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## ‘People are overwhelmed by choice’: Schwab’s Marie Chandoha

BY JACKIE STEWART

To Marie Chandoha, one of the best places to draw inspiration is an Apple store.

The technology giant is known for its simple yet sleek designs for its computers, cellphones and tablets. And simplicity is something the financial services industry should strive for, she said.

“People are overwhelmed by a lot of choice and a lot of complexity, and I want to really hone the product set,” Chandoha said. “I want to make it simpler.”

This is one way Chandoha, the president and CEO of Charles Schwab Investment Management, aims to disrupt the financial services industry. She has pushed for simpler, more straightforward offerings that investors are intuitively able to understand and use.

For instance, instead of offering 300 products, her company offers only 22 in its line of exchange-traded funds. The products are designed not to have “a lot of bells and whistles,” for the

sake of clarity and low cost, she said.

“If you walk into an Apple store, you don’t have 50 choices,” Chandoha said. “You have a few choices. And they are all beautiful and streamlined.”

Being disruptive is a Charles Schwab trademark. The company was founded 47 years ago with the idea of making investing cheaper and more accessible to the masses.

Chandoha has been at the forefront of lowering fees.

Last year the company eliminated investment minimums and cut expenses on its entire lineup of market cap-weighted index mutual funds and Schwab Fundamental Index mutual funds. In October, it launched the Schwab 1000 Index ETF, which provides exposure to America’s largest 1,000 stocks, priced at only 5 basis points. That ETF index reached certain milestones, such as \$300 million in assets, more quickly than any other Schwab ETF to date.

Chandoha also has worked to get more women not only into finance

but into leadership positions. Within her investment management business, almost a third of the named portfolio managers are women and more than 60% of its managed mutual funds and ETFs are overseen by women. By way of comparison, a 2015 study from Morningstar found that less than 10% of all U.S. fund managers were women.

Recruitment efforts have included working with Girls Who Invest, a non-profit that tries to bring more women into portfolio management, and partnering with colleges to develop a pipeline of talent.

Chandoha said she wants to bring more women into finance, even if they don’t spend their careers at Charles Schwab.

“A lot of young women don’t know the career path exists,” she said. “I think it is also a perception of ‘The Wolf of Wall Street’ inside some companies. But when they do have internships, they see, ‘Wow, this could be a great career path.’”

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