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(Photo — Father/daughter: Sumner and Shari Redstone. / By Kevin Winter, Getty Images)

'Tricky currents' greet the women of business

By Peggy Drexler

The [falling out](#) of Viacom's owner, Sumner Redstone, and his son, Brent, followed the earlier drama in the house of Rupert Murdoch, when his son Lachlan abruptly [threw off the mantle](#) of the global media empire's crown prince. None of that surprised us, though; these were simply new chapters in the biblical contest between fathers and sons. But as any father knows, if you make a promise to your little girl, you keep it, right?

Well, not so fast. Evidently, the great strides women have made in business come with some of the same baggage that has hampered male business heirs.

The most recent example of familial corporate fallouts between fathers and daughters was when Redstone ran his daughter, Shari, [out of the business](#) — punctuating his displeasure with a letter to *Forbes* magazine saying that his children contributed nothing to the building of the empire.

Meanwhile, Edward C. Johnson III, chief of Fidelity Investment's parent FMR Corp., stiff-armed his daughter and presumed successor, Abigail, by [bringing in an outsider](#) as president, Rodger Lawson.

I wouldn't be quick to seek lessons in family dynamics from the Shakespearean households of megalomaniacal commercial icons. But daughters foundering on the same rocky shoals as sons? That's news. It's another slice of a new era of female accomplishment — from the corridors of power in Washington and, now, to the helm of the family enterprise. Consider:

* A [2002 study](#) by the Raymond Institute, a New York consulting firm for family-owned companies, and MassMutual Financial Group found almost 35% of family-owned business executives believed that their company could be headed by a woman in the next five to seven years. That is [up from 25%](#) in a 1997 MassMutual study.

* Female leadership of the family business is going to affect a wide swath of the economy. According to a [Citigroup report](#), families own or control 90% of U.S. businesses. They also employ half of all workers.

Why the upsurge in daughters as leaders? Pick a trend.

Records and role models

Women are coming out of business schools in [record numbers](#). More women are learning the management trade with major companies and are taking their skills back home. And every time a woman takes the top spot at another corporation — or in Congress — there is another role model.

Do good companies have more women leaders, or do more women leaders make good companies?

Either way, dads who pick daughters may be on to something.

A 2001 study of 25 Fortune 500 companies by Pepperdine University, cited in the *Harvard Business Review*, found that firms with the best record of promoting women to top positions were 69% more profitable than the median for their industry when measuring profits as a percentage of stockholder equity.

More recently, the research advocacy group Catalyst [found in a study](#) of 353 Fortune 500 firms that those with the highest percentage of female senior managers had 35% [higher return on investment](#) than those in the lowest quartile.

Success in the family

Certainly, there is no shortage of father-daughter success stories: from [Jeanie Buss of the Los Angeles Lakers](#) to [Christie Hefner of Playboy](#) to Marilyn Carlson Nelson, who took over from her father at [Carlson Cos.](#), the giant travel, lodging and restaurant company. [Laila Ali](#) became a boxer, and the daughters of icon John Force successfully followed dad into the nitro-fueled world of [drag racing](#).

Still, as the Redstone and Johnson father-daughter sagas indicate, there are tricky currents to navigate; in some ways even more so than for sons.

I've interviewed a number of women rising in family businesses in my research for a book on the changing relationship between fathers and daughters. They tell me that their status as the boss' daughter is a factor in ways they think are different from being the boss' son. There is more skepticism about their ability, a greater tendency to question their decisions — often going directly to dad — and a greater initial need to show toughness. Some even see a subtle belief that their role as company leader is an experiment, and that eventually a man will be in charge — or that the father has been running things all along.

Clearly, we've come far from the days when Eugene Meyer's son was not interested in taking over *The Washington Post*. Rather than turn to his daughter, Katharine, Meyer [handed the newspaper to her husband](#). Women today won't have to suffer their husband's death before they lead the family firm to glory as Katharine Graham did. But you can bet succession won't be the seamless and expected ride that it has been for sons.

But these women will take over — just as women have cracked the glass ceilings of business and politics. They will change the face of American employment. As recent events portend, though, it's not always going to be easy.

Peggy Drexler is a research psychologist and assistant professor of psychology in psychiatry at the Weill Medical College of Cornell University.

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