

CONVERSATION

Whether advising or being advised, how are females faring when it comes to finance?

DO WOMEN get fair representation when it comes to personal finance? *The CA* magazine, in association with Investec Wealth & Investment, brought together a panel of advisers, tax experts and women in business to consider the issues around personal finance from a female perspective.

Chairing the discussion was Laura Lambie, Senior Investment Director with Investec Wealth & Investment. She started with a question: what, if anything, makes women different as clients? She noted that a recent survey suggested that, as investors, women focus more on their goals and needs than on the benchmarked performance of a given portfolio.

Lambie said: “You have to be able to listen, to understand and to provide the solutions for the client’s goals. That seems to be more important for women than for men.”

Shirley McIntosh CA, Tax Partner with RSM, agreed. She said: “From a planning perspective, women have a slightly different view on what it is they want to do. They are generally less ‘selfish’ and tend to be looking at a much wider picture than some of the guys.”

Research also suggests that female clients are also more likely to switch investment providers. Fiona Foster, a Senior Associate in the private client team at law firm Shepherd and Wedderburn, said that this finding was also borne out by her experience as an adviser. As she put it: “Women tend to be more cautious when it comes to their attitude to risk. From my experience, women are more inclined to think if things are not going well then they should make changes.”

Shirley McIntosh said that caution is also typical for female clients when it comes to tax planning.

Claire Middlebrook CA is an insolvency practitioner who started her own advisory business four years ago. She said that, in her experience, the majority of clients who get into financial difficulties because of a tax scheme that has been rejected by HMRC are men.

The financial sector has some important messages for women – for example, on the importance of saving



for retirement – but are those messages getting across?

Merryn Somerset Webb is Editor-in-Chief of *MoneyWeek*, the UK’s best-selling financial magazine. She said that increasing the gender diversity in *MoneyWeek*’s readership had been an uphill struggle. She noted: “You can’t force it.”

Professor Lynne Cadenhead, an entrepreneur and Visiting Professor

of Governance and Enterprise at Edinburgh Napier University, suggested that the financial services sector could improve its language and visuals when communicating with women. She is also Chair of Women’s Enterprise Scotland and noted: “Men like to be called ‘entrepreneurs’, for example, but women prefer to be called ‘business owners’.”

Merryn Somerset Webb agreed that historically the language of finance has





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 Wealth & Investment

THE PANEL

LAURA LAMBIE
 Investec Wealth & Investment
 [Chair]

CHARLOTTE BARBOUR CA
 ICAS

PROF LYNNE CADENHEAD
 Women's Enterprise Scotland

FIONA ELLIOTT
 Investec Wealth & Investment

DEBORAH FAIRFULL-SMITH
 Investec Wealth & Investment

ALISON MAILLARDET-O'NEILL
 Investec Wealth & Investment

FIONA FOSTER
 Shepherd and Wedderburn

ALISON LAWTON
 Chiene & Tait

SHIRLEY MCINTOSH CA
 RSM

CLAIRE MIDDLEBROOK, CA
 Middlebrooks

ROBERT OUTRAM
 Think

MERRYN SOMERSET WEBB
 MoneyWeek [Editor-in-Chief]



Main photo, back row: Alison Maillardet-O'Neill, Merryn Somerset Webb, Charlotte Barbour, Claire Middlebrook, Deborah Fairfull-Smith, Shirley McIntosh, Alison Lawton and Fiona Foster

Front row (seated): Prof Lynne Cadenhead, Laura Lambie, Fiona Elliott

Opposite page: "You can't force diversity," says Merryn Somerset Webb

Left: Claire Middlebrook's company has invested in technology to support flexible working

"From a planning perspective, women have a slightly different view on what it is they want to do. They are generally less 'selfish' ... than some of the guys"

Shirley McIntosh

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been sexist, often portraying the market in stereotypically feminine terms, such as “capricious” and “hysterical”.

She said, however: “We’ve tried to make the language simpler. But if you go too pink and feminine that doesn’t work either; it turns women off.”

Deborah Fairfull-Smith, Senior Regional Marketing Manager with Investec Wealth & Investment, said: “People in finance tend to communicate in a way that’s very formal and very jargon-heavy, and you have to work to break that down. We need to make sure we have communications that meet the

Above (from left):
 Charlotte Barbour,
 Lynne Cadenhead,
 Alison Lawton and
 Fiona Foster

needs of men and women, but I find the idea that if it’s for women it has to be pink and fluffy very condescending.”

Lynne Cadenhead agreed but stressed that getting the visual messages right could involve ensuring that women in business are portrayed in a confident way.

Another challenging issue in diversity is how to increase the number of women on company boards. Are quotas the way forward?

Fiona Foster said: “I don’t think it should be imposed. We need to lead from the top so that younger generations see

there is equality. Our firm as a whole is 40% male and 60% female.”

Alison Lawton, a Chartered Tax Adviser with Chiene & Tait said: “For any business don’t you want the best person, male or female?”

Laura Lambie agreed that was true in principle, but added that boards tend to recruit in their own image and that tends to act against diversity, gender and otherwise.

“Transformational change is not going to happen quickly enough unless there is some positive intervention,” said Lynne Cadenhead. “So I am in favour of quotas. Women are not starting from the same level playing field as men when it comes to networking, contacts and so on. We don’t want to be appointed just to tick a box, but without intervention

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Deborah Fairfull-Smith

the changes are not going to happen quickly enough.”

Merryn Somerset Webb said that change is taking place and at a rapid rate in some areas, in the investment trusts arena, for example (she is a board member of several trusts). She added: “For some boards there is a majority of women – it has really changed in seven or eight years. That is real transformation; and it’s been achieved without quotas, just with a bit of pressure on the corporate governance side.”

She also argued that aiming at a 50/50 male/female split on boards is not realistic without much bigger changes in the workplace and society. As she put it: “If you have two or three children it’s hard for two people to each pursue alpha careers and if one has to stop it’s usually the one who’s breastfeeding.”

“That should be OK. If you have 50/50 quotas, suddenly it’s not OK. You are telling women that they have to perform like an old-fashioned man. If you want change you have to transform the workplace, and that will take time.”

Lynne Cadenhead said: “I wouldn’t advocate 50/50 gender equality for that reason, because women always have and always will have multiple roles in society. They are the principal carers, generally speaking. But we could do a lot better; of Scotland’s 40 listed trading companies, only around 4% of the executive directors were female

Right: Shirley McIntosh says female clients tend to be more cautious than men when it comes to tax planning

Below left: Alison Maillardet-O’Neill would like to see more personal finance education at an earlier age

Below right: Laura Lambie says boards often recruit in their own image, which can act against diversity

and even including non-executives the figure is only around 17%.”

Laura Lambie commented: “At Investec we’re big enough and we have the right culture to change, and be flexible about working hours and so on. We’re quite good at that. We invest a lot in people and we don’t want to lose them. But we’re a big company; how do you do that in a smaller company?”

Merryn Somerset Webb said that the eight-strong *MoneyWeek* team managed to work very flexibly. She said: “We have all been working together a long time and we have a very self-driven workplace. So I think it’s possible if you have the trust and the relationships within the team.”

Fiona Elliott, Associate Investment Director with Investec, said: “When you work part-time it’s tempting to continually check your emails even when you are not working, but where does that end? You have to trust your team.”

Claire Middlebrook said: “It’s hard. I started my business four years ago and I had seven people in one office. We all sat round the table and everybody knew what everyone else was doing. Now we’ve got 25 people in four offices.

“I have found it difficult to get away from the idea that you need to be in the office from 9am, but we have invested in technology to support flexible working and I would be delighted if I didn’t have an office this time next year!”



The panel were supportive of flexible working but acknowledged that, while it is increasingly practical for the service industries, it is not feasible for every sector.

Laura Lambie asked: what one thing would you change in personal finance?

Alison Maillardet-O’Neill, Associate Investment Director with Investec said: “I’d like to see personal finance education introduced at an earlier age, so people can learn not only about pensions and investments, but about how they can budget their household.”

Merryn Somerset Webb said: “There’s been a lot of research done on this topic and studies have found that people forget what they’ve been taught if it’s not immediately relevant to them.

“If there was one thing I could change it would be to bring in a compulsory element of ‘just in time’ education, for every personal finance product. So, for example, no credit card until you’ve watched a 25-minute video and answered the questions afterwards.

“What we should do in schools is ensure that young people receive a good mathematical education. They can learn about compound interest later.”

Addressing the issues around women and finance inevitably involves wider questions of diversity and equality in the workplace, and also personal finance issues that affect men as well as women. From the discussion it is clear that there is an appetite for change and that – while the pace of change may not be fast enough – it is already happening. **CA**

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Lynne Cadenhead

