



**Upchurch Watson
White & Max
Family Business
and Wealth
Mediation
Practice Group**

MISSION STATEMENT

*Transforming
business families
and families of
wealth through
confidential
mediation.*

Panel

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FamilyBusiness**

WOMEN AND WEALTH

By: *Michelle Jernigan*



Over a business dinner with my partner, Gerald Le Van, the discussion turned to the question: “What is the greatest societal change you have observed in your lifetime?” Without hesitation Gerry remarked, “the changes in the roles and opportunities for women.” One aspect of this changing role of women in our society has been how twenty-first century women view wealth. Wilmington Trust, Campden Research, and Relative Solutions, collaborated to produce a research project titled “The New Wealth Paradigm-How affluent women are taking control of their futures.” (2009) In 2008 Campden Research and Relative Solutions conducted in-depth interviews with 40 “extremely affluent (net worth greater than 25 million), middle-aged (between 40 and 65 years old) women and the role that wealth plays in their decisions about work, family, children and the community.” By virtue of their ages, these women represent the views of three generations - their family of origin, their current families, and their grandchildren.

A few generations ago all wealth was held by men. Now the balance is shifting, and more and more women are in control of wealth. A number of factors have contributed to this shift: 1) Sisters are now inheriting equally with their brothers; 2) More women have entered the workforce, taken roles in the family business and have contributed to their own wealth; and 3) Women are outliving their husbands by an average of seven years, therefore inheriting their own wealth. This wealth shifting produces a societal and value shift. Traditional patriarchal family values are transitioning to a more collaborative, egalitarian relationship between men and women. This summary article will highlight and discuss the perspective women bring to affluence.

While men often view wealth as a demonstration of success in their lives, women view wealth as an opportunity to achieve their goals and have independence. Wealth gives them the freedom to establish their lives in accordance with their value system – developing personally, contributing to their communities, and passing on their values to the next generation. These women recognize that their wealth provides them a sense of control and security that few women have. Freedom from the daily financial worries that many families encounter, these women enjoy a comfortable lifestyle, but tend to be conservative - almost 90 percent interviewed live below their means. Unlike their mothers, the women with inherited or self-created wealth now control that wealth. They discuss major decisions with their husbands, but may have financial resources that are off-limits to their husbands.

These women view their wealth, not as source of power, or dominance or status. Instead, wealth confers on them a greater societal responsibility – the notion of making the world a better place. Most of the women in the study are highly educated, with 95 percent holding a minimum of a Bachelor’s degree and 50 percent holding a Master’s degree. Most of the women in the study worked outside the home in some capacity. Fifty-five percent indicated that they have “always” worked, while 30 percent stated that they worked “most of the time.”

Not surprisingly, the biggest concern these women have is for their children. This maternal instinct manifests itself differently in the wealthy than it does in families that struggle financially. Affluent mothers want their children to pursue work and social involvement, fully developing their capabilities. They worry about the influence that wealth may have on their children’s sense of responsibility and life choices. They want to dispel the secrecy concerning wealth, which was predominant in the prior generation, and they seek to educate their children about how to manage wealth responsibly according to the family’s value system.

Today’s women of wealth are leaders in a tremendous societal transition. Having been raised in patriarchal families where few of their mothers worked and made financial decisions, these women expect an equal or even a leadership role when making decisions about their wealth and its impact on them and their children. These women have bridged the gap between “traditional values about gender and family wealth, and emerging values that women are equal partners in family, at work and in the community.” A great degree of responsibility rests with these women as they attempt to pass their values and practical orientation concerning wealth to the next generation.



...AND COUNSELOR AT LAW

By: *Gerald Le Van*



Lawyers are licensed both as attorneys and counselors at law. Some lawyers hesitate to spend time counseling, concerned that clients wouldn't pay for it. In my experience, those lawyer apprehensions are misplaced. Clients admire their lawyer's maturity, wisdom and judgment and are willing to pay for counseling, especially in difficult times like these.

There's very little written about what legal counseling is, or how to do it. A welcome exception is Shaffer and Elkins, *Legal Interviewing and Counseling* (4th Ed. West Group 2004). Though nominally a Nutshell for law students, this little book speaks volumes to seasoned lawyers and to anyone else who would be a professional counselor. I have summarized the authors' major points on our website. Here are some samples:

- a. Your client lives a story, adventure, journey, saga, a drama. The client is playwright, the advisor is the audience. Let the client tell the whole story. Listen like a sympathetic companion. Listen with, not listen at. Become a temporary companion in the client's story. You have specialized knowledge that might improve its outcome.
- b. Listen to your client's story. The plot may be complex, twisted, even perverse, but it's the plot. The plot has meaning to the client. Try to discover that meaning from your client's point of view. The story shapes and defines your client's experiences and expectations. It's your best clue to what your client really wants and needs.
- c. Listen actively for what is actually being said -- for the client's meaning and feelings as well as words. Clients depend on us to hear all they are trying to say and depend on us to detect what's not in their words themselves. Active listening requires placing oneself in your client's world, empathizing with your client, even trying to feel what your client feels. The accomplished active listener is able to communicate that empathy back to the client.
- d. Distinguish choices from decisions from solutions.
 - The client chooses how he or she wants the story to turn out. Choice belongs entirely to the client. Advisors should not appropriate clients' choices.
 - A decision is what to do, a collaboration between client and advisor. They form a kind of partnership and allocate control. Decision-making is joint.
 - Solutions are entirely within the adviser's specialized knowledge and control.
- e. The test of a good decision or tough choice is not whether it has been unemotionally made, but rather whether all the emotions involved have been expressed, recognized, and taken into account. Innumerable business decisions are bad because they have been devised on the assumption that feelings can be laid aside or ignored. Remember to forget the phrase "touchy-feely". It demeans the emotional dimension in human life and advertises the speaker's insensitivity. The same goes for the words "hard" and "soft".
- f. Open-ended, non-judgmental questions work better. Be sparing with questions. Don't ask a question if there's a better way to get the information.
- g. Q&A. If the client interview becomes primarily Q&A, we set a pattern that's hard for either advisor or client to break. By Q&A, we teach the client that it's up to us to ask the questions and it's up to them to answer. Except to answer, the client keeps his mind – and heart – closed. Q&A tells the client we're the boss and that only we know what's important or relevant. The client submits to Q&A only because she expects you to come up with a solution, and assumes that Q&A is the only way you have of helping. Straight Q&A encourages inappropriate dependence on the advisor.

EVENTS, ARTICLES AND RESOURCES

EDUCATIONAL OPPORTUNITIES

- [Gerald Le Van](#) will be presenting "Family Business Succession: Expanding Your Services" at the Florida [American College of Trust and Estate Counsel Meeting](#) on September 12, 2009 at the Orlando Airport Hyatt.
- [Gerald Le Van](#) and [Richard Lord](#) will be speaking at the Business Renewal Series conference offered by Stetson University, DeLand, on September 24, 2009 at the Lynn Business Center. [Click here to view the flyer online.](#)
- The [2009 Family Firm Institute Annual Conference](#) will be held in New York City from September 23-25 at the Marriott Marquis.
- [Gerald Le Van](#) will be presenting at the Washington Estate Planning Seminar in Seattle, Washington, October 1-2, 2009 at the Fairmount Olympic Hotel.

RESEARCH & RESOURCES

- Pride, ingenuity and endurance: [A List of America's Oldest Family Businesses](#): FamilyBusinessMagazine.com
- [Family Businesses Are Reeling in Recession](#): NYtimes.com
- With every downside, there is an upside: [Family Business: How To Prosper In A Recession](#): TheFamilyBusinessSchool.com
- [The Family Business Succession Handbook](#): TheFamilyBusinessMagazine.com