



## Employers Target Women With Financial Education

As the entire retirement benefits industry increases its focus on how people will be able to live off their retirement savings, the issues that women face seem even more daunting.  
**By Jessica Marquez**

Every few months or so a new study is published that indicates how women need more help planning for retirement than men do.

The reasons include the fact that on average women are expected to live longer than men (to age 80 versus 74), they work an average of 12 years less than men over the span of their lifetimes, their earnings are 77 percent less than men's earnings on average, and rates of divorce have risen and are expected to further increase.

As a result of these and other factors, women's median income post-retirement is expected to be 58 percent of what it is for men, according to the Women's Institute for a Secure Retirement, based in Washington.

And even more concerning is the fact that many women seem to be aware of their predicament. A recent survey conducted by Financial Finesse, a Manhattan Beach, California-based financial education company, found that only 12 percent of women know that they are on target to replace at least 80 percent of their income in retirement.

Despite these facts, many employers are wary of targeting women with financial planning education, experts say. "They feel like if they do something separate for women, they will be subject to criticism for singling them out," says Anna Rappaport, a Chicago-based retirement planning consultant.

But that has started to change. As the entire retirement benefits industry increases its focus on how people, particularly the baby boomers who are now retiring, will be able to live off their savings, the issues that women face seem even more daunting, experts say.

As a result, many employers are asking their providers to craft retirement planning seminars targeting women, employers and plan providers say.

“Companies are just now talking about longevity risks—or the risks of people outliving their retirement—and it’s a great avenue to address women,” says Barbara Hogg, senior retirement consultant at Hewitt Associates. “We are seeing more companies saying they want to do financial education that weaves in women’s issues.”

Diversified Investment Advisors, a Purchase, New York-based 401(k) plan provider, has just started doing retirement seminars for women in the past couple of years. To date, the company has conducted sessions for 28 clients but also has started to include many of these issues in its mainstream seminars, says Scott Coopersmith, vice president of participant communications at Diversified Investment Advisors.

“Many employers may not want to advertise sessions as for female employees only because they don’t want to be seen as excluding male employees,” Coopersmith says. “But they do say these are issues that tend to be of interest to working women.”

Although many employers are hesitant to do women-only retirement planning seminars, many providers and educators are increasingly being contacted by women’s groups within companies to do sessions, experts say.

“We get pulled in by the women’s initiatives within a company to do presentations quite often,” says Cindy Hounsell, president of the Women’s Institute for a Secure Retirement.

Given the fact that 75 percent of Aetna’s workforce is female, the Hartford, Connecticut-based company often keeps women’s needs in mind when crafting financial education workshops and materials, says Carol Klusek, head of retirement and financial benefits.

But in May, Aetna went beyond that to target women by offering its Mothers at Work resources group a workshop on personal financial basics.

“These women are busy taking care of their kids—and between motherhood and their jobs, financial matters can take a back seat,” Klusek says. “We have heard from young mothers that they know they have to save more.”

Reaching out to working moms is also why Annette Grabow, manager of retirement benefits at M.A. Mortenson, is looking to offer financial education seminars targeting women. The Minneapolis-based construction company, which has 2,700 employees, has a number of single mothers in its workforce, and Grabow would like to reach out to them, she says.

“They really have a harder time and it appears to me that often they are scared of not being able to survive now and sort of stick their heads in the sand about the future,” Grabow says. She hopes to find a provider that can work within the company’s budget to offer seminars early sometime next year.

## **Wooing women**

Companies that want to target women need to understand how they process information is often different from how men do it, experts say.

“I have found women are visual learners,” Hounsell says. “They want concrete information of what to do, not the history of 401(k) plans.”

When crafting materials targeting women, Hewitt focuses on appealing to emotional themes, rather than just providing information, Hogg says.

Financial Finesse, which has seen a pickup in interest from employers wanting to target women with education, tries to emphasize big life themes that appeal to women, president Liz Davidson says.

“Women think bigger picture about finances, which means they want to send their kids to colleges, and they want to retire when they are ready,” she says. As a result, Financial Finesse often uses children in its marketing materials targeting women and tries to keep it light, Davidson says.

“We make it about changing their lives,” she says.

Financial Finesse has also found that women tend to call in more than men and prefer one-on-one assistance rather than online tools. Twice as many women call Financial Finesse for assistance than men do, Davidson says.

“If your workforce has a lot of women, don’t discount in-person education,” she says. “You might think you are saving money by just doing things online, but you may not be getting to where you need to be.”

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