Women of Wealth: Unheard for Far Too Long

By Amy Hart Clyne, CFP®
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Women’s roles are changing. Across the globe, women are accelerating their ascension to positions of power and influence as well as amassing significant wealth.

Today, women control a significant percentage of the world’s wealth, including more than one-third of U.S. financial assets amounting to more than $10 trillion. There are 87 female billionaires in the United States (12 percent of the total) and women serve as chief executive officers of more than three dozen Fortune 500 companies, oversee many philanthropic programs and initiatives, and play an increasing role in shaping the philosophies and priorities of future generations. The Capgemini 2021 UNHW World Wealth Report noted that there are 114 percent more female entrepreneurs in the United States than 20 years earlier and that 40 percent of U.S. businesses are owned by women. Women also contribute $7.6 trillion annually to the U.S. gross domestic product, but their contributions are overlooked. That’s something advisors would do well to keep in mind as women come to command more positions of power in government, corporations, and family enterprises. Not surprisingly, women of wealth want to be treated fairly in relation to access and control of family wealth and have artificial barriers within the family removed.

Despite women’s achievements in business and in government, their roles in the exclusive enclave of ultra-high-net-worth families remain hindered by long-standing conventions and complex intergenerational dynamics. The mythical heroic patriarch looms large in many wealthy family histories, often relegating women to supporting roles and rarely giving them a chance to tell their own personal and family stories. These traditions, combined with lingering societal inequalities, have created a complicated path forward for women of wealth today.

Far too often, wealthy women’s stories are told through the lenses of others: their husbands, their children, outsiders, or even the media. Yet, these women share in the accomplishments and ambitions that have defined the gender dynamics of the 21st century. As women of wealth gain more power and prominence in their own families and throughout society, they remain a critically underserved group, their stories and experiences sorely missing from the broader picture of female empowerment and accomplishment.

In our book Finding Her Voice & Creating a Legacy: Portraits of Pioneering Women Leading Wealthy Families, my co-author Dennis Jaffe and I set out to uncover the voices and perspectives of this elusive group at this critical time. Our methodology was both anthropological and cultural and revolved around conversations, not data points. In our initial research, which is ongoing, we spoke in depth with more than three dozen women of considerable means about how they came to wealth, their roles in their families, the obstacles they overcame, and how they prepared their rising generations while sustaining family connections and family harmony.

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We uncovered stories that are universal yet unique, eloquent in their recitation, and extraordinary in their outcomes. These are individuals who experienced the triumphs and tribulations shared by so many women while navigating massive fortunes and complex legacies. They are women who found ways to make marriages work, families flourish, and businesses thrive. Each of these women’s stories is personal and offers powerful takeaways for understanding women’s evolving roles in modern wealthy families. They offer a fresh look at women’s roles in wealthy families and spotlight their convictions and contributions as complementary and assertive partners and parents. These findings have powerful implications for affluent families as well as the industries that serve them.

WOMEN ASSUME THEIR RIGHTFUL PLACES

Women, from their own perspective, have made significant gains over the past century. Women achieving the right to vote was the catalyst for subsequent change, and over time they slowly discovered greater business opportunities and became more accepted in financial, business, and political positions. And in
Women’s progress has accelerated greatly over the past 50 years. With the passage of the Equal Credit Opportunity Act in 1974, women no longer needed their husbands’ permission to get credit. Regarding family finances, sisters began to inherit equally with their brothers. Also, modern medicine permitted women greater reproductive rights and more control over childbearing. As for education, opportunities broadened as colleges accepted more women, so that by 2017 women accounted for 57 percent of undergraduate students. But today, even though women make up more than half of the student body at both medical and law schools, women occupy only 25 percent of C-level executive positions at the top 1,000 U.S. companies. Nonetheless, women’s lives and the opportunities available to them have progressed significantly over the past 100 years, which has meaningfully changed the calculus of how women consider their own roles vis-à-vis their families and their careers.

Although gender is not destiny, it’s important to recognize that women perceive and act differently than men and tend to approach their work and lives in contrasting ways. Above all, women of wealth want to be treated fairly in relation to access and control of family wealth and they want artificial barriers within the family removed. As this happens, women’s power and influence within families will increase, although their approach to acquiring these benefits will differ from that of their male counterparts.

Several studies document the emerging power and influence of women in relation to their financial success, whether through professional accomplishment, marriage, or inheritance. Yet, a recent global survey by Barclays of 400 wealthy families found that evolution to full equality still has a way to go. Although women today are likely to inherit substantial wealth, the survey found that fewer than half of them were as involved in family investment, business, and other financial decisions as their male counterparts. But that’s changing fast. The survey also found that although older generations held a patriarchal view of wealth—a belief that men should lead and make major decisions about business and family wealth—only a third of their children held such views.

A 2020 study by professional services firm KPMG found that “while women continue to face the dilemma of role conflict, they’re equipping themselves to balance the obligations at work and at home.” It also found that even as women continue to take major responsibilities for their own families and the upbringing of their children, they’re increasingly active in their family enterprises. For example, women in families of wealth increasingly are being considered for and offered leadership roles in various areas of their family wealth structure. In another study, author Kirby Rosplock compared how men and women related to their family wealth. Rosplock found many similarities but also discovered that women felt less knowledgeable, confident, involved, or in control of their wealth and decisions about it than men did.

Wives in enterprising families felt that they weren’t full partners nor fully working together.

**PIONEERING A NEW IDENTITY**

For our study, we interviewed 40 women in North America, half of them from the initial generation of family wealth and the rest from later generations. We interviewed each one for about 90 minutes. We asked them how they came to wealth, how their role in the family developed, what obstacles they overcame, and how they prepared their rising generation, all the while sustaining family connections and family harmony. For most of them, their family minimum net worth was more than $500 million.

Because our research into the evolving role of female leaders in families with significant wealth is happening during an era when the traditional role of “wife” is changing, we acknowledge that we’re seeing a snapshot of that role amid change. By comparing what we learned with traditional roles, we see that these women are role pioneers. They’re setting aside traditional behavior and expectations and forging their own paths. The transformation of a woman’s role within a family of wealth can be especially challenging. By taking on huge responsibilities within their families and family enterprises, these female pioneers can become role models and teachers to other women.

The arc of the evolution toward women’s heightened role in the family is clear,
but being in the middle of change isn’t always easy or pleasant. Many older family members hold more restrictive views of women’s roles. As women move into male territory, claiming new authority, they face resistance from those who don’t really accept that women can handle increased responsibility (although lip service is paid in this regard)—and from those who will lose power and influence in a shifting power dynamic.

As women’s external roles change and evolve, there’s a corresponding change in the development of their identity, how they see themselves, and their options. It can be intimidating to take on a new role and risk entrance into the unknown. Being a pioneer isn’t for the faint of heart, and the women we interviewed for this study had to tap their inner resources to move into new roles. Our interviews explored how they’ve brought meaningful change to their own family roles and created positive transformation within their families.

Although women always have been the cornerstone of the household, they’re increasingly moving into leadership roles within family operations. But that path is circuitous, complex, and often controversial—although it takes place largely in the privacy of business and financial families.

Our work illuminates the evolving role of women as leaders and influencers in the realm of family enterprise—the term we use to refer to all the assets in a family such as operating companies, investment portfolios, philanthropic initiatives, or a family office. It’s a project that began with seeing women becoming more active in making critical family decisions, not just about family but also about wealth.

The women we interviewed often were caught in a struggle for authority in their family enterprises. Women felt pressure to fulfill traditional expectations as mothers. They were concerned and interested in how the presence of wealth and a family enterprise influenced the well-being of family and children. They wondered if other women felt the same tension and what those women, whether older or younger, were doing about it. We also heard about inspiring, creative efforts in some families to manage these crosscurrents.

We were overwhelmed by the generosity and honesty of these women who shared with us what they were learning. Although their families were private and their challenges were personal, they were committed to assisting us in helping other women, partly because few, if any, of our female contributors had many or any formal role models in their journeys.

Our work also illuminates the varied ways in which families experience wealth. Some families sell their legacy businesses and invest the resulting profits in other ventures and assets—ranging from family vacation homes and real estate to extensive portfolios of investments. Many also “invest” in philanthropic and social ventures, while others work within their own family offices. A family needs different kinds of leadership to maintain these diverse assets and sustain its identity in relation to various businesses, assets, and advisors. This diversity leads us to use the term “family enterprise” rather than “family business” to refer to shared family assets.

**THE NEW MATRIARCHS**

Our approach can be labeled “appreciative” in that we were looking for positive stories that embodied creative solutions. We weren’t trying to get a representative sample that we could generalize from, and we didn’t seek out the disaster stories of family conflict and dissolution that are all too common. Instead, we wanted to uncover the exemplary stories of women who became excellent family leaders. Most of the women we interviewed were those with whom we’ve worked with, or who were referred by colleagues; others, about one third, came from clients of Pitcairn, the sponsor of this research.
FIVE WAYS NEW MATRIARCHS PREPARE THEIR CHILDREN FOR A POSITIVE FUTURE

Valuing relationships over recognition. The wife or life partner of the public-facing wealth creator carries out many activities to support and enable a spouse, all of them based on relationships. Through building trusting, caring, supportive relationships, the female family leader greatly influences and contributes to the family enterprise. Her relationships add value in many ways, some of which are not seen or given credit publicly. We can speculate that women live more by relationships and less by a narrow focus on achievements; and we can appreciate that this role is one of the foundations for a successful family enterprise.

Raising active and engaged beneficiaries. It’s common for wealthy parents to fear their children will become spoiled and entitled. The women we interviewed actively encourage (maybe even pressure) their children to work when they’re young. By working in the family business, growing children find satisfaction and learn to see themselves as contributors to the family, not just beneficiaries. They learn about the business and how other people work and may internalize that family members aren’t too special to work. When the children spend time working in the business, the father goes from being a distant figure whose passion takes him away from the family to a figure who inspires and teaches them. But it’s the mother’s task to make this happen. By entering the spirit of the business, the distance between the father and children shrinks—thanks to the mother.

Imparting family values and attitudes of gratitude. In what they taught and modeled for their children, these women are attentive to the values they hold dear. One almost universal value seen in our study was frugality. Many women noted that although they were wealthy, they remembered a time when they weren’t wealthy, and their family lived well below its means. They instilled attitudes of gratitude for what they had, along with a sense of humility. They understood that their success came from hard work, and they wanted their children to learn this same lesson.

Governing family through stories and solutions. The work of building a new generation includes much more than instilling a work ethic and attending to the values and skills of children. Female family leaders want to have family conversations. They initiate family meetings, shared family activities, and family policies about decisions to organize the future and build cooperation within and across generations. They act as stewards by convening meetings to talk about what it means to be wealthy and what’s the purpose of the wealth.

Encouraging their children to dream without limits. All the women interviewed felt that their daughters had the same chances as their sons to enter the family enterprise or be part of its governance; and in fact, an equal number of sons and daughters did so. Several mothers found that even though they may have taken on a traditional female role, they wanted to ensure that their daughters had an equal opportunity to follow their passions and they were careful to raise their sons to expect their sisters to be treated the same as them. They wanted their daughters to know that their careers and passions counted and deserved respect.

Initially, we called these female leaders “matriarchs”—a term that is defined as “a woman who is head of her family and a guide and role model for her descendants.” It denotes an older woman who’s venerated for her wisdom and strength as the leader of a family, attaining an almost mythic status in that family. The label has its roots in historical texts, but we found that some of the women we interviewed, especially those who were younger, rejected the label, because for them it evoked a dated concept of women as solely caregivers, mothers, or supportive spouses who exercise hidden, indirect influence. They felt that their roles were more individualized, complex, and far-reaching than the term implies. We appreciate those views but still have chosen to use this label because it is not meant to be pejorative but rather a badge of honor that we use in the most positive sense of the word. It applies most clearly to the older women who are part of the first generation of family wealth, though some women in later generations who have been family leaders for a significant amount of time also fit the description. We see them as “new matriarchs,” a role that will be defined as we share what we learned.

We use the term to refer to the way that they’ve defined their role as spanning enterprise and family stewardship, and to denote how this role is more extensive than the traditional role of male or female family business leader.

Although they may be matriarchs in a traditional sense, these women, especially those in later generations, prefer to describe themselves simply as family leaders or “stewards”—doing what’s needed to pass the family’s accumulated wealth and achievements to a new generation. Their roles often are informal, sometimes not visible or public, and at times not noticed or heralded. They identify with the concept of stewardship, or servant leadership, referring to a type of leadership that listens closely to the needs of others and finds ways to move forward quietly but
The participants who were new to wealth tended to be wives of business founders who had either worked alongside to create the family enterprise or married later. The first-generation, new-to-wealth women were all somewhat older: they were post-World War II children with an average age in their mid-70s, and many were grandparents. The inheritors were more mixed in age, on average in their early 60s, but all were older than age 40 and parents themselves. Their role expectations, mindsets, and values were all shaped by the social dynamics of the late 20th century, when women’s roles were changing but progress tended to be in fits and starts. Their family members had both traditional and progressive views of women’s roles. These women were new to wealth and faced the task of defining how the new wealth would be used and how new leadership would develop.

The inheritors were in the second or later generations of family enterprises that were called upon to become successors and take on various roles of family leadership. These rising-generation women are family culture innovators. In some ways, they continue the task started in the first generation, but they face the additional complexity of siblings and expectations different from the first-generation pioneers. None of the interviewees were from the millennial generation, and just a few represented Gen X—whose perspective we expect to be very different because they will be more accustomed to equal roles and be the beneficiaries of the pioneering work and leadership of our study participants. Their stories should be the subject of future research.

Our research reveals that, regardless of how they came to their wealth, these women often define success by a different set of metrics than their husbands and they use a different set of skills to realize it. They’re partners and peacekeepers, caregivers and co-investors, agitators and arbitrators, visionaries and voices of reason.

With such a small sample, we cannot draw conclusions or generalize about “most” female family leaders. But the stories we heard from these visionary women offer a window into what’s possible and can inspire others. They highlight the internal challenges that arise when a woman moves into a leadership role and the creative ways in which they can exercise that role in traditional, male-focused families and cultures. They showed us what they do and why they were called to act, how they reached their goals, and how it changed them and their families.

Our research offers a picture of evolving family wealth and how women are taking

### WOMEN NEW TO WEALTH

A majority of the first-generation female wealth creators we spoke to were partners in founding entrepreneurial businesses. Although their specific roles and focuses varied, they all played an essential part in the success of the family and the family business, serving as equal collaborator and caregiver as often as secondary supporter or sounding board.

Our conversations revealed a few fundamental truths about these women and their journeys:

- The road to new wealth is equal parts evolution and revolution.
- Women of wealth don’t fit into a single category—they have varied characteristics and roles.
- Widowhood shapes new wealth in surprising ways.
- Instincts of motherhood deepen with new wealth.

### WOMEN AS INHERITORS OF WEALTH

Women who are born into wealthy families inherit much more than assets. They also inherit values, family culture, traditions, and expectations. Many inheriting women come to see this as a blessing and, often, as a burden. They devote a significant portion of their time and energy to challenging those family mainstays while at other times celebrating them. Like creators of new wealth, women inheritors rarely start and end their wealth journeys in the same place—their skills and priorities grow and evolve as they define their own roles and shape a new set of traditions and expectations for future generations.

We identified several shared elements in the stories of these women:

- “Old money” values often clash with modern values.
- Leadership is a journey, not a destination.
- Inheriting women are shaping an important new role: chief family officer.

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on increasingly influential roles. Their influence is felt not only in the management of family wealth but also in how generations to come are being raised differently and offered greater and more equal opportunities.

Although more families are accepting and inviting women into leadership positions, women’s paths to leadership still include more pitfalls, challenges, and hurdles than their male counterparts. They sometimes struggle to be seen as candidates for leadership. They don’t tend to become bitter or resentful but accept that the family is evolving in its acceptance of women in key leadership roles. They were aware that the march to gender equality was taking place and that they were taking a step forward that must transfer to their children. They’ve grown up with a sense of self-confidence and a feeling of personal efficacy and drive early in life. They had a feeling of acceptance in the family, or in their marriage to an entrepreneurial spouse, which gave them the motivation and persistence to face and overcome barriers to leadership that may not affect their male peers, siblings, or cousins. This confidence allowed them to feel comfortable as innovators and pioneers in the family, and make sure that their success is also open to their daughters and sons. They want to see their achievements sustained by the behavior and expectations of their children and grandchildren.

The women in our study all hold an integrated, connected, inclusive, and meaningful view of the rationale and possibilities of family enterprise. By listening to them, we see how families can use their wealth in a way that creates harmony rather than division. Their sensitivity and struggle offer a picture of leadership that connects family and business. By hearing their stories, we learn about families that have been able to grow and innovate, at a time when resiliency and adaptation is necessary for every family enterprise.

Women’s roles in wealthy families are evolving and likely will be very different a generation from now. We can dimly imagine but remain hopeful that gender neutrality and full equality in access to leadership roles and role flexibility will be achieved. Our hope is that our research will contribute to a greater recognition of the key role that women play in creating and sustaining these extraordinary, exceptionally wealthy families.

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ENDNOTES