

## Introduction

**When eating at *The Ivy*** in Los Angeles, you're bound to bump into someone famous. This Wednesday it was Reese Witherspoon, 2006 Oscar winner, who signed the first copy of the manuscript you're reading while it was being edited. She said she loved the idea (thanks Reese), which makes sense because her industry is no exception when discovering the Eight Gaps between women and men's wealth nationwide.

In the film industry there are still very few women film-makers, producers or directors, over 70% of the protagonists annually are male, and pay for top male lead stars commonly exceeds those of female leading ladies.<sup>1</sup> Maybe average women have something in common with the rich-and-famous after all.

## Benefits

*The Wealth Gap* is not a money management book. Unlike many financial books for women, it does not focus on cost-cutting solutions like staying on a budget or managing debt. Instead, the reader gains a complete change of perspective by benchmarking their own situation against women's progress in general, and learning to refocus their efforts into generating enough income to exceed their own personal need.

There are many books written on wealth and how to invest. Similarly there are books on women's issues. There are also books about workplace issues associated with gender. The uniqueness of this book is the way the line is drawn through the overlapping issues in order to synthesize the common denominators.

The purpose of this book is to educate women and men about a problem much larger than the wage gap. *The Wealth Gap* holds women back financially and limits their ability to retire wealthy. In addition to revealing why women should be well-off but aren't, the book provides guidelines for transformation and suggests steps toward becoming as rich as men. In the end it does not give specific directions for people's individual situations, but does point to some resources to get started.

*The Wealth Gap* will teach the reader the facts about eight barriers that stop women from becoming wealthy. It will also give women information about how rich women get rich, and why poor women stay poor. It discusses options for women, and reveals how investment is the key to creating residual income that exceeds an individual's expenses and allows them to retire from their job. Stay-at-home moms can benefit as well as career women.

After reading this book, it should be clear not only that women earn wealth differently than men, but also why they lean toward the patterns of earning that they do. Through open discussion of women's unique barriers to success, we can begin to see more clearly how to overcome them in a not-so-traditional manner.

I'm not suggesting advice that will make you as wealthy as Oprah, but I am suggesting that wealth is attainable according to your personal needs. The solution doesn't just come from the government or the corporation, but also from family dynamics.

My hope is that readers will want to gain financial independence. This independence gives them options. Wealth gives women an opportunity to make an impact

on those they care about whether it be a lover, a family member, a child, or a community. Women don't tend to fall for "get rich" promises that appeal to their greed. Once women get wealthy, they continue to be insightful and effective givers putting their riches toward solving real world problems. I would really like to see the changes in the world that having more wealthy women would facilitate. The world needs more rich women.

Finally, there are personal benefits to identifying a woman's own wealth gap and filling it with new financial possibilities. Abundant wealth may finally allow a woman to do a little something for herself. Perhaps she won't worry as much. Having money can lower stress because it allows the flexibility that holding a job does not. The ability to retire allows a person to think about what they'd really be doing. In other words, the biggest luxury being rich affords is the ability not to worry about money.

### ***Research***

This book relies heavily on the latest United States Census and Labor Department surveys at the time of writing. It also uses private organization and university studies. Those who read the drafts of this book have commented that it collects a lot of academic and government statistics in one place, yet it is easy to read. They also say that although they see these issues in the news, they have never seen them connected together in this way before. As one of my old bosses used to say, "I see now, it isn't just a bunch of dots on the page, when you draw the line between them, it's a rabbit."

When you draw the lines between the issues that women experience, the picture becomes a looming monster that blocks the way to women's financial security. As a corporate anthropologist, sometimes what I do best is combining and interpreting the sociopolitical facts so that a course of action can be drawn.

### ***Qualifications***

The insights I share have antecedents in my own life. I am a mother of four, including twin toddler girls. I wrote this book during naps and after hours. Somehow this book emerged between chasing two year olds, feeding and changing an infant, and taking a pre-teen back-to-school shopping. (So go easy on me, please.) It's true that my university background is anthropology, international communication, and entrepreneurial business. I was a single mom during my fifteen-year corporate career. Now most people would consider me a stay-at-home mother. My priority either way is to my family, and that is a very tight line to walk if you also enjoy accomplishments outside of the home. I believe strongly in the contributions of working parents everywhere.

They say perspective comes from where you've sat. My corporate experience spans a variety of industries, including education, finance, telecommunications, manufacturing, entertainment and software. I held senior positions in sales, marketing, operations, IT, business development, human resources management, managing global relationships with companies such as AT&T, Sanmina-SCI, DHL, Fujitsu, Hewlett-Packard, Pfizer, Sun Microsystems, Toyota, Time Warner and others. Many emerging organizations have sought me out to provide strategic start-up advice. I've studied seven languages and have worked in Istanbul, Tokyo, and all the way to Timbuktu as a Peace Corps intern.

I rose through the ranks at *FORTUNE 100* companies only to find myself as the sole woman at the top surrounded by male executives. It occurred to me that even though I was in Microsoft's group of 200 top women, and that I had joined the ranks of less than 1% of their employees as part of that group, I would need to move to their headquarters in Seattle to keep climbing.<sup>ii</sup> Unfortunately, like many women in leadership, my family and work couldn't accommodate the move, so they lost talent and I lost—among other things—Microsoft salary, benefits, and health insurance. I became a woman business owner. I founded Earning Power—a *Stevie Award* finalist for Best Association of 2005—after researching and consulting privately on the topic of women's financial equality since 1994. I co-founded CitiPacific Mortgage while pregnant with twins.

I approach the subject of *The Wealth Gap* not only from the perspective of an academically trained sociologist, but also from the experience of a career with clear market leaders, and through the eyes of an entrepreneur.

My husband and I help people to buy homes every day. We also help people with seemingly impossible financial situations to keep their homes. I value his working knowledge and his strength as my sounding-board, not just for a male perspective, although that helped.

This is where *The Wealth Gap* began.

### ***Acknowledgments***

Thanks to my family and the babysitters who believed in what you are about to read enough to be patient with me while I collected my thoughts. I would like to give special thanks to April and Barbara Wright, Edith Nowakowski, Jacqui Barric, Juliana Perez, Lynette Richard, Jamie and Claudia Steigerwald, Nick Collins, Kim Porazzo of *OC Metro*, Tina Horspool of *The Mix*, Judy Rosener, and Melanie Lougee for adding their improvements to the book.

I'd also like to thank Tory Johnson of Women for Hire, David Leighton of Women in Technology International, Dr. Sears of Ask Dr. Sears online, Bill Yundt of Stanford University and a founder of WebTV, Clay Swartz of Intel, Sun Microsystems and CTO of SegaSoft, Gary Hicox, Nora Denzel of HP, Ruth Skovill, Debbie Hill, Sabina Nawaz, the late Roxanna Frost, Jane Dickson, Amy Worth, Jennifer Skoog, Jon DeVaan, Moshe Lichtman and the teams at MicrosoftTV, Jerry Shaw of Volt, Ken Katashiba of Fujitsu, Tama Olver, Linda Alepin, Terry Crane, Kim Polese, Heidi Roizen, Ann Winblad, Dr. Anita Borg, Donna Shirley, Esther Dyson, Carmie Zlotnik of HBO, Roy Obrecht, author Dr. Lois Frankel, Gail Evans of CNN, Becky Morgan, Tina Horspool of *The Mix* TV show, Helene Gurly-Brown, Maggie Sieger of *Time Magazine*, Georgia Steele of *Broker Magazine*, Brooke Kelley of *Glamour*, Rotary Club and the numerous others who have taken the time to act as an advisor or sounding-board for ideas.

You have shown me that there are more ways to feel rich than having money.

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Lauzen, Martha M., PhD. 2003. *The Celluloid Ceiling: Behind-the-Scenes and On-Screen Employment of Women in the Top 250 Films of 2002*. School of Communication, San Diego State University, San Diego, CA, 92182. <http://moviesbywomen.com/marthalauzenphd/stats2003.html> (accessed September 2, 2006).

<sup>i</sup>

<sup>ii</sup>Jamison, Kathleen H. 2001. "Progress or No Room at the Top? The Role of Women in Telecommunications, Broadcast, Cable and E-Companies." Report. Annenberg Public Policy Center, University of Pennsylvania. (This report reveals that E-Companies in general have about 16% women as top executives. My calculation is based on being part of Microsoft's own private ranking of top 200 women out of about 30,000 employees at the time.)