



What Women Want

Lessons From An Advisor

by Kecia Barkawi

When I started VALUEworks, a Zurich-based multi-family office, over ten years ago, two concepts were still rather nascent in the wealth management industry: philanthropic advisory as a service and women as a market. Back then, it was not the norm to put philanthropy at the forefront of wealth and family estate planning as it was a consideration usually reserved for retirement, old age, or even death. At that time, women were also not viewed as the most desired clients and more frequently were considered wives or daughters who married into or inherited wealth with little financial knowledge, let alone decision-making power, of their own.

Much has changed since then. Philanthropy has now become a valuable component of family governance and multi-generational planning for wealthy families. Moreover, the tide for women has shifted. In the US, it is believed women will own two-thirds of wealth in the next decade, driven by generational and spousal transfers. In Asia, a new generation of women is transforming the region's cultural legacy as more affluent, educated, and empowered women come into the picture.

Women are wielding more financial power and astuteness. The movement is real, global, and here to stay. However, the financial industry does not seem ready to serve the needs of wealthy women, even though these are more likely than men to work with advisors whom they value highly. A study on *Women of Wealth* by Heather R. Ettinger and Eileen M. O'Connor published in 2011 showed that women know what they want. They want to be understood and listened to—the whole story, not just the financials. They want a tailor-made approach focused on their unique needs—not a generalization about women issues, or a product. They want honesty and transparency, and a clarity of their undertakings and what the risks involved are. And philanthropy advisors, too, must

fully grasp what this means.



Kecia Barkawi

Much has been written about gender differences in giving. Sondra Shaw-Hardy and Martha Taylor have expertly illustrated these in their 2010 book, *Women and Philanthropy*. In my twenty years as wealth advisor, I have come to believe that gender differences are important to keep in mind. Yet, still today, many women of wealth continue to face challenges getting customized services. They struggle to find a truly understanding advisor, because they are either patronized or treated differently on account of their gender. In competing to offer services for women, many in the industry have opted for a cosmetic shortcut. As someone once wrote, “Changing the font to pink doesn’t change the service.”

Together with my mainly female team I pursue a sincere and holistic approach that allows our valued female clients to become engaged and motivated leaders in their philanthropy, not wallflowers.

While writing this article I have reflected on what I have learned from years of philanthropy advisory, but also as founder and CEO of a multi-family office. Below is a list of five key observations which could be useful and equally applicable to any of an advisor's clients.

1. **Understand their journey.** Women play multiple roles. They own successful businesses, but are also mothers who care for kids and manage a household. They are wives who support their spouses, and daughters who care for older parents. Where they are on their professional and personal journey matters tremendously to their philanthropic decisions. As Heather Ettinger and Eileen O’Connor highlight in their study, transition issues such as death, divorce, retirement or being caught in the so-called “sandwich generation” of caring for children and aging parents, define the needs, expectations and financial concerns of successful women. Advisors have to approach these phases in the client’s life with deep sensitivity as these roles matter a great deal. Equally important is taking in the big picture on how these roles change over time. A good advisor should think ahead of these transitions.
2. **Encourage leadership.** While we celebrate how many women have taken the reins of the most influential philanthropies today, there are countless others who remain in the background. Being a leader isn’t easy as it means accountability for financial, operational and strategic decisions. It also implies understanding more fully the intricacies of running a foundation, or spearheading fundraising, or being the face of an advocacy. As advisor I can provide a great service by identifying the personal development needs of my female client, identifying skills or experiences that will help her fulfill her role and be proud of her philanthropic achievements.
3. **Address issues of risk.** Women are characterized as more risk-averse and conservative when it comes to finances than men. The 2011 Study of High Net Worth Women’s Philanthropy by the Center on Philanthropy reports that nearly 40% of women are not willing to take any risks with their philanthropic investments versus just 22.8% of men. I generally believe in a conservative approach. We women are less prone to overconfidence and tend to plan more carefully for uncertainty. As an advisor faced with a highly risk-averse client, I find providing an educational path the most effective approach to ensuring she feels comfortable with her decisions. It is important to acknowledge and highlight risks and to admit that we cannot possibly know everything and investigate every

scenario. Nevertheless, by bringing in experts, organizing open discussions, exchanging useful readings and creating an atmosphere of discovery, we can all learn together. The most meaningful philanthropic engagements come out of such dialogues and exploration.

4. **Connect them to other philanthropists.** There are many successful women of wealth who are seeking to make a real difference with their philanthropy. Often they come across the same challenges and obstacles. One of the initiatives I am very proud of is a Swiss-wide network for women in philanthropy which VALUEworks initiated in 2012. By creating a highly exclusive space for women philanthropists to come together to exchange ideas and learn from each other, we can give them the keys to empowering and enriching their own giving journeys. As advisor I am really motivated by the outcome: clients and contacts are inspired, energized and truly appreciate the connections they make through the network. They become more open to sharing their views and talk about problems encountered and to partnering with others, raising their effectiveness and efficiency as givers.
5. **It isn't all about gender.** According to the study of Ettinger and O'Connor a big amount of dissatisfaction of women clients stems their perception that gender is the reason for poor financial advice, disrespect and condescension from the financial services industry. We need to reframe our entire approach so that it is not gender-centric which has the tendency to patronize women, alienating them even further from advisors. Successful, empowered, educated women need and deserve competent philanthropy advice, served to them with care and professionalism. Service providers are better advised to invest their time and resources in creating a tailored approach that makes their philanthropy both socially relevant and personally meaningful. And this way, we as advisors can have a greater impact, too.

If we care about excellent service to our clients - male and female - we need to keep our gender biases in check. What women truly want is to be understood and treated as equally special as every other valued client.

