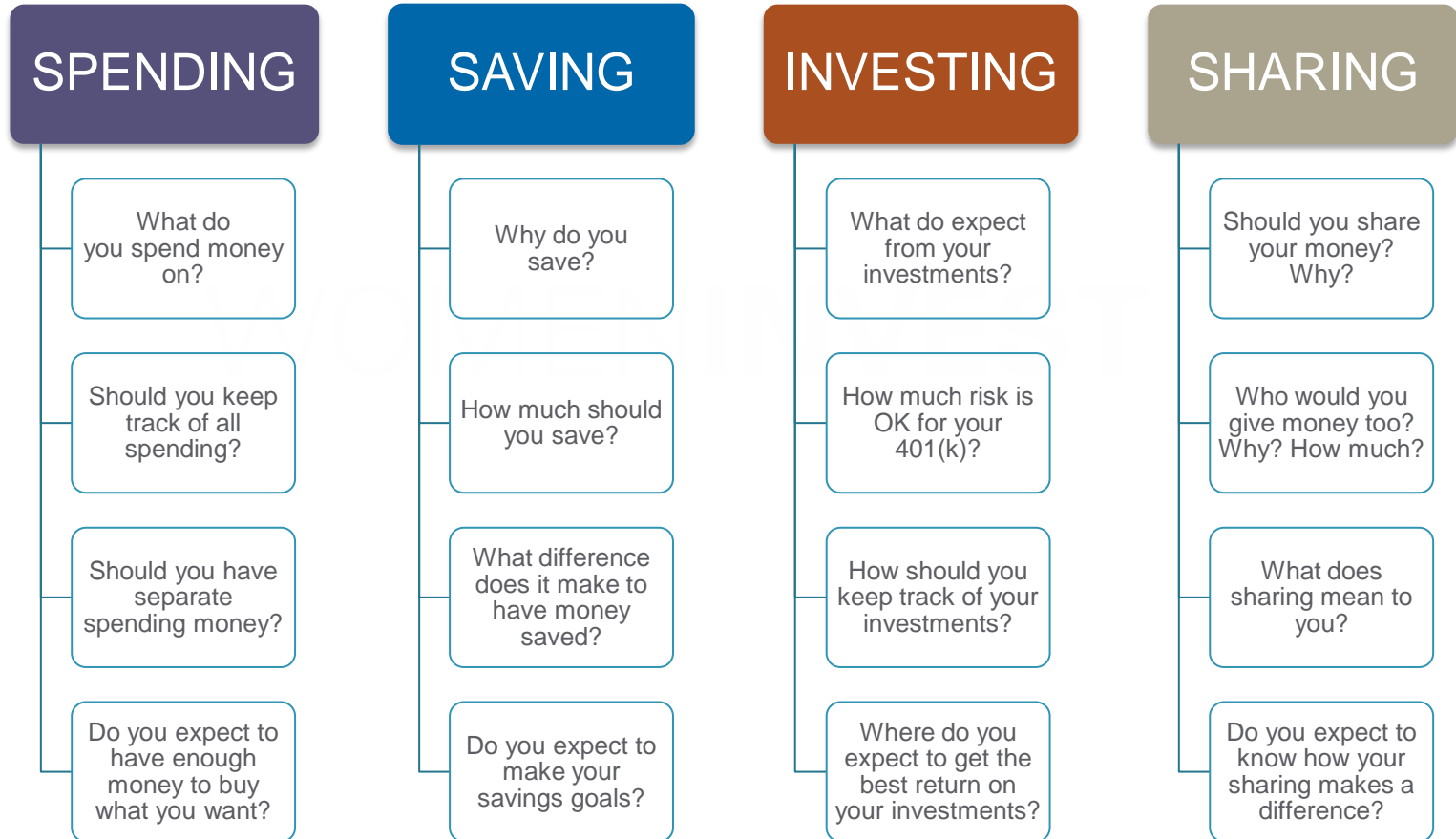
“When we talk about our finances please remember my tendency to \_\_\_\_\_, and my need for \_\_\_\_\_.”

“Choice by choice, we spin  
life’s straw into gold.”

–Christina Baldwin, Author



# Four Money Choices: Step 1



# Four Money Choices: Step 2

## Expectations

### SPENDING

>> Do you expect to have enough money to buy what you want?

### SAVING

>> Do you expect to make your savings goals?

### INVESTING

>> Where do you expect to get the best return on your investments?

### SHARING

>> Do you expect to know how your sharing makes a difference?

# Four Money Choices: Step 3

FOUR MONEY CHOICES	HOW MUCH	WHY	HOW
<b>SPEND</b>			
<b>SAVE</b>			
<b>INVEST</b>			
<b>SHARE</b>			

# Four Money Choices: Step 4

## Action

What's working well?

---

---

---

---

---

---

---

What do I need to:

Do? \_\_\_\_\_

---

Learn? \_\_\_\_\_

---

Fix? \_\_\_\_\_

---

Refine? \_\_\_\_\_

---

Automate? \_\_\_\_\_

---

# Do You Invest Like a Girl?

- Men **trade more** than women.
- **Women** get **higher returns**.

WOMENINVEST

# Girl Characteristics

- Thinking long term
- Slower to buy and sell
- Willing to spend more time and effort researching
- More steady during down markets
- Optimistic while more risk-adverse



# Personal Investment Style

- Confident, optimistic and proactive
- Thorough researcher like to get all the facts and weigh your options
- Share the power and responsibility with your partner
- Confused, worried and avoids decisions
- Likes being taken care of, not bothering with finances

*Source: Harris Interactive*

All good but...

WOMEN



# Investment Policy

- Written plan
- Blueprint for your investment portfolio/401(k)
- Helps guide decision making
- Serves as a check list or measuring stick
- Promotes discipline especially when market are turbulent

# Investment Policy

## Part One: Objective

- What is the purpose of this money?
- What are my timelines?
- What kind of returns do I expect?
- How will my tax bracket impact what I make on this portfolio?
- What inflation rate assumption will I use for my long term projections?

# Investment Policy

## Part Two: Investment Philosophy

- Do I fit into one of the classic investment styles?

**Value • Fundamental • Growth • Technical  
Socially-Responsible • Contrarian**

- How do I feel about risk? The possibility of losing money in exchange for the potential to make money on my money?
- How do I feel about diversifying my investments?

# Investment Policy

## Part Three: **Keeping Track**

- How will I monitor my investments?
- How often will I meet with my financial advisors and what will we discuss?
- How will I judge success of this portfolio?



# Investment Policy Tips

## Helpful Tips:

- You can have more than one Investment Policy
- Start with a draft and try it out
- Work with your financial advisor
- If you are new to investing, learn the lingo and concepts one section at a time

This presentation was created for educational and informational purposes only and is not intended as ERISA, tax, legal or investment advice. The presenter is providing educational services only and is not able to provide participants with investment advice specific to their particular needs. If you are seeking investment advice specific to your needs, such advice services must be obtained on your own separate from this educational presentation.

RP-07786-1211