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**Women Increasingly Becoming Smarter Investors**  
*Professional Financial Advisors at Provident Bank Provide Counsel*

According to the Consumer Federation of America, more than half of all Americans believe that since the terrorist attacks on Sept. 11<sup>th</sup>, it is more important to have a financial plan. Both men and women are becoming increasingly aware of the investment challenges they face — especially with the volatility of the economy — and are taking the initiative to learn about their options and play a larger role in their own financial future. Many of the issues they are confronted with are similar, but women have historical and statistical hurdles to overcome.

“Every investor needs to be well informed and make good decisions, but women are still in a catch-up position,” said Steve Cosgrove, Senior Vice President of Provident Bank’s Asset Management and Trust Department. “Women still earn 3/4 of what men do. The average man saves only 3 percent of his income, and the average woman saves even less.”

In a recent survey by the National Center for Women and Retirement Research, women were found to be more anxious about investing than men. But they say they would be more interested in investing if they knew more about it.

More and more often, women are seeking advice from the professionals and proving they can be successful. “It’s really important to go to the experts,” added Gabrielle Coren, whose company Premier Corporate Health markets for healthcare providers. “You’ll always find someone who is prepared to give you advice and teach you. It’s a gradual process and doesn’t happen overnight. I’ve been going to Steve Cosgrove at Provident Bank for investment advice for a long time.”

Cosgrove warned, “Unless women are proactive about investing, they could be headed down a very rocky financial road.” In his role at Provident Bank, Cosgrove has the opportunity to help many women, especially women business owners, gain important knowledge and shape their own financial future. “Women have very different investment needs and outlooks than men,” he added.

In addition to income levels and percentage of savings, there are a number of other factors that shape the special financial needs and attitudes of women. More importantly, women take more time out of the workforce for family needs and they live longer than men.

Some of the statistics are staggering. According to the Women’s Institute for a Secure Retirement, the average woman spends 15 percent of her career out of the workforce

caring for children and parents or putting her husband's career first. For every year she stays home she has to work five extra years to recover that lost income, pension coverage and career promotion, according to the National Center for Women and Retirement Research.

“At some point in their lives, nine out of 10 women will be solely responsible for their finances,” said Cosgrove. “So they better jump in with both feet, learn the process of investing and take charge.”

Women have fewer and smaller income sources in later years. Planning and investing for the future is vital, yet according to the National Center for Women and Retirement Research nearly 70 percent of women say they have no idea how much they will need in retirement and 53 percent do not save.

“It's not really that complicated,” said Cosgrove. “I tell women to learn all they can from periodicals and the Internet, seek out research materials, join investment groups, and find the right financial advisor. A very safe and comfortable place to get advice is from the investment or trust area of your local community bank. At Provident Bank, we try to help our customers define their objectives, determine their risk parameters, and point them in the right direction armed with guidelines and suggestions for how to pursue their goals.”

The good news is that women who do invest achieve better results than men. “A study conducted by the National Center for Women and Retirement Research shows women have many advantages when it comes to their approach to investing,” said Cosgrove. “They are less impulsive and take fewer risks. They analyze and research their investment choices more carefully than men. They are better at setting goals and are more willing to admit what they don't know and will take the time to seek out the right information.”

So if the average retirement will last 15-20 years, what are the key steps women must take in order to build adequate resources for those years?

“Women need to put more emphasis on investing than saving,” Cosgrove told us. “Savers value safety more than growth of their money. Investors are willing to risk some safety for growth.”

Cosgrove works with his clients to determine what they need in order to maintain their standard of living, now and in retirement. Investment strategies and risk level will vary depending on the objectives. Next he helps them understand their level of risk tolerance and works with them to come up with an asset allocation model.

“A person's specific circumstance, personal goals and their risk tolerance dictate how we put together an investment portfolio that could range from conservative to aggressive,” said Cosgrove. According to the particular situation, a portfolio will be divided among the three basic investment groups — stocks or equities, bonds, and cash.

“It’s critical to know the money management philosophy and compensation structure of the provider you are using,” said Cosgrove. “The professional investment advisors at Provident are fairly conservative investors. That’s the advantage of coming to a community bank. You’ll get good, solid advice based upon your specific needs. Our customers come to understand that investing means making a commitment beyond the ups and downs of interest rates or the market.”

Provident Bank, headquartered in Montebello, N.Y., is a full-service community bank that provides a vast array of financial products and services to businesses, individuals and municipalities. The bank operates 18 branches located throughout Rockland and Orange Counties.

Women have been shown to be 25 percent more likely to turn to an investment professional for help. “As my investment needs change,” said Gabrielle Coren, “so does the advice I seek. There are no clear-cut rules for everyone, no easy way to make a lot of money. Just get as much information as you can and get the right advice.”

Some Web resources for general tips on investing:

[www.ivillage.com](http://www.ivillage.com) (Money link)

[www.morningstar.com](http://www.morningstar.com) (Personal Finance and Investing link)

[www.smartmoney.com](http://www.smartmoney.com) (SmartMoney University link)

(Statistical sources for this article: U.S. Dept. of Labor, U.S. Census Bureau, Women’s Institute for a Secure Retirement, National Center for Women and Retirement Research, Federal Interagency Forum on Aging-Related Statistics, National Association of Investors Corp.)