

## Women and Wealth: How to Connect Them for Your Campus

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### **Abstract:**

Thanks to greater career opportunities, savvy investments and longer lives, women are sitting on a pile of money that has the potential to change the world.

The combined net worth of the 1.6 million female top wealth holders is \$2.2 trillion. The average net worth of those women is \$1.38 million, slightly higher than for the same group of men. A Boston College study found that among married women executives at Fortune 500 companies, 75% actually out-earned their husbands.

With much of this wealth potentially available to higher education, it's important to engage women ad donors and advocates for your program, said Debra Engle, VP for development and Karlene Jennings, director of development for the university library, both at Iowa State University. They spoke it at the University of Nebraska conference on Women, in Educational Leadership in September.

**Keywords:** Women | Donors | Higher education | Philanthropy | Academic fundraising

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### Should women be a priority?

"There are a lot of people in my business asking if we should be focusing on women," said Engle. "Statistics say 'yes.' And we count on faculty to be strategic partners with the development office."

Statistics show that women control 75% of all household finances and make 53% of all investment decisions. This adds up to a lot of money that will ultimately be passed on to the next generation.

It's estimated that between 1998 and 2052, some \$41 trillion will be transferred to members of Generation X. Of that, \$6 trillion is expected to benefit charitable causes. "Where there's smoke, there's fire," said Engle.

But the donor pool is shifting. A recent article in *CASE Currents* noted that World War II era women are either making or bequeathing major gifts, but the birthrate for the group of women following them is down 23%. Not as much new wealth is being created as during the 1990s.

Still, just between 1996 and 1998, the percentage of women with assets to invest in excess of \$500,000 increased twice as much as that of males.

Much was due to increased education for women, who have outnumbered men on college campuses since 1979 and in graduate schools since 1984. More American women than men have received bachelor's degrees every year since 1982. Women make up 44 to 50% of law school graduates, 45 to 48% of medical school graduates and 35 to 40% of business school graduates.

Engle told the story of Esther, who graduated from Iowa State during the 1920s with a PhD in chemistry. The ISU development office met her when she 92. When she died at 104, Esther left her estate to two schools, the one where she earned her bachelor's degree and the one where she received her doctorate.

Jennings noted that women philanthropists come in all shapes, sizes and careers. They are mothers, faculty members, retired mentors and first-grade teachers.

These women can be cultivated to be advocates for campus programs. "If they themselves can't give money, they can give you access to those who can," she said.

Various reasons for giving The culture of women's philanthropy is composed of certain characteristics. Compared with others, women:

- **See a need** and want to respond.
- **Prefer to give to people.**
- **Are willing to give to inspired programs.**
- **Want to give to causes** they are directly engaged in, such as a childcare facility, a research center in the arts or other specific programs or projects.

- **Like to connect with other women**, such as the 300 women's giving circles now active in the United States.
- **Like to fund things collaboratively.** For example: A group of women attorneys who graduated from the University of Virginia felt their giving wasn't visible enough. So they pooled their money and funded a huge atrium. Harvard women raised \$19 million in 120 days because they didn't see enough senior women faculty in the divinity school.
- **Will commit.** "When we women make a commitment, we're good for it," said Engle.
- **Should celebrate more.** When we achieve something, we don't usually celebrate it in a broad way, if we do anything at all. Sometimes that celebration simply means taking a moment out, just to reflect.
- **Must develop courage.** We're fearful that we may not have enough money to last us to the end of our lives.
- **Need to learn confidence.** We need to know our financial situation and how much we can give.
- **Care.** It's a trait women are known for.
- **Prefer less risk and less volatility** in their investments. Women look at financial managers in very different ways than men do. We tend to prefer gifting through bequests.
- **Are less likely to give unrestricted funds** than men are. Individual donors show more interest in tailoring their gifts to specific purposes. Women, are also less likely to give just out of loyalty.
- **Are more comfortable with transactional giving.** Because we pay the bills, we're comfortable in writing checks to causes we support.
- **Need to be sold on transformational giving.** This requires strategic partnerships in giving and takes longer to see a gift than transactional giving. But the upside is generally a larger gift. "But even if women have money, they don't have the propensity to give it to us [higher education]," said Engle.

One of the major reasons that wealth may not end up in the hands of the academy is that boomer women are expected to outlive their husbands by 15 to 18 years. On average, women will be widowed at 67, which presents a barrier to women's giving.

One of the biggest barriers is what development officers call the "bag lady" syndrome, where we fear running out of money. That's because so many of us wait all our lives for that white knight to save us from financial issues rather than taking steps to understand the power of money. And if we're to be widowed early, we're going to hang on to what we have.

Others include women feeling that money is a private issue. We don't like to talk about it. And in many cases, we haven't been asked to give.

### **Best practices in philanthropy**

Engle and Jennings suggested some best practices for schools who want to better cultivate women donors:

- *Basics are best.* Remember the things we learned when we were five about sharing and thanking people, and apply them.
- *Events.* Think out of the box when scheduling events. Jennings recently took two 78-year-old women to an Iowa State football game. Other non-profits have patterned their fund-raising activities after academic fund raising, and so we in academe have to take the strategies to the next level.
- *Thank yours.* The average person likes to be thanked seven times for their generosity.
- *Little things.* Women are concerned with how things are presented. Remembering a birthday is a big deal. Potential women donors appreciate how the development officer dresses when she meets with them.
- *Education.* They are also interested in opinions, their own and others'. Whether or not they agree with a particular person's opinion, they still want to hear it.

Potential women donors also appreciate multitasking, change, collaborative interaction and being around other people. They are emotional givers who seek appreciation for their efforts.

With this knowledge and an increased pool of educated women who have money, campus fundraisers will have a better chance of improving campus life for their students, most of whom are women.