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The Intersectionality of Race and Gender in Financial Planner Use

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Using the 2019 Survey of Consumer Finances, this study examined the role of race and gender regarding the use of financial planners through the lens of intersectionality. More specifically, this study investigated whether there was an association between race and gender, notably for Black women, and financial planner use compared to White women, Black men, and White men. Results of the interaction analyses in the probit model show that Black women were more likely to use financial planners than other groups. A follow-up analysis indicated that results were significant when comparing Black women to White men but there was no significant difference when comparing Black women to Black men and White women. This study adds to the literature by taking into consideration the implications of dual minority status on Black women's financial well-being and decision-making. Implications are provided for financial therapists and professionals, policymakers, and funders.

Keywords: financial help-seeking; financial planner use; race; gender; intersectionality

According to the life cycle hypothesis of saving (Ando & Modigliani, 1963), individuals are assumed to be rational and prefer to smooth marginal utility over a lifetime. Individuals are more likely to borrow to enhance human capital at an early age, accumulate wealth during middle age, and decumulate during their retirement years (Ando & Modigliani, 1963). Financial planners serve a valuable role by offering investment recommendations and financial strategies which help clients achieve their financial goals as they move through the life cycle (Cutler, 2001). Financial planners assist in managing consumption levels, expanding income sources, improving budgeting and savings skills, and managing expenses in ways that maximize marginal utility during clients' lifetimes (Grable & Joo, 1999).

Individuals who utilize financial planners have been shown to experience better financial outcomes than those without financial planners (Goetz et al., 2020; Lei & Yao, 2016;

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Park & Yao, 2016). Park and Yao posited that respondents who had financial planners were more likely to have consistent financial risk attitudes and behaviors and were less likely to make impulsive decisions during the short term. Financial planning has been associated with a higher likelihood of saving for retirement (Kim et al., 2018) and increased saving rates (Martin & Finke, 2014). Goetz et al. found that financial planners helped households preserve and increase the value of their net financial assets, even during the Great Recession. Similarly, Shan (2021) found that consumers who had financial planners were less likely to panic or make rash financial decisions, even in turbulent markets. These consumers were also more likely to maintain balanced portfolios and disciplined investment strategies over time.

The advantages of professional financial advice might be particularly beneficial for vulnerable populations, such as women and those from racial and ethnic groups who have been historically underrepresented in financial planning as both clients and advisors (Burton, 2018). When comparing Black consumers to White consumers, the literature often highlights the importance of financial guidance for these underrepresented groups, given differences in certain financial measures. Evidence shows that Black consumers, when compared to Whites, have lower financial literacy (Lusardi et al., 2010), a lower likelihood to hold moderate risk tolerance levels (Chatterjee et al., 2017), and lower participation in the stock market (Loving et al., 2012). Similarly, the literature also has shown that women have some financial characteristics that are less favorable when compared to men, such as lower financial knowledge (Lusardi et al., 2010), lower risk tolerance (Neelakantan, 2010), and financial insecurity in retirement (Kumar et al., 2018). Even though women have lower financial literacy when compared to men, they are more likely to set financial goals and create plans (Liu, 2021). This tendency may explain why women are more likely to seek financial help than men (Joo & Grable, 2001).

Evidence also points to racial differences in the likelihood to seek financial advice (Chang, 2005; Hanna, 2011, White & Heckman, 2016). All factors being equal, Black consumers are more likely to seek financial advice than White consumers (Chang, 2005; Elmerick et al., 2002; Hanna, 2011; White & Heckman, 2016), even though Whites tend to have higher average incomes and more accumulated wealth (White & Heckman, 2016). The history of financial exclusion that Black consumers have faced may make them more likely to seek financial advice. With multiple generations having limited access to wealth-building tools and resources, it could be argued that Black consumers stand a lot to gain in seeking professional financial help.

While Black consumers and women are more likely to hire a financial planner when making financial decisions than White consumers and men, it is not clear how the dual identities of race and gender, also known as intersectionality (Crenshaw, 1990), are associated with financial help-seeking behavior. This is important to consider, particularly given how the status of being a double minority, a woman and Black, can compound the effects of systematic bias and exclusion. It could be hypothesized that being doubly vulnerable impacts the likelihood to seek financial advice. Previous literature addressed the determinants of financial planner help-seeking behavior by estimating race and gender separately (Hanna, 2011; Elmerick et al., 2002; White and Heckman, 2016). However,

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Crenshaw (1991) posited that traditional analytical frameworks that focus on a single factor like race or gender are limited in their ability to explain differences in decision-making by race and gender. In other words, analyses that do not consider race and gender jointly fail to consider the detrimental effects of intersectionality in areas like financial capability. This study adds to the literature by giving more context to the role of gender in Black consumers' likelihood to hire a financial planner when compared to White consumers. More specifically, this study contributes to the literature by examining whether there is an association between the intersectionality of race and gender, notably for Black women, and financial planner use when compared with other race-gender dyads (e.g., Black men, White women, and White men).

LITERATURE REVIEW

Factors Associated with Seeking Financial Advice

Numerous factors influence a person's decision to employ a financial planner, many of which have been explored extensively in the financial planning literature (Ajzen, 2011; Kimiyaghalam et al., 2016). Indicators like age, income, educational attainment, net worth, marital status, trust, and employment status have been shown to influence a person's decision to work with a financial planner (Elmerick et al., 2002; Hanna, 2011; Martin et al., 2014; Reiter et al., 2021; White & Heckman, 2016). Income has been associated with an increased probability of having a financial planner (Elmerick et al., 2002; Hanna, 2011). In addition, respondents with higher educational attainment and higher levels of net worth are more likely to have financial planners (Elmerick et al., 2002; Hanna, 2011; White & Heckman, 2016). Elmerick et al. concluded that single women had a higher probability of working with financial planners than married women. Hanna and White and Heckman reported comparable results. In terms of financial risk, White and Heckman found that respondents with higher risk tolerance were more likely to work with financial planners than those with lower levels of risk tolerance. In addition, Kimiyaghalam et al. suggested that financial stress, financial knowledge, financial self-efficacy, confidence, personality traits, and financial risk tolerance also affect financial help-seeking behavior.

Race and Financial Planner Use

There are racial differences in financial planner utilization (Elmerick et al., 2002; Hanna, 2011; Lei & Kordes, 2020; Martin et al., 2014; White & Heckman, 2016). Using the 1998 Survey of Consumer Finances (SCF) data and probit modeling, Elmerick et al. concluded that, compared with Whites, Black consumers were more likely to have financial planners for borrowing, investing, and comprehensive financial decisions. Their findings were later supported by Hanna who used a combination of the 1998, 2001, 2004, and 2007 SCF data to examine the demand for financial planners. In this study, financial planner use was operationalized by whether the respondent received help from financial planners for saving, investing, or borrowing decisions. The results showed that, compared with Whites, Black consumers were more likely to have financial planners. Similarly, White and Heckman used the 2013 SCF data to examine racial differences in financial planner use among Black, Hispanic, and White respondents. Financial planner use was operationalized similarly to the

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Hanna study. The results showed that Black respondents were more likely to have financial planners than Whites, while Hispanics were less likely. In fact, most studies that have investigated racial and ethnic differences in financial planner use have found that other racial groups, such as Hispanics and Asians, either are less likely to work with financial planners (Chang, 2005; Elmerick et al., 2002; Hanna, 2011) or have no significant difference in their likelihood to work with financial planners when compared to Whites (Joo & Grable, 2001). Although, interestingly, one study indicated that Whites were less likely than other racial groups to pay for financial advice (Finke et al., 2011).

Utilizing the Theory of Planned Behavior (TPB) and 2008 NLSY79 data, Martin et al. (2014) examined the associations between trust and financial planner use and found that Black respondents had lower levels of trust when compared to non-Black, non-Hispanic respondents, which is a category that includes Whites. However, when controlling for both race and trust, Black respondents were more likely to use financial planners (Martin et al., 2014), as shown in Table 1. Table 1 lists some previous research that has explored questions involving financial planner use as a dependent variable. The studies listed in the table highlight findings on gender and race in relation to financial planner use, primarily concentrating on comparisons between Black and White consumers, given the focus on these two groups in the current study.

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Table 1.

Previous Literature on Race, Gender, and Financial Planner Use

Title & Author(s)	Journal	Dataset	Dependent Variable	Independent Variables	Methodology	Results: Race	Results: Gender
Factors associated with seeking and using professional retirement planning help (Joo & Grable, 2001)	*Family and Consumer Sciences Research Journal*	1998 Retirement Confidence Survey (RCS)	Whether the respondents receive advice from financial professionals when making retirement investment decisions	Age, gender, marital status, race, number of financial dependents, income, employment, education, financial behavior, retirement attitudes, and risk tolerance	Logistic Regression	There are no statistically significant results in terms of race.	Women were more likely to use a financial planner when making retirement planning and investment decisions than men.
Use of financial planners by U.S. households (Elmerick et al., 2002)	*Financial Services Review*	1998 Survey of Consumer Finances (SCF)	"How do you make decisions about credit or borrowing?" and "How do you make decisions about savings and investments?"	Age, gender, marital status, race and ethnicity, education, household size, employment status, census region, household income, household net worth, financial assets, and debt-to-income ratio	Probit Regression (RII not mentioned)	Black households were more likely to have financial planners and seek comprehensive financial advice compared to White and Hispanic households.	Compared to married respondents, single women were significantly more likely to use financial planners for comprehensive advice and credit/borrowing advice.
With a little help from my friends (and my financial planner) (Chang, 2005)	*Social Forces*	1998 Survey of Consumer Finances (SCF)	"How do you make decisions about savings and investments?"	Education, income, liquid assets, marital status, gender, race, age, and risk tolerance	Probit Regression and Heckman Selection Model (RII not mentioned)	Black households, compared to economically similar White households, were more likely to use financial planners when making saving and investment decisions.	Single women were more likely than married couples to use financial planners as their information source for saving and investment decisions.

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Financial advice: Who pays (Finke et al., 2011)	*Journal of Financial Counseling and Planning*	Proprietary data	Whether the respondents paid for financial advice	Age, gender, race, education, income, wealth, financial human capital, employment status	Logistic Regression	Non-White respondents were more likely to pay for financial advice when compared to White respondents.	Women were more likely to pay for financial advice than men.
The demand for financial planning services (Hanna, 2011)	*Journal of Personal Finance*	1998, 2001, 2004, and 2007 Survey of Consumer Finances (SCF)	"How do you make decisions about credit or borrowing?" and "How do you make decisions about savings and investments?"	Age, gender, marital status, racial/ethnic status, risk tolerance, household education, children, employment status, homeowner, household income, household net worth	Logistic Regression (RII)	Black respondents were more likely to have financial planners when compared to White respondents.	Single women were significantly more likely than married couples and single men to use a financial planner.
Race, trust, and retirement decisions (Martin et al., 2014)	*Journal of Personal Finance*	2008 National Longitudinal Study (NLSY79)	"Have you consulted a financial planner about how to plan your finances after retirement?"	Age, marital status, race and ethnicity, risk tolerance, household education, family size, homeowner, business owner, net worth, household income	Logistic Regression	When controlling for race and trust, Black respondents were more likely to use a financial planner than non-Black, non-Hispanic respondents. When controlling for race only, there was no statistical difference in the use of financial planners between Black and non-Black, non-Hispanic respondents.	Gender was not investigated.

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Financial planner use among Black and Hispanic households (White & Heckman, 2016)	*Journal of Financial Planning*	2013 Survey of Consumer Finances (SCF)	"How do you make decisions about credit or borrowing?" and "How do you make decisions about savings and investments?"	Age, marital status, race and ethnicity, risk tolerance, household education, employment status, time horizon, household income, household net worth, emergency funds access	Unweighted Logistic Regression (RII)	Black households were more likely to use financial planners compared to White, Hispanic, Asian, and other households. Black households were less likely than White households to use financial planners for comprehensive financial planning.	Single women respondents were more likely than married respondents to use a financial planner.
Women, wealth, and demand for financial planning services (Lei & Kordes, 2020)	*Journal of Financial Planning*	2016 Survey of Consumer Finances (SCF)	"How do you make decisions about savings and investments?"	Age, marital status, race, risk tolerance, financial literacy, number of children, investment horizon, expectation of inheritance, household income, household education	Unweighted Logistic Regression (RII)	Among high-net-worth investors, being non-White was negatively associated with financial planner use.	Financial planner use among men was not investigated.
Saving motives, gender, and the use of financial advisory services. (Hermansson, 2017)	*Managerial Finance*	Proprietary data	Use of financial advisor (binary variable)	Wealth motive, retirement motive, emergency fund motive, income, homeownership, risk tolerance, age, gender, wealth, and mortgage. pension insurance, education, employment status, marital status, financial literacy	Probit Regression	Race or ethnicity was not investigated.	Increasing retirement savings was statistically significant for women and financial planner use.

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Gender and Financial Planner Use

Previous research has also shown that women have a higher probability of receiving financial help from professionals than men (Elmerick et al., 2002; Finke et al., 2011; Gillen & Kim, 2013; Hanna, 2011; White and Heckman, 2016). Stinerock et al. (1991) hypothesized that women were more likely to use financial surrogates than men because women felt anxiety and, to avoid risk, needed extra help to acquire more information about personal finances. Joo and Grable's work (2001) built on these findings and also discovered that women were more likely to seek advice from financial professionals, while men have been shown to be more likely than women to rely on their own research to make financial decisions (Sholin et al., 2021). Finke et al. and Gillen and Kim came to similar conclusions, finding that women were more likely to pay for and have financial planners than men, respectively. Reiter et al. (2022) also found that women were more likely to hire financial planners and that they were more trusting of financial planners than men (Reiter et al., 2021).

Marital status also plays a role in considering gender and financial planner use. Single women were found to be more likely to have financial planners for certain types of advice than married couples (Elmerick et al., 2002; White & Heckman, 2016) and single men (Hanna, 2011). Single men, on the other hand, have been found to be less likely to use financial planners than married couples and single women (Hanna, 2011).

Hermansson (2017) and Lei and Kordes (2020) examined factors that predict the use of financial planners among women. Hermansson found that saving for retirement was the primary motive associated with financial advice seeking for women, whereas men were motivated by building an emergency fund, building wealth, as well as increasing retirement savings. The author posited that uncertainty of future financial need during retirement years, longer time horizon, and the complexity associated with certain financial products were likely contributing factors for women seeking retirement planning advice. Despite these findings, Hermansson discovered that wealth differences were a stronger motive for seeking financial advice than gender differences. Lei and Kordes also analyzed the association between wealth and the demand for financial planning services. Results showed that higher net worth, combined with an expected inheritance, were positively associated with financial planner use among women. Women with high net worth were nearly three times as likely to use a financial planner than women without high net worth (Hermansson, 2017). They were also more likely to be White, over age 60, educated, financially literate, homeowners, and held higher levels of financial risk tolerance. These studies add value to the literature by examining the associations of gender, net worth, and financial planner use. However, the findings do not explain financial planning behavior among Black women.

Black Women's Financial Well-being, Theoretical Considerations, & Hypotheses

Studies that explicitly focus on the financial well-being of Black women are scant. In a 2021 report from the Global Financial Literacy Excellence Center (GFLEC), researchers examined the financial well-being of Black women using the National Financial Capability Study and the Consumer Financial Protection Bureau Financial Well-being Scale (FWB). The

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study found that Black women were more likely to have lower household income, be single, and have dependent children compared to their White peers (Clark et al., 2021). Only 48 percent of Black women owned a retirement account and 35 percent owned a home, while 57 percent of White women owned homes and 60 percent had retirement accounts (Clark et al., 2021). Marital status, children, income, and financial assets are all associated with higher levels of financial well-being, which means Black women in the study were at risk of having lower levels of financial well-being. Similarly, Jorgensen (n.d.) wrote that despite the financial disadvantages of Black women, they were the only group in which financial stress did not affect their financial well-being. Jorgensen (n.d.) stated that Black women might exhibit more financial resilience and benefit from factors that are action-based (e.g., paying off debt, retirement contributions, etc.), which were linked to the financial well-being of Black women. Additionally, Jorgensen (n.d.) contends this financial resilience primes Black women to be exceptional clients for culturally competent financial services providers. The precarious financial situation experienced by many Black women compared to other groups can increase Black women's desire to work with trusted professional service providers. For example, The American College's Center for Economic Empowerment and Equality (CEEE, n.d.) surveyed 3,500 Black women and found that two-thirds of respondents had a strong desire to build wealth for themselves, their families, and their communities.

Yet, sixty percent of Black women surveyed were unable to find a trusted financial professional (CEEE, n.d.). It is important to note that a "trusted" advisor is not someone who is only proficient in their skillset, but someone who is able to understand the needs and issues that Black women encounter in the financial marketplace. Critical race theory (CRT) sheds light on how discriminatory practices can influence how Black women choose financial advisors. CRT explains that racism is systemic and is not limited to prejudices displayed by individuals (Delgado & Stefancic, 2012). CRT contends that racial inequality is integrated into political, social, and economic systems, which can lead to adverse outcomes for people of color in various aspects of their lives, such as education, maternal healthcare, and the judicial system (Adebayo et al., 2022; Crenshaw, 1990; Delgado & Stefancic, 2012). There are several assumptions of the theory: (a) racism is a persistent force that has been integrated into the fabric of systems within our society (Bonilla-Silva & Dietrich, 2011); (b) White supremacy evolves to reinforce practices that protect the rights, privileges, and preferences of Whites who view themselves as more valuable than non-Whites (Harris, 1995); (c) in order for social progress to take place for people of color, those interests must overlap with the interest of White people (Bell, 1995), and (d) to counteract the effects of racism, the lived experience of racially marginalized groups must be shared to reduce this asymmetric power dynamic (Delgado & Stefancic, 2001; Ladson-Billings, 2013). CRT centers on race and racism when examining inequalities as a means to rectify inequitable treatment for racially marginalized populations (Crenshaw et al., 1995; Lynn & Dixson, 2013; Zamudio et al., 2011).

Scholars have combined CRT and intersectionality (CRT/I) to analyze how race, power, lived experiences, and economic and social structures are associated with various phenomena in society (Collins, 2000; Watkins Liu, 2018). According to the theory of intersectionality, if Black women are treated inequitably, the result could stem from race, gender, or both (Boyd, 2018). Crenshaw (1990) created the concept of intersectionality, which explains how systems of oppression are connected to adverse outcomes for

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marginalized populations, (e.g., race and gender) and can impact the social and political life of disadvantaged groups (Weldon, 2008). For example, Black women are members of two lower social status groups, Black and woman. A singular examination of only one of these identities could lead to a lack of understanding due to the nuances multiple identities play when examining research questions (Weldon, 2008). Experiences related to both racism and sexism often limit Black women's ability to access financial resources and accumulate wealth and ultimately lead to lower perceived and objective financial well-being (Brown, 2012; Jorgensen, n.d.). For example, in his study, Brown (2012) used an intersectional approach for understanding how racial and gender inequality affect wealth accumulation. He found that Black women in their mid and late life had the lowest levels of accumulated wealth, leaving them in an economically vulnerable position.

> As black women approach retirement age, they are on the precipice of financial peril. Their financial fragility in later life is directly linked to barriers to wealth accumulation and transmission faced by previous generations, as well as their own exposure to institutional racism and sexism throughout their lives. (Brown, 2012, p. 254.)

Even so, there is evidence that Black women may still be more likely than others to seek assistance with their finances. In 1999, Grable and Joo developed a framework to explain help-seeking behavior in the personal finance domain. They asserted that those who have many financial stressors, are younger, have poor financial behaviors, and are less likely to own their homes may be more likely to seek outside help. The authors noted that help-seeking is a coping response. Given the precarious financial situations that some Black women experience, this coping response may explain their willingness to seek financial advice. Research studies often focus on race or gender, but seldomly examine the intersection of both and CRT's influence on financial behaviors. The purpose of this study is to examine the intersection of race and gender in financial planner use for Black women compared to other racial and gender groups.

Hypotheses

Based on previous literature, the hypotheses are as follows:

> H1: Black women will have a higher likelihood to use a financial planner when compared to White women.
>
> H2: Black women will have a higher likelihood to use a financial planner when compared to White men.
>
> H3: Black women will have a higher likelihood to use a financial planner when compared to Black men.

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METHOD

Data and Sample

This study uses the 2019 Survey of Consumer Finances (SCF) to estimate the associations between financial planner use and race. The SCF is a triennial cross-sectional survey of U.S. families and includes information on families' financial conditions and demographic characteristics. As discussed by Montalto and Sung (1996), the SCF handles missing values through repeated imputation inference (RII). As the SCF includes five implicates, there is extra variability in the dataset when imputation techniques are applied due to missing values. Based on Bayesian theory, RII techniques are used to capture the variability and are qualified for nonlinear models, which are estimated by maximum likelihood (Montalto & Sung, 1996). As such, the *"scfcombo"* code in STATA was used to produce more accurate results. In addition, Lindamood et al. (2007) demonstrated the importance of correctly identifying and recognizing race and ethnicity variables because the respondent is not necessarily the household head; therefore, this study uses respondent-level responses to examine racial differences across groups. In addition, there has been consideration among researchers as to whether weights should be incorporated for multivariate analyses using the SCF (Shin & Hanna, 2017). Evidence suggests that studies that have not included weighting have had more conservative results (Lindamood et al., 2007). For this reason, the decision was made to not weight the multivariate analyses. Other researchers using the SCF and investigating the financial planner topic have also made this decision (Lei & Kordes, 2020; White & Heckman, 2016).

The dependent variable is determined by the following question: "What sources of information do you (and your husband/wife/partner) use to make decisions about savings and investments? (Do you call around, read newspapers, magazines, material you get in the mail, use information from television, radio, the internet, or advertisements? Do you get advice from a friend, relative, lawyer, accountant, banker, broker, or financial planner? Or do you do something else?)" If respondents chose "financial planner," the value was coded as 1, and other answers were coded as 0. There was no missing data on the dependent variable. While the SCF also asks respondents about sources of information for borrowing and credit decisions, this study focuses specifically on savings and investing behaviors in an attempt to capture advice seeking behavior which is most closely related to the work conducted by financial planners. There was a total of 5,777 observations in the 2019 SCF dataset. Of those, 1,929 respondents chose "financial planners" when making decisions about saving and investments. The independent variables included age, gender, marital status, race, income, net worth, household education, homeownership, objective financial knowledge, subjective financial knowledge, risk tolerance, investment horizon, household size, and employment decisions.

In the SCF, age is a continuous variable. White and Heckman (2016) found that the association between age and financial planner use is nonlinear; therefore, age-squared is included in this study. Gender is a dichotomous variable that the 2019 SCF describes by using the terms "female" and "male". If respondents are female, gender is 1, if they are male, gender is 0. In this paper, we will primarily refer to "females" as women and "males" as men

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(American Psychological Association, 2020). Marital status comprises two groups: married and not married.

Race and ethnicity are categorical variables and include Whites, Hispanics, Blacks, and Asians/other. Per the SCF, the other category includes American Indians, Alaska Natives, Native Hawaiians, Pacific Islanders, and those identifying with race as other or multiple races. For the purposes of this study, we are only investigating financial planner use between Black and White respondents, given the evidence showing that Blacks are more likely to use financial planners primarily when compared to Whites (Elmerick et al., 2002; Hanna, 2011; White & Heckman, 2016). Those belonging to the Hispanic ethnicity and other racial groups were excluded, which resulted in a final analytic sample of 1,711.

Income is categorized into three groups: less than $50,000, between $50,000 to $99,999, and $100,000 or above. Net worth is used as a continuous variable. Household educational attainment is measured as the highest degree received in the household and comprises five groups: less than the high school degree, high school degree, some college without a degree, bachelor's degree, and master's degree or higher. Homeownership is a dichotomous variable that takes a value of 1 if respondents own a home and 0 if respondents do not own a home.

Objective financial knowledge is measured by using the Big Three (Mitchell & Lusardi, 2011), which includes questions about stocks, interest rates, and inflation. One point is given for each correct answer among the three questions, and no points are deducted for an incorrect answer. Therefore, the score for objective financial knowledge ranged from 0 to 3. Subjective financial knowledge is a continuous variable and was determined by answering the following question: "On a scale from 0 to 10, where zero is not at all knowledgeable about personal finance, and ten is very knowledgeable about personal finance, what number would you be on the scale?"

Risk tolerance is determined by the following question: "Which of the following statements comes closest to describing the amount of financial risk that you (and your husband/wife/partner) are willing to take when you save or make investments?" The responses comprise four groups: "not willing to take any financial risks'', "take average financial risks expecting to earn average returns", "take above average financial risks expecting to earn above average returns", and "take substantial financial risks expecting to earn substantial returns". The reference group is "not willing to take any financial risks".

Investment horizon is a categorical variable, which was determined by the following question: "In planning or budgeting your (family's) saving and spending, which of the time periods listed on this page is most important to you (and your family living here)?" The answer choices given to respondents included "next few months", "next year," "next few years," "next 5-10 years," and "longer than ten years." The reference group is respondents who have an investment horizon of "next few months". Household size is a continuous variable that represents the number of people who live in the respondent's household. Employment status comprises three groups: "not working", "full-time," and "part-time,".

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Model

This study estimates the following probit model via maximum likelihood:

$$HF_i^* = \beta_0 + \beta_1 X + \mu_i$$
$$HF = 1 \text{ if } HF_i^* > 0$$
$$HF = 0 \text{ if } HF_i^* \leq 0$$

where HF^* is the latent variable that represents the net benefit of having financial planners. HF is the self-reported measure of whether respondents have financial planners. β_1 is the coefficient between the dependent variable and explanatory variables. Importantly, the explanatory variable "race" in X includes Whites and Blacks. μ_i is assumed to follow a normal distribution. In this research, marginal effects are calculated to determine the relationships between financial planner use and the independent variables.

RESULTS

Table 2 represents the weighted descriptive statistics for respondents with financial planners. About 90% of the respondents were White, and approximately 10% of the respondents were Black. There were some noteworthy differences when comparing racial groups. First, Black respondents had younger average ages (50 years vs. 57 years) and a lower percentage were married when compared to White respondents (47% vs. 75%). Second, on average, White respondents had a higher net worth, income, and homeownership than Black respondents, and White respondents had higher rates of post-secondary education (i.e., college and master's). Third, objective and subjective financial knowledge scores indicated that White respondents had slightly higher actual and self-perceived financial literacy levels when compared to Blacks. A lower percentage of Black respondents than White respondents reported that they would take no financial risk (22% vs. 11%). At the other end of the spectrum, a greater proportion of Black respondents took substantial risk compared to White respondents (7.45% vs. 4.94%). Furthermore, about 82% of Whites had an emergency account, while only 54% of Blacks did.

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Table 2.

Descriptive Statistics for Respondents with Financial Planners

Variables	Black N = 174 Mean (Std. Dev)	White N = 1,537 Mean (Std. Dev)	Women N = 661 Mean (Std. Dev)	Men N = 1,050 Mean (Std. Dev)	Full sample N = 1,711 Mean (Std. Dev)
Race					
White	-	-	0.8615	0.9212	0.8981
			(0.3457)	(0.2696)	(0.3026)
Black	-	-	0.1385	0.0788	0.1019
			(0.3457)	(0.2696)	(0.3026)
Gender					
Men	0.4748	0.6295	-	-	0.6137
	(0.5008)	(0.4831)			(0.4870)
Women	0.5252	0.3705	-	-	0.3863
	(0.5008)	(0.4831)			(0.4870)
Respondent's age	50.2936	56.7679	54.9589	56.8317	56.1082
	(14.0651)	(14.7063)	(15.1385)	(14.4918)	(14.7688)
18-24	0.0287	0.0228	0.0242	0.0228	0.0234
	(0.1674)	(0.1492)	(0.1538)	(0.1495)	(0.1511)
25-34	0.1112	0.0575	0.0741	0.0560	0.0630
	(0.3153)	(0.2329)	(0.2621)	(0.2300)	(0.2430)
35-44	0.2122	0.1360	0.1618	0.1323	0.1437
	(0.4100)	(0.3429)	(0.3686)	(0.3390)	(0.3509)
45-54	0.2408	0.1838	0.2027	0.1815	0.1896
	(0.4288)	(0.3875)	(0.4023)	(0.3856)	(0.3921)
55-64	0.2534	0.2732	0.2483	0.2856	0.2712
	(0.4362)	(0.4458)	(0.4324)	(0.4519)	(0.4447)
65 and older	0.1537	0.3267	0.2887	0.3218	0.3091
	(0.3617)	(0.4692)	(0.4536)	(0.4674)	(0.4622)
Married	0.4736	0.7490	0.5529	0.8267	0.7210
	(0.5007)	(0.4337)	(0.4976)	(0.3787)	(0.4487)
Non-Married	0.5264	0.2510	0.4471	0.1733	0.2790
	(0.5007)	(0.4337)	(0.4976)	(0.3787)	(0.4487)
Net worth (Log value)	8.8142	13.6897	11.4518	14.2890	13.1930
	(6.6197)	(4.3859)	(5.4685)	(4.1259)	(4.8881)
Income					
Less than $50K	0.4014	0.1431	0.2692	0.1066	0.1694
	(0.4916)	(0.3503)	(0.4439)	(0.3088)	(0.3752)
Between $50K-$99,999	0.2901	0.1902	0.2810	0.1497	0.2004
	(0.4551)	(0.3926)	(0.4498)	(0.3569)	(0.4004)
100K and above	0.3085	0.6667	0.4498	0.7437	0.6302
	(0.4632)	(0.4716)	(0.4978)	(0.4368)	(0.4829)
Education					
Lower than high school	0.0470	0.0046	0.0121	0.0069	0.0089
	(0.2123)	(0.0673)	(0.1094)	(0.0825)	(0.0938)
High school	0.1571	0.0886	0.1083	0.0876	0.0956
	(0.3650)	(0.2843)	(0.3110)	(0.2828)	(0.2941)
Some college	0.2970	0.1632	0.2350	0.1401	0.1768
	(0.4583)	(0.3696)	(0.4243)	(0.3473)	(0.3816)
Bachelor's degree	0.2179	0.3055	0.2765	0.3092	0.2966
	(0.4140)	(0.4608)	(0.4476)	(0.4623)	(0.4569)

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Master's degree or higher	0.2810 (0.4508)	0.4382 (0.4963)	0.3681 (0.4827)	0.4562 (0.4983)	0.4222 (0.4941)
Homeownership	0.5528 (0.4986)	0.8583 (0.3488)	0.7580 (0.4286)	0.8707 (0.3357)	0.8272 (0.3782)
Subjective financial knowledge (0-10)	7.6044 (1.8892)	7.9249 (1.7307)	7.5705 (1.9548)	8.0948 (1.5747)	7.8923 (1.7496)
Objective financial knowledge (0-3)	2.0138 (0.9287)	2.6485 (0.6396)	2.3497 (0.8093)	2.7312 (0.5772)	2.5838 (0.7012)
Financial risk					
No risk	0.2248 (0.4186)	0.1170 (0.3215)	0.2084 (0.4065)	0.0773 (0.2672)	0.1280 (0.3341)
Average risk	0.4656 (0.5003)	0.5085 (0.5001)	0.5206 (0.5000)	0.4937 (0.5002)	0.5041 (0.5001)
Above average risk	0.2351 (0.4253)	0.3251 (0.4686)	0.2393 (0.4270)	0.3642 (0.4814)	0.3160 (0.4650)
Substantial risk	0.0745 (0.2634)	0.0494 (0.2169)	0.0318 (0.1755)	0.0647 (0.2462)	0.0520 (0.2221)
Time Horizon					
Next few months	0.1950 (0.3973)	0.0813 (0.2734)	0.1361 (0.3432)	0.0657 (0.2479)	0.0929 (0.2904)
Next year	0.1514 (0.3594)	0.0861 (0.2806)	0.1168 (0.3214)	0.0777 (0.2678)	0.0928 (0.2902)
Next few years	0.2878 (0.4541)	0.2398 (0.4271)	0.2756 (0.4471)	0.2252 (0.4179)	0.2447 (0.4300)
Next 5-10 years	0.2190 (0.4148)	0.3288 (0.4699)	0.2756 (0.4471)	0.3441 (0.4753)	0.3176 (0.4657)
Longer than 10 years	0.1468 (0.3549)	0.2640 (0.4409)	0.1960 (0.3973)	0.2873 (0.4527)	0.2520 (0.4343)
Household size	2.3498 (1.3721)	2.5178 (1.2779)	2.4077 (1.3916)	2.5592 (1.2160)	2.5007 (1.2884)
Emergency access	0.5424 (0.4996)	0.8218 (0.3828)	0.7396 (0.4392)	0.8271 (0.3783)	0.7933 (0.4051)
Employment status					
Not working	0.2752 (0.4479)	0.2489 (0.4325)	0.3088 (0.4624)	0.2155 (0.4114)	0.2516 (0.4340)
Full-time	0.6927 (0.4627)	0.6298 (0.4830)	0.5868 (0.4928)	0.6674 (0.4714)	0.6362 (0.4812)
Part-time	0.0321 (0.1768)	0.1213 (0.3265)	0.1044 (0.3060)	0.1171 (0.3217)	0.1122 (0.3157)

Source: Weighted analysis of the 2019 SCF using the RII technique and all five implicates.

When examining descriptive differences between men and women respondents, men had a higher income and net worth. In addition, a lower percentage of women respondents reported being married than men respondents (55% vs. 83%). Women reported both lower average subjective and objective financial knowledge scores than men. Also, women were more risk averse and a lower percentage of them had emergency accounts than men; 67% of men worked full-time compared to 58% of women in the sample.

When considering the descriptive statistics of Black women using financial planners in this sample (see Appendix), there were some notable differences when compared to the other groups. Black women were younger than White women and men. A lower percentage

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of Black women were married, owned their homes, and had access to an emergency fund. A higher percentage made less than $50,000 per year than White women. They also had lower net worths. While 51% of Black women had attained at least a bachelor's degree, this percentage was lower than noted among White women (67%) and White men (79%). Average subjective financial knowledge scores were second highest for Black women (7.61), trailing only White men (8.14). On the other hand, they had the lowest objective financial knowledge mean score. A greater percentage of Black women took average financial risk than all other groups. On the other hand, Black women had the lowest percentage among respondents in taking above-average financial risk.

Table 3 shows the regression coefficients and the average marginal effects of using financial planners. This model includes an interaction term, Black*Woman to capture the conditional effects of gender and race. The coefficient for the interaction term between gender and race is statistically significant and suggests that overall, Black women compared to the other groups in the sample were significantly more likely to have a financial planner, all else being equal.

Compared to respondents who had incomes less than $50,000, respondents who had incomes between $50,000-100,000 had a .04 higher probability of using a financial planner, while respondents with incomes greater than $100k had about a 0.10 higher probability of using financial planners. In addition, college education was positively associated with financial planner use. Respondents with some college (AME =0.15), a bachelor's degree (AME= 0.20), or a master's degree or higher (AME = 0.23) all had higher probabilities of working with financial planners than respondents who had lower than a high school degree. As objective financial knowledge increased, respondents had about a 0.03 higher probability of having a financial planner, but subjective financial knowledge was not significant. Risk tolerance was associated positively with using financial planners. For example, compared to respondents who were not willing to take any financial risk, respondents who were willing to take average and above average risk had about a 0.18 higher probability of having financial planners. Additionally, respondents with time horizons beyond one year were positively associated with using a financial planner. That is, compared to respondents whose horizon spanned a few months, respondents with a time horizon of up to a year have no meaningful difference from the baseline. On the other hand, respondents with a time horizon of a few years, 5-10 years, or longer than 10 years are all significantly more likely to use a financial planner compared to respondents with shorter horizons. Respondents who had time horizons longer than 10 years had about a 0.10 higher probability of having financial planners than respondents with time horizons of the next few months.

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Table 3.

Interaction Binomial Probit Regression of Financial Planner Use

Variables	Est. Coef.	SE	P-value	Avg. Marg. Effect
Intercept	-2.7878***	0.2330	0.000	-
Woman (Ref. =Man)	0.2296***	0.0329	0.000	0.0742
Race (Ref. = White)				
Black	0.1830**	0.0577	0.002	0.0592
Black*Woman	-0.2163**	0.0818	0.008	-0.0699
Married	-0.0222	0.0469	0.637	-0.0072
Respondent's age	0.0156*	0.0069	0.022	0.0051
Age squared	-0.0001	0.0001	0.079	-0.0000
Net worth (Log value)	0.0105*	0.0050	0.033	0.0034
Income (Ref. = Less than $50K)				
Between $50K-$99,999	0.1265**	0.0476	0.008	0.0409
100K and above	0.3153***	0.0471	0.000	0.1019
Education (Ref. = Lower than high school)				
High school	0.4225***	0.1211	0.000	0.1365
Some college	0.4642***	0.1255	0.000	0.1500
Bachelor's degree	0.6052***	0.1239	0.000	0.1956
Master's degree or higher	0.7037***	0.1244	0.000	0.2274
Homeownership	0.0711	0.0461	0.123	0.0230
Subjective financial knowledge	0.0115	0.0081	0.157	0.0037
Objective financial knowledge	0.0961***	0.0241	0.000	0.0311
Financial risk (Ref. = No)				
Average risk	0.5675***	0.0363	0.000	0.1834
Above average risk	0.5478***	0.0412	0.000	0.1771
Substantial risk	0.4241***	0.0834	0.000	0.1371
Horizon (Ref. = next few months)				
Next year	0.0531	0.0690	0.441	0.0172
Next few years	0.1190*	0.0563	0.035	0.0385
Next 5-10 years	0.2410***	0.0572	0.000	0.0779
Longer than 10 years	0.3170***	0.0629	0.000	0.1025
Household size	-0.0066	0.0130	0.613	-0.0021
Emergency access	0.0695	0.0368	0.059	0.0225
Employment status (Ref. = Not working)				
Full-time	-0.0672	0.0465	0.148	-0.0217
Part-time	0.0323	0.0589	0.583	0.0104
R-squared	0.1233			

Source: 2019 SCF using all five implicates and RII technique; Unweighted analysis (population weights not used) *p< 0.05; **p< 0.01; ***p< 0.001

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To have a clearer understanding of how Black women's financial planner use compared to the other dyads, further estimation was conducted as shown in Table 4. Table 4 represents comparisons across groups (e.g., Black women, Black men, White women, and White men). The results show that there was no significance when comparing Black women respondents to White women respondents, which is not consistent with the first hypothesis (H1). However, the second hypothesis (H2) is supported as Black women were found to be more likely to work with a financial planner than White men. There was no significance when comparing Black women to Black men (H3).

Table 4.

Interactions/Comparisons across Groups in Financial Planner Use

Interactions (Group vs. Ref. Group)	**Contrast**	**Std. Err**	**P-value**
Black Women vs. White Women	-0.0333	0.0371	0.369
Black Women vs. White Men	0.1963***	0.0384	0.000
Black Women vs. Black Men	0.0132	0.0489	0.787
White Women vs. White Men	0.2296***	0.0210	0.000
Black Men vs. White Men	0.1830***	0.0399	0.000
Black Men vs. White Women	-0.0466	0.0400	0.224

Table 5 and Figure 1 show the predicted marginal probability of having financial planners. For example, the predicted probability of asking for professional help from a financial planner is 0.38 for Black women, and 0.38 for Black men, holding all else equal. The predicted probability of asking for professional help from a financial planner is .39 for White women and .32 for White men, holding all else equal.

Table 5

Predictive Margins of Gender and Race in Financial Planner Use

Group	**Margin**	**Std. Err**	**P-value**
Black Women	0.3818***	0.0114	0.000
Black Men	0.3775***	0.0121	0.000
White Women	0.3927***	0.0051	0.000
White Men	0.3193***	0.0038	0.000

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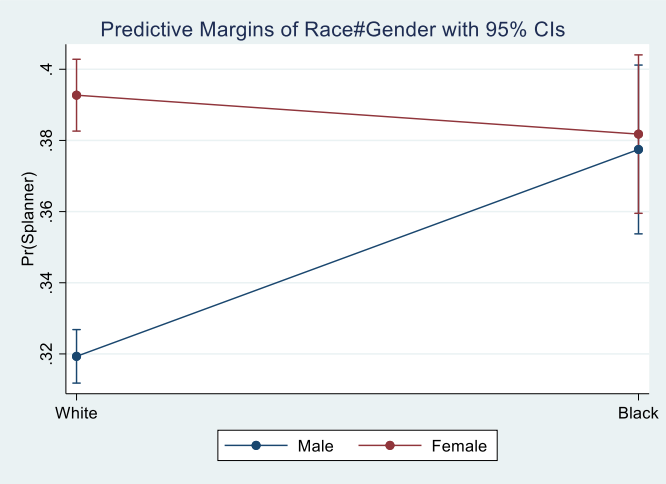
Figure 1.

Predictive Margins of Race and Gender



DISCUSSION

This analysis used the 2019 SCF to estimate racial and gender differences in financial planner use among respondents. The results indicate that, when controlling for other factors, Black women have an overall higher probability of working with financial planners. The post-hoc analysis (Table 4) showed that this held when comparing Black women to White men but not to Black men and White women. Although White women may be affected by the adverse impact of their gender, they do not experience the multiplicative effects of racism and sexism like Black women (Brown, 2012; Weldon, 2008). As previously stated, more than the majority of Black women report difficulty with finding a trusted financial planner (Jorgensen, n.d.). It is a logical assumption that Black women might have more difficulty finding a trusted financial professional than White women. It is clear from this study that women may find themselves in vulnerable financial positions, which is evidenced by lower objective financial knowledge scores and lower income when compared to men. Therefore, they may be more likely to seek out help. Black women, when compared to White women, are likely to have additional vulnerabilities given their lower social and economic capital in society and other factors (Reiter, 2020). Still, when compared to White men, who arguably have more assets than all groups and reflect the stereotypical financial planning client, Black women are more likely to seek out professional financial help. In many ways, this is an interesting finding, given that Black women are less likely to have the profile that financial professionals tend to consider as attractive for prospective clients. Namely, Black women likely have a lower value of assets to manage when compared to other groups. Research has shown that more self-confident individuals are less likely to seek financial advice (Kramer, 2016), and this trait is attributed to men more than women (Barber & Odean, 2001). At the same time, formal education is positively correlated with financial planner use (Elmerick et al., 2002). For what Black women lack in social status, as a group, they make up for in human capital, as they are one of the most highly educated groups in the United States (Katz, 2020).

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Based on the empirical results, there are a few implications for financial planners. Race and gender are strong predictors of financial help-seeking behavior (Martin et al., 2014). Notably, the interaction between race and gender plays a significant role when determining whether one seeks help from professional financial planners. When factors are controlled in a regression model, Black consumers, regardless of gender, are often found to be more likely than White men to use financial planners for investments and savings advice. This, perhaps, presents an opportunity to advocate for and recruit diverse clients and potentially diverse financial professionals if this is something that is important for attracting this clientele. As Black wealth and affluence grow, financial planners who consider cultural influences that affect the financial decisions of minoritized households will be better positioned to help them achieve their financial goals (Beverly, 2019). As Black consumers' wealth increases, so do their financial knowledge as they actively pursue financial information to make better financial decisions (Beverly, 2019). Regardless of their accumulated wealth, Black consumers still endure the "psychological, professional, and financial implications of past and present racism" that foster ongoing barriers to trust (Beverly, 2019, p. 35). Therefore, it is crucial that financial professionals assist in cultivating trust and confidence in this group, which otherwise shows potential for seeking advice for financial services.

For financial therapists and planners who work with Black women, it is particularly important to create action-based solutions that will not only strengthen their clients' financial position but also that of their families and communities. Jorgensen (n.d.) noted that Black women were the only group that did not have a significant association with financial stress and their financial well-being. A probable reason is Black women have developed resilience (Baity, 2020) in the face of financial struggles by implementing solutions when faced with financial difficulty or have built resources to preempt unforeseen problems. The action-oriented personality of Black women makes them ideal clients who may be more likely to implement recommendations and follow treatment plans. Financial resilience has helped many women chart paths to overcome discrimination in the marketplace. At the same time, this trait could lead to negative outcomes such as overconfidence bias in their financial ability and knowledge. Therapists, counselors, and planners have a significant opportunity to bridge the gap between ability and knowledge with this group. In addition, the consistent pressure to display resiliency, often referred to as the "Strong Black Woman" image (Davis & Jones, 2021), may also have negative implications for mental health. Financial therapists should be keen on understanding the unique stressors that Black women face and the associated implications on overall health. This may include collaborating with professional allies, such as mental health therapists, to provide more comprehensive care for these clients. Previous research has found that Black women tend to seek advice for financial problems from multiple sources, including friends, family members, and faith-based connections (Brown et al., 2000; Chaney et al., 2012). Interestingly, these sources were found to be less effective than professional financial counseling and professional therapy for moving these women towards improved financial stability (Chaney et al., 2012). Financial professionals working with Black women should strive to increase their cultural competency and understand the role of intersectionality. Treatment plans and financial recommendations should not overlook their clients' multiple identities that are connected to their desire to build collective wealth for their extended social and familial networks.

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Given the positive implications of working with financial planners, policymakers should consider policies that provide marginalized consumers with support for accessing and securing professional financial advice. It is important to note that the findings from this study and others have found that Black consumers are more likely to work with financial planners than White consumers (e.g., Elmerick et al., 2002; Hanna, 2011; White & Heckman, 2016) when differences among respondents are removed or when all else is equal. However, it is evident that sociodemographic and financial differences between Black and White consumers persist. The United States federal government has previously provided avenues that facilitated access to financial services. For example, in 2010, Congress enacted the Bureau of Consumer Financial Protection through the Dodd-Frank Wall Street Reform and Consumer Protection Act to aid underserved and minority communities by providing resources necessary for building and accumulating wealth (Consumer Financial Protection Bureau, n.d.). More recently, the Biden-Harris administration announced efforts to build wealth in Black communities and narrow the racial wealth gap (The White House, 2021). The wealth of the US population is intrinsically tied to the wealth of minority populations; therefore, addressing inequalities concerning access to financial planning professionals is essential (Burton, 2018). One social policy implication of these findings is government-funded wealth advisors and financial planners for Black families, many of which are led by Black women. Similar to its program to revitalize housing in marginalized areas, the federal government could provide tax credits to financial planning professionals who provide services in underserved and minority communities. These tax credits would compensate financial planners for the "lost" income that higher net worth clients might have provided. Similarly, a tax code could be implemented which reimburses financial advice fees for marginalized and underrepresented consumers. The federal government, the financial planning industry, and personal financial planning professionals would do well to consider collaborative strategies for supporting minority populations' participation by expanding access to financial resources in places and formats where financial planning assistance is well established from trusted sources (Burton, 2018).

There is a call to increase the representation of Black financial planners to assist in serving Black financial advice-seeking consumers (CFP Board, 2018), particularly since 58% of Black women in a recent study reported feeling that racial discrimination, more so than gender discrimination, affected how they were treated by financial professionals (CEEE, n.d.). The lack of racial and ethnic diversity in financial services has not gone unnoticed by the government. The Equal Employment Opportunity Commission (EEOC) and the Government Accountability Office (GAO) reported that racial diversity in financial services management has advanced by 80% for Asians and 71% for Hispanics, but only 12.5 % for Black people (Miller & Tucker, 2013). The U.S. government has funded initiatives to increase diversity in the STEM (i.e., science, technology, engineering, and mathematics) professions by offering research grants through the National Science Foundation (NSF). Through their Broadening Participation Initiative, the NSF seeks to increase the involvement of underrepresented communities in STEM and enhance capacity nationwide. Similar initiatives can be launched to support access to financial advice for those same communities. Funders, those from the financial industry, as well as foundations and public organizations, could play a larger role in providing financial support to researchers to better understand how Black families are socialized around financial planning and professional advice-seeking.

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More research is also needed around developing culturally sensitive measures which are related to seeking financial advice, such as financial knowledge and risk tolerance.

Limitations

Our study yielded some interesting findings, yet there were some limitations. Marriage could influence whether a household decides to work with a financial planner. This study included both married and unmarried respondents. For married respondents, it is not obvious from the data which partner is more influential in making this decision or if the decision was made equally between spouses. However, the SCF interviews the spouse who is most knowledgeable about finances (Lindamood et al., 2007), and thus, it was assumed that the respondent took a primary role in deciding to work with a financial planner. While the SCF data did not allow it, it would be helpful to understand if a spouse makes an individual or joint decision to use a financial planner. Future studies should focus on other racial and ethnic identities and the intersection of race and gender for these groups and financial planner usage. Intersectionality encompasses multiple identities, but the focus of this study was race and gender. Researchers should also examine the roles of other identities that may also affect one's use of a financial planner. The sample sizes of the Black subgroups in this study are small (e.g., Black women [n=91]; Black men [n=83]). This may have impacted the results of this study. Specifically, small sample sizes may result in Type II errors which reject a null hypothesis that is false. In other words, an effect may be present, but it is not detectable due to the small sample size. In using SCF data, researchers investigating similar questions may consider combining multiple years of the SCF data to amass larger samples of Black consumers who use financial planners. Still, on a purely descriptive level, the proportion of White consumers using financial planners in any given year from the SCF data grossly exceeds that of their Black counterparts. There is a need to understand more about the non-White population and their use of financial planners. Oversampling those individuals and households to obtain more data in this area is advisable. Additionally, our study does not account for factors such as racism and discrimination that may suppress Black women's willingness to work with and use financial planners. More empirical studies should be conducted to better understand how mistrust due to racism and sexism affects financial planner use across multiple identities.

CONCLUSION

There is substantial literature focused on who uses financial planners across race or gender. However, research on the role of intersectionality that combines race and gender is limited. This study addressed a gap in the literature by using SCF data to examine the role of race and gender regarding the use of financial planners through the lens of intersectionality (Weldon, 2008) with a focus on Black women. Findings from this study provide important insights for practitioners. The interaction between race and gender is a key factor when seeking help from professional financial planners. Planners should not dismiss or ignore the multiple identities that prospective clients may hold and internalize. To competently provide financial advice to clients from backgrounds different than their own, it is pertinent that planners learn how intersectionality can influence a client's financial decisions and behaviors. Planners must become more culturally competent to work with clients from

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various backgrounds and with multiple social identities that impact financial decision-making and well-being. As minoritized households' wealth increases, these households are highly likely to seek out professional financial help. Those planners who are not equipped to collaborate with clients of different identities than their own, such as race, culture, and ethnicity, will not be prepared to help this growing need for professional financial planning. Conversely, planners who demonstrate culturally responsive planning and are able to quell clients' fears around mistrust will be successful in helping Black households, many headed by Black women, achieve their financial goals.

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APPENDIX

Descriptive Statistics for Respondents with Financial Planners by Race/Gender

Variables	Black Women N = 91 Mean (Std. Dev)	White Women N = 570 Mean (Std. Dev)	Black Men N = 83 Mean (Std. Dev)	White Men N = 967 Mean (Std. Dev)	Full sample N = 1,711 Mean (Std. Dev)
Respondent's age	50.6856	55.6461	49.8599	57.4283	56.1082
	(14.6437)	(15.1166)	(13.4717)	(14.4265)	(14.7688)
18-24	0.0109	0.0263	0.0483	0.0207	0.0234
	(0.1045)	(0.1603)	(0.2157)	(0.1423)	(0.1511)
25-34	0.1419	0.0632	0.0773	0.0542	0.0630
	(0.3509)	(0.2435)	(0.2687)	(0.2264)	(0.2430)
35-44	0.2183	0.1527	0.2053	0.1261	0.1437
	(0.4154)	(0.3601)	(0.4064)	(0.3321)	(0.3509)
45-54	0.1965	0.2037	0.2899	0.1722	0.1896
	(0.3995)	(0.4031)	(0.4565)	(0.3777)	(0.3921)
55-64	0.2860	0.2423	0.2174	0.2914	0.2712
	(0.4544)	(0.4288)	(0.4150)	(0.4547)	(0.4447)
65 and older	0.1463	0.3118	0.1618	0.3355	0.3091
	(0.3553)	(0.4636)	(0.3705)	(0.4724)	(0.4622)
Married	0.3930	0.5787	0.5628	0.8493	0.7210
	(0.4911)	(0.4942)	(0.4991)	(0.3579)	(0.4487)
Net worth (Log value)	7.2368	12.1296	10.5593	14.6082	13.1930
	(7.2025)	(4.8097)	(5.4374)	(3.8322)	(4.8881)
Income					
Less than $50K	0.4825	0.2349	0.3116	0.0891	0.1694
	(0.5024)	(0.4243)	(0.4660)	(0.2850)	(0.3752)
Between $50K-$99,999	0.2991	0.2781	0.2802	0.1385	0.2004
	(0.4604)	(0.4485)	(0.4518)	(0.3456)	(0.4004)
100K and above	0.2183	0.4870	0.4082	0.7724	0.6302
	(0.4154)	(0.5003)	(0.4945)	(0.4195)	(0.4829)
Education					
Lower than high school	0.0546	0.0053	0.0386	0.0041	0.0089
	(0.2284)	(0.0724)	(0.1939)	(0.0642)	(0.0938)
High school	0.1507	0.1015	0.1643	0.0810	0.0956
	(0.3597)	(0.3022)	(0.3728)	(0.2730)	(0.2941)
Some college	0.2817	0.2275	0.3140	0.1253	0.1768
	(0.4523)	(0.4196)	(0.4669)	(0.3312)	(0.3816)
Bachelor's degree	0.2511	0.2805	0.1812	0.3202	0.2966
	(0.4360)	(0.4497)	(0.3875)	(0.4668)	(0.4569)
Master's degree or higher	0.2620	0.3852	0.3019	0.4694	0.4222
	(0.4421)	(0.4871)	(0.4619)	(0.4993)	(0.4941)

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Homeownership	0.5262	0.7953	0.5821	0.8954	0.8272
	(0.5021)	(0.4038)	(0.4962)	(0.3062)	(0.3782)
Subjective financial knowledge (0-10)	7.6135	7.5636	7.5942	8.1377	7.8923
	(1.8382)	(1.9744)	(1.9554)	(1.5314)	(1.7496)
Objective financial knowledge (0-3)	1.8777	2.4256	2.1643	2.7797	2.5838
	(0.9868)	(0.7507)	(0.8404)	(0.5216)	(0.7012)
Financial risk					
No risk	0.2445	0.2026	0.2029	0.0666	0.1280
	(0.4322)	(0.4023)	(0.4046)	(0.2494)	(0.3341)
Average risk	0.5480	0.5162	0.3744	0.5039	0.5041
	(0.5004)	(0.5002)	(0.4869)	(0.5002)	(0.5001)
Above average risk	0.1638	0.2514	0.3140	0.3685	0.3160
	(0.3721)	(0.4342)	(0.4669)	(0.4827)	(0.4650)
Substantial risk	0.0437	0.0298	0.1087	0.0610	0.0520
	(0.2054)	(0.1703)	(0.3132)	(0.2394)	(0.2221)
Time Horizon					
Next few months	0.2183	0.1229	0.1691	0.0568	0.0929
	(0.4154)	(0.3286)	(0.3771)	(0.2317)	(0.2904)
Next year	0.1965	0.1039	0.1014	0.0757	0.0928
	(0.3995)	(0.3054)	(0.3038)	(0.2646)	(0.2902)
Next few years	0.3406	0.2651	0.2295	0.2249	0.2447
	(0.4765)	(0.4418)	(0.4231)	(0.4177)	(0.4300)
Next 5-10 years	0.1572	0.2946	0.2874	0.3489	0.3176
	(0.3660)	(0.4562)	(0.4553)	(0.4769)	(0.4657)
Longer than 10 years	0.0873	0.2135	0.2126	0.2937	0.2520
	(0.2839)	(0.4101)	(0.4116)	(0.4557)	(0.4343)
Household size	2.3886	2.4108	2.3068	2.5808	2.5007
	(1.3721)	(1.3959)	(1.3792)	(1.1993)	(1.2884)
Emergency access	0.5000	0.7781	0.5894	0.8475	0.7933
	(0.5028)	(0.4159)	(0.4949)	(0.3597)	(0.4051)
Employment status					
Not working	0.3821	0.2971	0.1570	0.2205	0.2516
	(0.4886)	(0.4574)	(0.3660)	(0.4148)	(0.4340)
Full-time	0.6026	0.5843	0.7923	0.6567	0.6362
	(0.4920)	(0.4933)	(0.4082)	(0.4751)	(0.4812)
Part-time	0.0153	0.1187	0.0507	0.1228	0.1122
	(0.1234)	(0.3237)	(0.2208)	(0.3284)	(0.3157)

Source: Weighted analysis of the 2019 SCF using the RII technique and all five implicates.

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