Why women's wealth will define the next decade of advice

Kristen Bell

The significant intergenerational wealth handover underway in Australia means trillions of dollars of inherited wealth will transfer to women. Retaining those clients will require advice firms to reconsider what valuable advice looks like to a generation of investors unlikely to automatically accept the status quo.

When talking about the intergenerational wealth transfer as it relates to women, it is useful to look beyond demographic assumptions and see female clients as they actually are.

They are professionals, business owners, family matriarchs, and key decision-makers. They are also a diverse group of individuals, often balancing ageing parents, children, careers and other major life transitions all at once.

Women are increasingly becoming a significant share of Australia's wealth holders and primary financial decision-makers. JBWere and CoreData estimate that Australian women are set to inherit around $3.2 trillion in the coming decades[1], and become custodians of more than 65 percent of the $4.9 trillion expected to pass between generations.

Importantly, women are not a niche segment. They do not share a single investment outlook, risk appetite or common set of financial goals. For advice firms, the answer is not to create a simplified or gendered version of advice. It is to understand the person sitting across the table, recognise the experience they bring and make sure they are treated as a central part of the conversation.

Female investors are not one 'type'

One of the norms the advice industry has not sufficiently understood, or challenged, is its narrow view of the female beneficiary of the wealth transfer.

The misconception that female-controlled wealth—which McKinsey found grew faster than overall global financial wealth[2] between 2018 and 2023—is based on an older ill-informed widow assuming control of investments previously managed by her husband, remains a stubborn mischaracterisation.

Wealth transfer can occur in numerous ways, such as family-business succession, gifts made during a parent's lifetime, or inheritances passing directly to children and grandchildren. The recipient may be an executive, professional, entrepreneur or experienced investor who has already accumulated substantial assets in her own right and may also be younger than advice firms expect. They may have delayed marriage, remained single, chosen not to have children or followed a financial path that bears little resemblance to that of their parents.

Advisers also need to recognise the experience clients bring. A woman who runs a business or manages a career should not be treated as inexperienced simply because she has recently become the primary wealth holder.

Risk-averse? The data says otherwise

Another of the industry's more persistent assumptions is that women are inherently conservative investors who need to be protected from risk. Again, the evidence suggests otherwise. Research

Women at the centre of the industry

Australian women are set to inherit around $3.2 trillion in the coming decades, according to JBWere and CoreData, and are expected to become custodians of more than 65 percent of the $4.9 trillion passing between generations. That shift is being driven by more than inheritance alone. Higher workforce participation, entrepreneurship, family-business succession, divorce and women taking greater control of household wealth are all changing who holds and directs capital. Kris Bell, President of Focus Partners Australia says the signal is clear: women are not an emerging niche. They are becoming a core part of the industry's future client base.

cited by JBWere[3] found women in the high-net-worth (HNW) category were almost exactly as likely as men to identify as aggressive investors, 21% of HNW women versus 20% of men, while 100% of HNW women said they had moderate or good knowledge of the relationship between investment risk and return.

The important takeaway for the advice industry is that we are not simply replacing an older male client with an older female version of the same client. Wealth is moving to a generation of women who are more professionally established, more financially engaged and more willing to question the institutions and advisers around them.

They will not necessarily retain the family adviser simply because their parents did—and are more likely to ask whether the relationship reflects their circumstances, values and ambitions. If it does not, they have the confidence, information and access to alternatives required to move.

Advice firms should be careful not to equate the transfer of assets with the transfer of client loyalty. Nor should they succumb to the commercial temptation to treat women's wealth as a new client segment and create a niche proposition around it. The opportunity is to build advice relationships that recognise women as informed, capable and central to financial decision-making and to provide advice sophisticated enough to reflect the full complexity of their lives.

Stereotypes ripe for challenging

The idea that women are inherently more conservative as investors remains surprisingly persistent. The data tells a more nuanced story.

Research cited by JBWere found high-net-worth women were almost as likely as men to identify as aggressive investors: 21 percent of HNW women compared with 20 percent of men. All of the HNW women surveyed also reported moderate or good knowledge of the relationship between investment risk and return.

The lesson for advisers is not that women invest like men. It is that assumptions about risk appetite based on gender are a poor substitute for understanding the individual client.

Advice is more than just investment decisions

Twenty years ago, an adviser might have stood out through investment expertise alone, but product-based functions are more accessible and increasingly commoditised in today's advice market. Clients can easily buy diversified exchange traded products (ETFs), access managed portfolios or research strategies themselves. Technical competence remains essential, but it is not the defining ingredient, and advisers should not forget that clients can increasingly validate investment information themselves through digital tools and AI.

Clients now pay for judgement, coordination and strategy. Clients need advisers who can assess decisions across investments, tax, superannuation, lending, estate planning, business succession, philanthropy and aged care—not just recommend products.

For female clients this interconnectedness is key as they may be supporting ageing parents, helping adult children, considering a business sale and planning their own retirement simultaneously. They may also be managing wealth for a broader family while defining their own individual goals around independence, retirement security or perhaps shaping a family legacy.

It is important to have an adviser who is a good listener, communicates clearly, challenges assumptions and can help navigate all the decisions a client faces with a single coherent strategy. In these circumstances, the true value of advice is knowing all aspects of a person's financial life are aligned.

The value of advice is shifting

Investment expertise still matters, but it is no longer the whole value proposition.

Clients can now access diversified ETFs, managed portfolios, research tools and increasingly sophisticated digital information without an adviser.

What is harder to replicate is judgement: helping a client weigh competing priorities across investments, tax, superannuation, lending, estate planning, business succession, philanthropy and aged care.

That is particularly relevant for women who may be managing several of these decisions at once.

The adviser's value increasingly lies in connecting those moving parts into one coherent strategy.

The real test for advice firms

The intergenerational wealth transfer is doubtless a significant opportunity for advice firms that recognise the nuances of their new, savvy client base and choose to build advice models around individuals rather than demographic stereotypes. Women will control more wealth, but they are not a homogeneous market. Treating them as one simply replaces one set of assumptions with another.

The quote

Advice firms should be careful not to equate the transfer of assets with the transfer of client loyalty.

Kristen Bell, Focus Partners Australia

Kristen is President of Focus Partners Australia, leading a multidisciplinary professional services firm spanning wealth management, accounting and credit advisory. She has extensive experience driving business integration, organisational transformation and leadership across the financial services sector. Prior to joining Focus Partners Australia, she held senior risk and compliance leadership roles at AUSIEX and CommSec.

The quote

Women will control more wealth, but they are not a homogeneous market—treating them as one simply replaces one set of assumptions with another.

The industry response will require diverse teams, but it is too simplistic to assume that female clients will naturally preference female advisers.

The firms that succeed will be those that recognise where wealth is moving, treat its new owners seriously and provide the sort of advice that genuinely supports women to navigate the complexity of their financial lives. **FS**

Notes

1. *The growth of women and wealth*, JBWere & CoreData research report, https://www.jbwere.com.au/campaigns/growth-of-women-and-wealth
2. *The new face of wealth: the rise of the female investor*, McKinsey & Company, 8 May 2025, https://www.mckinsey.com/industries/financial-services/our-insights/the-new-face-of-wealth-the-rise-of-the-female-investor
3. *The growth of women and wealth*, JBWere & CoreData research report, https://www.jbwere.com.au/campaigns/growth-of-women-and-wealth