

EuropeanPWN-Paris - Women & Money Think Tank “Women & Money, between Control and Complexity”

A European study for putting our cards on the table.

Only 1% of the world's wealth belongs to women, and in no country do women's salaries really equal men's. In France, although they have a higher level of education than men, women earn approximately 20% less, despite numerous laws that have been ratified but are not applied. Beyond the macroeconomic and social explanations for these gaps, we know that in our private lives culture, stereotypes and family history influence our relationship with money more or less consciously. In an aging Europe where the unemployment rate and the number of single parent families is constantly increasing, it is more important than ever for women to be able to project themselves into the future and to demystify money in order to put it to its best use.

Before launching a program aimed at accompanying women in our network towards a wiser use of their financial resources, the Women & Money Think Tank needed a deeper understanding of this complex issue. Faced with a lack of literature on the subject, we decided to ask our members about their attitudes and behaviors. How do our members position themselves in relation to money? What poses problems? What is complicated? Do they feel that they are as well paid as their male colleagues? Do they plan ahead? Do they need support?

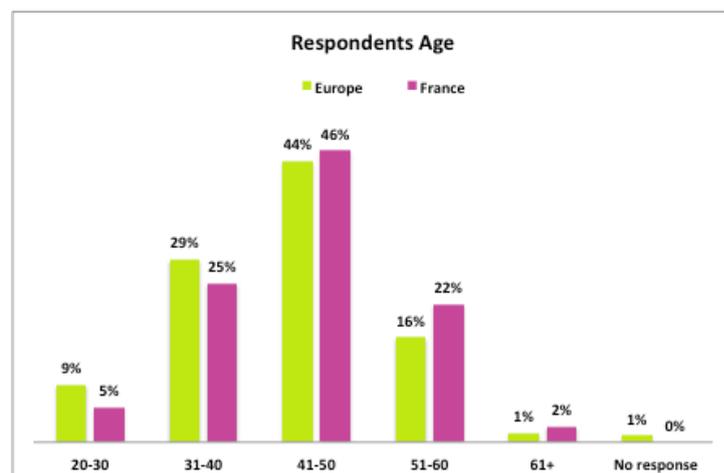
1. Women were enthusiastic about money talk

Our survey was run in June 2013 based on an Internet questionnaire sent to 3500 members in 17 countries. 29% of respondents come from the French part of the network (where EuropeanPWN was founded, and home to a third of European members). Next come the Netherlands, Italy, Spain and Switzerland each representing between 7% and 10% of the sample. After come the countries representing less than 5%: Austria, Belgium, Denmark, Germany, Ireland, Norway, Sweden, UK, Poland, Portugal, Romania, and Turkey.

64 questions, 4 of them open, requiring 45 minutes to answer... and a first surprise: a response rate of 24%! 823 members took the time to share their experiences, difficulties and dreams involving money, thus demonstrating their strong interest in the subject.

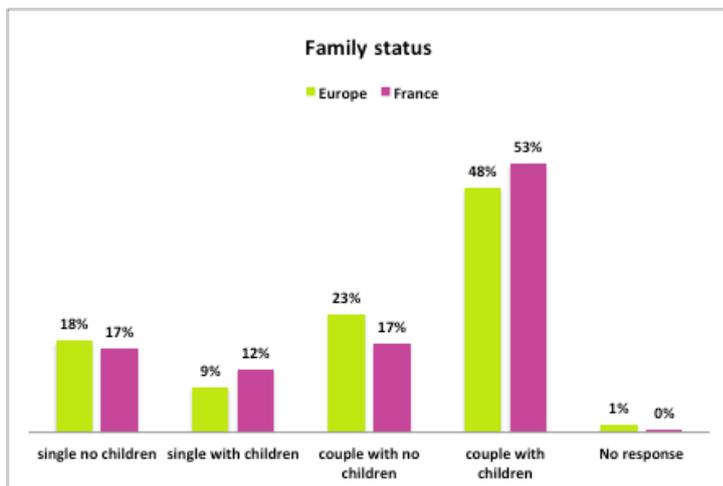
2. The profile of respondents: on solid academic footing and economically sound

1.1 Demographic profile



The age structure of respondents globally corresponds to that of EuropeanPWN: 44% are between 41 and 50 years old, 29% between 31 and 40.

The average age is 42 (43 in France).

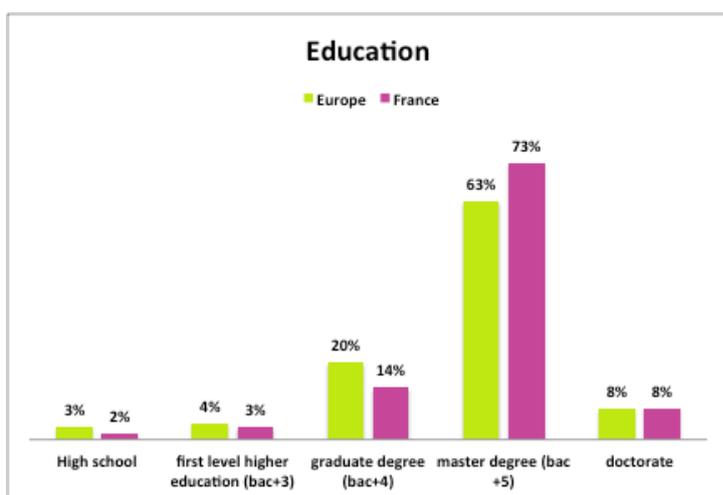


The most frequent family situation is a woman living with a partner and children 48% of respondents (vs. 53% in France).

In the sample

- 57% of respondents have children (65% in France), 41% have no children.
- 71% live with a partner and 27% are single.
- **The average number of children for respondents across Europe is 1.9** (which is higher than the European average of 1.6 children per woman *), and 2.1 in France.

2.2 Level of studies



The level of studies of survey respondents corresponds to that of our members: 71% have at least a 5 year degree, with 81% in France.

According to Insee (2011), 27.8% of European women and 31.4 of French women have a higher education.

The level of education of EuropeanPWN survey respondents is thus particularly high.

Most of them studied business and management (40%), science (24%), law and finance (23%) or liberal arts (13%).

Note that in France, more respondents have liberal arts backgrounds (23% vs. 13% in Europe) and fewer studied law and finance (12% vs. 23% in Europe).

2.3 Professional profile

More than 60% (57% in France) work for a company, 26% are entrepreneurs (28% in France), of whom 19% are solo-preneurs (23% in France), and 10% are currently unemployed (13% in France). Of note is the fact that at the European level, respondents are less touched by unemployment than the population at large (10% vs. 12% OECD, August 2013), while the phenomenon is the opposite in France: 13% are in transition compared to an unemployment rate of 11%.

86% work full time and 14% part time, which is less than half of the average for Europe: 32% (Eurostat data 2011).

They work mainly in business functions (43%), law and finance (18%) and scientific fields (16% whereas 24% have scientific degrees).

Concerning the size of companies they work for, the largest contingencies are at the extremes. **37% work for companies employing more than 5000**, while **24% work for companies with fewer than 10 employees**. (The latter figure can be explained by the fact that 19% of respondents are solo-preneurs). 39% work in companies of between 11 and 5000 employees.

Respondents have consequential professional experience. 41% cumulate between 11 and 20 years of experience, 34% between 21 and 30 years.

In summary, the profile of our 'average' survey respondent: she has a high level of studies, mainly in business and management, is 42 years old, lives with a partner and two children, works full time in a large company and has 20 years of professional experience, mainly in a business function.

3. Their professional commitment is the guarantee of their independence

It is within the family sphere that respondents found the energy to carry out long studies. From the family point of view, success was essentially linked to a professional career enabled by higher education for 80% of respondents. Only 27% referred to financial success. We find that it is indeed meritocratic values that pushed women into professional life.

The consequence of this for our respondents is that **work means first and above all independence (74%)**, next an opportunity for development (62%) or a necessity in life (56%). Pleasure comes only in fourth position (42%).

They seem to be at ease in their jobs. 45% never feel guilty and 51% of respondents feel guilty only some of the time, reason being for 93% that they do not spend enough time with their families.

In France the feeling of guilt is higher (56% vs. 51%) probably due to the fact that a higher number of respondents have children.

This investment, both in their higher education and in their careers results in a surprising consequence: 52% of respondents living with a partner declare to be 'Ms. Breadwinner' with the highest salary in the couple. In France, the rate of respondents supporting their families (53 %) is double that of French society at large (24%, source Ipsos).

Interviewees represent a population that is highly committed and active in both the professional and personal realms. Assuming heavy economic responsibility both at work and at home, they are also actively involved in the professional women's network EuropeanPWN. Yet, unfortunately, they work in a professional world that is more favorable for men, and seems to weigh upon them.

4. A work environment favorable for men

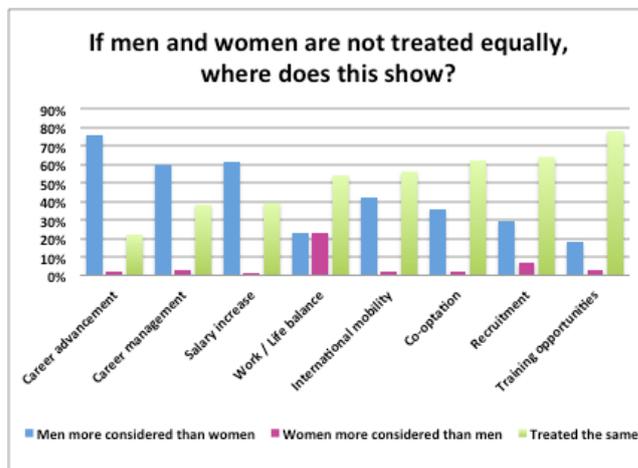
Taking a closer look at gender balance in the workplace, respondents declare real dissatisfaction: **only 37% think that women and men are treated with equality in the companies they are working in** (with the percentage falling to 29% in France).

Several domains stand out in particular as being more equal: training (78%), recruitment (64%) and cooptation (62%), and to a lesser extent international mobility (56%), and work / life balance (54%).

Nevertheless, in all domains, when equality is not to be found, the advantage goes to men who are better treated than women. **Moreover, the further away from HR processes (training, recruitment, international mobility, work/life balance) and closer to management process linked to power, the higher the inequalities are.** Respondents observe that men are favored in terms of career management (60%), pay increases (61%) and career advancement (76%).

The only domain where women feel that they are slightly better taken into consideration than men is, ironically, work / life balance (23%).

French respondents are even more severe: they declare nearly a 10 point spread in equal treatment ratings in favor of men for aspects linked to power: career management (70% vs. 60% in Europe), career advancement (84% vs. 76% in Europe). Also of interest is that cooptation is denounced by 57% of French respondents vs. 40% at the European level.



In conclusion, the only point where women express feeling support from companies is in the domain of work / life balance – which enables them to continue to lead their double days! Implicitly this position contributes to preventing men from taking a stronger involvement in their home and family lives.

5. A weak reaction to questions linked to remuneration

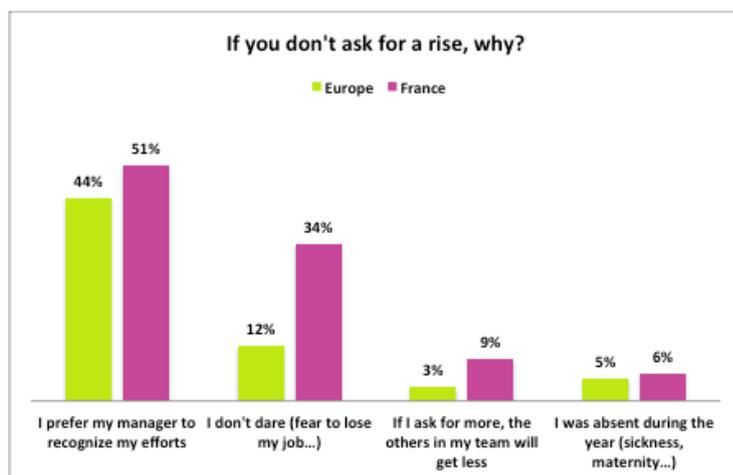
Even though they work in organizations that they perceive to treat men better than women, the respondents are privileged women, both by their studies and their professional experience. Nevertheless **75% of them are not satisfied with their remuneration.**

Their weak involvement in questions about remuneration is thus even more surprising.

- 69% do not speak about their salary with friends
- 66% do not ask for pay raises
- 60% find it difficult to ask for a pay raise
- 49% do not feel well-armed to negotiate their salary
- 38% do not know if their salary is equivalent to that of a male

Even though 65% of respondents prepare for their yearly appraisal (and even 73% in France), and though 73% of them anticipate the objections of their managers, only 51% feel prepared to negotiate their salary (and even less in France with 43%).

In fact, they clearly say that it is easier for them to negotiate for someone else (71%, and 78% in France) than for themselves.



66% of respondents do not usually request salary increases.

The main reason is the **expectation for their managers to recognize their efforts (44%)**. Next comes fear of losing their job (12%).

Answers contrast between European and French respondents: in France 51% wait for recognition from their managers (+7 points vs. Europe), and 34% fear losing their jobs (+22 points vs. Europe).

Despite the above, 65% of respondents received a salary raise within the last twelve months. In 59% of those cases, the initiative was undertaken by the employer (reminder: 37% work in companies of more than 5000 employees which habitually organize annual reviews).

Among the 75% of respondents who are not satisfied with their salaries, only half have undertaken personal initiatives to negotiate their salaries. Moreover, only 49% of women were satisfied with the results of the discussion (only 23% in France).

For those who have not yet requested a salary increase, only half plan to do so.

Globally, **60% believe that it is more difficult for a woman than for a man to ask for a pay raise** (and even more in France - 67%).

In conclusion, although 75% of them are not satisfied with their remuneration, they remain rather passive.

They do not ask for pay raises, do not plan to do so in the short term, and when they do ask, they are not really satisfied with the results.

They remain clear-sighted about the problem: they are conscious of their difficulty to request pay raises, do not feel prepared for salary negotiations and think that it is more difficult for a woman than for a man.

In fact, they link remuneration much less to their success (40%) than to the value of their work (68%). What's more, they expect their managers to recognize their efforts rather than request raises themselves.

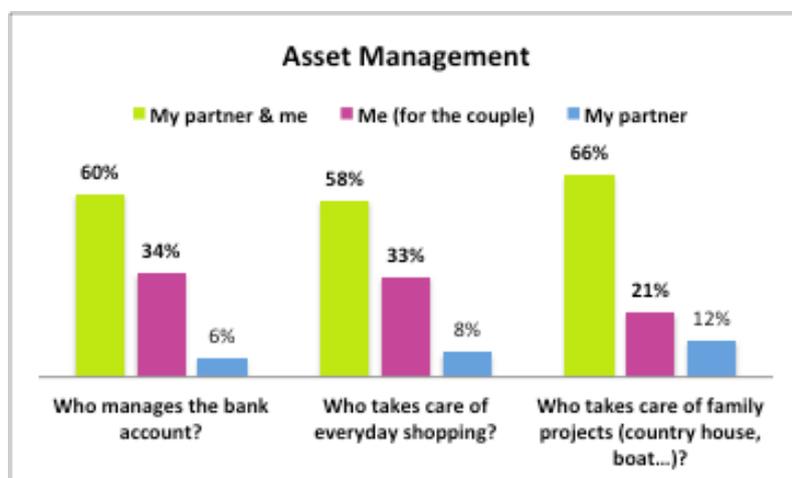
Here we find the « model student complex»: I worked hard at school, I perform well in my company, I expect someone to notice my efforts and reward me with a raise.

Compared to the meritocracy they experienced during their studies, they put their faith in a professional meritocracy that at the end of the day does not meet their expectations.

6. A strong commitment to personal finance

While they demonstrate a certain **passivity regarding their remuneration, respondents are actively involved in their personal finances.**

- 91% know how much income taxes they pay
- 90% know their revenues (fixed salary, variable salary, bonus etc.) within 5000 euros
- 90% own their own assets (personal savings for 71%, a personal retirement plan for 59 %, real estate for 53%)
- 80 % fill in their tax forms, alone or with their partner
- 71 % share a joint account for household expenses



When they live with a partner, they are fully involved in the management of the couple's finances, as much as their partner for two thirds of respondents.

When their partner is not involved, they manage finances for the couple alone.

Respondents' behavior demonstrates a weak involvement in their remuneration and a strong involvement in their personal finance.

Can this paradox be explained by their overall relationship with money?

7. The relationship with money: a complex subject but managed rationally

Although they fully appropriate their careers and participate readily in their personal finances, even when they live with a partner, their relationship with money remains complex.

Overall, 54% have a hard time talking about money as it relates to their personal finances, and the rate increases to 70% at work (74% in France).

69% do not speak about their salaries with their friends. In France, it is easier to touch on the subject with friends (42% vs. 31% en Europe).

On the other hand, freedom of speech exists between partners: 85% speak about their salaries with their partners.

Respondents define money functionally: for 85%, it means security or else a means to achieve an end or objective for 64%.

Only a third link money to values such as recognition (39%), power (29%) or energy (23%).

As a mirror effect, the top fear concerning money is lack of security (46%), not being able to reimburse debts (21%) and unemployment (17%). Only 12% declare that they have no fears concerning money.

These attitudes are consistent with their behaviors: 72% manage their money attentively and place some into savings every month, 59% manage their budget without any problem.

When all is said and done, a complex relationship with money exists because they have a hard time discussing it, but it is a rational relationship: money is a means of guaranteeing security, just as their families taught them.

8. Money as security, a value received as a family heritage to be transmitted to children

Within their couples, less than 10% totally delegate the management of their investments to their partner. This is an exemplary trend in light of the 40% of their parents' couples where the father performed this task alone.

Also of note is the change in the values transmitted by their parents, and those that they wish to transmit to their children.

When we ask them “what did your family teach you?” 59% of respondents spontaneously cite sound money management (savings and security 26%, financial planning 19%, and refusal to be indebted 12%). Some more liberal families transmitted notions of independence and liberty (16%) or keeping one's distance from money 12% (enjoy life, money is just a means and not an end in and of itself).

When we ask them for advice that they wish to transmit to their own children they are much longer-winded.

Nevertheless, sound management arrives in first place, cited by 86% of respondents (with two new categories compared to their parents: retirement and real estate). The value of independence doubles compared to the parents' transmission, but is cited by only 37% of respondents. The same for keeping a safe distance from money cited by only 26%. The big news is the stronger link with professional life cited by 66% (first work 28%, then professional development 22% and lastly salary management 16%).

9. Which does not stop women from escaping a bit to build their dreams of more strongly-affirmed independence

Independence and liberty	Be rich, feel financially secure, do whatever I want whenever I want	28%
	Volunteer activities: help or take care of the needy, work towards a better future, promote and support others, share my knowledge and skills	19%
	Travel: around the world, take a year off with no consideration for time or money	13%
	Artistic activities: writing, painting, dancing, singing, playing music	6%
Total		64%
Work	Better quality of life at work, a normal workload, flexibility and mobility, less hurry, work/life balance.	23%
	Progress in terms of training, salary, career	22%
	Find a job	7%
Total		52%
Property, house	My main residence, a holiday house or one for my retirement	27%
Family	Have enough money and time for my children, parents, family, partner	24%
Entrepreneurship	Launch and develop my own company	22%
Retirement	Retire early, enjoy life, take advantage of a serene retirement	19%
Health & sport	Stay in good health, have time for physical activity	6%

When we ask them what they dream of, 64% spoke of independence and liberty: 28% dream of doing “whatever they want whenever they want”, 19% would like to do volunteer work, 13% to travel, and 6% to engage in some artistic activity.

However, a healthy half continue to link their dreams to their professional activity: better quality of life at work for 23% of respondents, progress for their salary and career for 22%.

Last comes a list of rather rational dreams: 27% cite real estate, 24% time for their families, 22% entrepreneurship, and 19% a serene retirement.

Conclusion

Summary of main findings

Talking about money was a pleasure for EuropeanPWN women. In spite of time required to fill in the survey, the response rate reached 24%! 823 respondents shared their experiences, their difficulties and their dreams involving money, thus demonstrating a strong interest in the subject.

The profile of our ‘average’ respondent: She has several degrees, mainly in business and management, is 42 years old, lives with a partner and 2 children, works full time in a large company and has twenty years of professional experience, mainly in business functions.

She defines her relationship with work above all as independence then as an opportunity for personal development. This investment, in both higher education and the career, brings about an **unexpected consequence: 52% of respondents living with a partner declare themselves to be “Ms. Breadwinner”** with the highest salary in the couple.

They are highly invested in their personal finances, and when they live with a partner they share the management or even manage finances alone for the couple.

Although there does not seem to be financial inequality in their couples, **they regret working in environments that are not favorable to women: men are treated much better.** In particular, the more distance we take from HR processes (training, recruitment, international mobility, work/life balance) to veer towards management process linked to power (career management, salary increase, career advancement), the more inequality increases and impacts their remuneration: **75% are not satisfied with their remuneration.**

And yet they remain globally passive on this question. They do not ask for pay raises, do not plan to do so in the short term, and when they do ask, they are not satisfied with the outcomes.

They remain clear-sighted about the problem: they are conscious of their difficulty to request pay raises, do not feel prepared for salary negotiations, and think that it is more difficult for a woman than for a man.

Their behavior demonstrates a weak involvement in their remuneration and a strong involvement in their personal finance. Can this paradox be explained by their overall relationship with money?

The relationship with money remains a complex subject: they have a hard time talking about it, especially in the professional sphere. And yet it is a rational relationship: money is above all security for them. This value was transmitted to them by their family heritage, and they will in turn transmit it to their children. This attitude is reflected in their behavior: they manage their money attentively and put some into savings every month.

Conclusion

These findings make us step back and ask ourselves a few questions.

We are in the midst of privileged women, with academic as well as professional ammunition. They manage their personal finances, yet remain surprisingly passive about their remuneration even though 75% of them are unsatisfied about it.

Here they show us that there is no taboo linked to money, since they manage their finances completely independently in their households.

It is in the professional realm that things become more complicated.

These women are in some ways victims of the “model student complex”: I worked hard at school, I do my job well, I wait until someone notices my efforts and comes to congratulate me with a raise. Even if no one comes, I do not file any claims, I do not speak about money, I behave like a

squirrel who manages and saves wisely, like my parents taught me to do and as I would like my children to do.

Compared to the meritocracy they experienced during their studies, they put their faith in a professional meritocracy that at the end of the day does not meet their expectations.

It is at this point that the company's role comes into play. In the corporate context of unequal treatment of men and women we find the absence of professional meritocracy concretized by lags in pay raises and career advancement for women.

Thus we come back to the asymmetry between private and public spheres. Historically confined to the private sphere, women feel comfortable managing personal and family income money. The public and professional spheres remain places that have not yet given women the keys to individual financial emancipation.

Is it not time for women to wake up? Understand that salary increases are not attributed according to merit. Envisage the fact that money can be an end in itself based on the social value that can be attributed to it, but also for the opportunities that it can provoke. Break the savings routine that limits the use of money to merely guaranteeing security, and instead move towards riskier but potentially more lucrative asset and savings management.

Is it not also time for companies to move on from the individual mastery of the technique for requesting pay raises that can be treated simply by training? The question of relationships to money is also a systemic question for companies: the need to take a new look at HR processes to neutralize discriminating effects in career development and remuneration is more urgent than ever.

Particularly considering that, if these processes are unfavorable for the privileged EuropeanPWN women surveyed, what about the women who have not had the same opportunities for academic and professional development?

That is why, for the development portion that we can act upon, the EuropeanPWN Think Tank group has built a specific program of 6 workshops and conferences dedicated to the theme "Women & Money." The program was presented on November 4th, 2013, at the Hôtel de l'industrie in Paris. It targets female managers who will be able to find words to describe their relationships with money, share their own situations and find potential solutions that will enable them to find roads to other types of management of their personal and professional financial resources.

**November 4th, Women and Money: cards on the table.
To enable women to overcome money complexity
and build their own personal financial plans.**

Paris, 4 November 2013

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About EuropeanPWN:

Founded in France, [European Professional Women's Network](#) (EPWN) is a federation of 19 networks, based in 17 European countries with 3500 members, and more than 1200 in the [Paris Chapter](#). Our mission: Promoting Women's professional progress. We are a non-profit organization that supports public and private sector executive and professional women fulfil their potential through learning and development programs, mentoring, best practice sharing, networking opportunities via speaker events, professional clubs as well as collaboration with industry leaders in business, education, and governmental organizations at the forefront of women's issues.

About Pictet & Cie:

Founded in Geneva in 1805, [Pictet & Cie](#) is today one of the Europe's leading independent wealth and asset managers, with more than € 316 billion in assets under management and custody. Pictet is a partnership of eight owner managers with principles of succession and transmission that have remained unchanged since its foundation. In France, Pictet's office is mainly dedicated to private asset management, and has developed a range of services for women since 2008.