

Rachael Wagner (Virginia and Balliol 2004) is an Associate at Lion Capital, a private equity firm specializing in retail and consumer businesses. She has an MBA and a M.Sc. in Comparative Social Policy from Oxford, and a B.A. in Economics and Social Anthropology from Harvard.

Dr. Cristina Bejan (North Carolina and Wadham 2004) is the Ion Ratiu Post-Doctoral Fellow at Georgetown University's School of Foreign Service and a theatre artist. She has a D.Phil. and M.St. in Modern History from Oxford and a B.A. from Northwestern University.

INTERVIEW

In Business: A Conversation with Rachael Wagner (Virginia and Balliol, 2004)

Dr. Cristina Bejan

Cristina Bejan met Rachael Wagner in November 2003 in the D.C. office of the *New York Times*, awaiting their final Rhodes Interview. They became instant friends and remained so during their time at Oxford. There Bejan started a feminist theatre company with a friend and has since directed, produced and performed numerous works by female playwrights. Her latest project involved developing and directing an original play written and performed by women in Port Vila, Vanuatu. Wagner, also a feminist, has taken a different route, pursuing a career in business. Since leaving Oxford, she has served on the Board of Advisors of the Women's Venture Fund, which helps female entrepreneurs in New York City find funding for their companies through local banks and angel investors. She recently joined the Board of Directors of the Workshop in Business Opportunities, which provides entrepreneurship education for low-income New Yorkers to help them grow profitable businesses in their communities.

The following interview is adapted from correspondence between them in the summer of 2010.

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How did you know that you wanted to apply to the Rhodes? What was the application process like? What was winning like?

The main reason I decided to apply for the Rhodes was that I felt like I had unfinished academic business to complete. Coming into the fall of my senior year, my brain was firing on all cylinders. I was really enjoying my research work over the summer and in the beginning of the fall semester, so I didn't feel like I was ready to graduate out into the "real world." A few years at Oxford seemed like the perfect way to get to be a student for a little bit longer.

At my first round Virginia interview, the committee asked me about a paper I had written during my freshman year of college; one of my professors must have mentioned it in her recommendation letter. It was supposed to be a "softball" question, but unfortunately it had been so long ago that I had completely forgotten the thesis of the paper! After that major misstep, I

narrowly made it through to the regional round. I had one day off between the state interview and the regional interview's cocktail party in D.C. I spent that entire day locked in a room, re-reading all my old papers from college, just to make sure that I didn't make the same mistake twice. That was a good decision, because sure enough I got a similar type of question at the regional round. When they announced my name at the end of the evening, it was kind of an out-of-body moment – I was really surprised. It definitely took a minute or two for the news to sink in. I was so excited, but mostly just in shock.

Once at Oxford you pursued a Masters in Social Policy (M.Sc.). Your thesis topic looked at women's issues. Has that informed your interest in women in business today?

As with most things at Oxford, the M.Sc. in Comparative Social Policy didn't turn out to be exactly what I had expected. I had gone into the course expecting a program that focused on real-world, practical problems, like homelessness, poverty, and healthcare disparities. It turned out to be a much more theoretical course, examining how the welfare regimes in different developed nations had evolved. While at first this surprise was somewhat frustrating, by the end of the course I realized that Oxford knew what it was doing; the theoretical groundwork that was laid in the first two terms of the program was fundamental to my ability to write a well-informed thesis in the third term.

My thesis topic – comparing divorce policy in the U.S. and Norway – grew out of my own patriotism. After six months of hearing how awful the U.S. welfare state was compared to the more generous European states' social programs, I wanted to see if I could find an area of policy where the U.S. wasn't considered to be a laggard. In the end, I found that the post-divorce life of women in the U.S. is much more contingent on their socio-economic level than for women in Norway. If you happen to be a relatively well-off home-maker, you're better off getting divorced in the U.S., where you have legal precedent for post-divorce spousal support – it is expected that the working spouse will pay the other spouse (who stayed home to raise the children, for example) to keep up their standard of living after the divorce. In Norway, the assets are simply split equally and there is no post-divorce income support. Meanwhile, if you're at the poorer end of the income spectrum, you're better off getting divorced in Norway, where the state has the resources and interest in helping you out. In the U.S., poorer divorcees are left more or less on their own. So in the end, the U.S. vs. Norway comparison came out to a draw.

As for how this relates to my current interest in advancing the standing of women in the business world, I'm not sure it's a straight line. But the one thing that did become clear to me through my M.Sc. studies was that – especially in America – government policy tends to be designed around supporting those who are engaged in paid work, not those who do the unpaid work of managing and caring for a household, regardless of gender. So now that women make up more than 50% of the U.S. workforce, it would seem that having a more balanced division of labor within a household seems like a reasonable goal – both for the families themselves, and for the employers

who will benefit from having employees who aren't too stretched thin from working a "second shift" once they get home. Maybe just a "one-and-a-half" shift instead! (Single parents present a whole other policy issue of state-supported childcare, but we won't have time to get into that right now!)

After your Masters, you decided to pursue the Oxford MBA from Saïd Business School. What inspired you to apply, and how did you convince the Rhodes Trust to fund it?

Originally, I had set out to do the Doctorate in Philosophy (D.Phil.) in Comparative Social Policy. For a variety of reasons, including the fact that one of the key professors in my department had left the university between when I applied and when I arrived at Oxford, I quickly realized that the M.Sc. would be a better fit for me. Because I had intended to study the interaction of business and social policy, combining the M.Sc. in Comparative Social Policy with the MBA seemed like a logical alternative.

Once I had made up my mind, the main hurdle was getting into the MBA program. I was pretty confident about my chances, but the Warden of Rhodes House at the time was skeptical. We made a deal – if I got in, they would fund the degree. (Under the terms of my scholarship at the time, the MBA was a permitted degree during the second year of study, but Rhodes House had some discretion about whether they would let you apply or not.) As it turned out, I was accepted, so they paid for it.

Sometime after I graduated, Rhodes House temporarily banned the MBA, I think in part because it has expensive tuition and in part because they didn't want people applying to the Rhodes Scholarships just to get a free MBA. I agree with their latter concern – that is not the point of the scholarships – but I also made an argument to the Warden that the world needs more talented people (like Rhodies) in business – *cf.* the financial crisis and "Great Recession" of 2008-2010! Currently I think Scholars-in-residence are once again allowed to pursue the MBA in their second year.

Once at Saïd, you distinguished yourself as the youngest member of the class and then as the winner of the Saïd Prize at the end of the year. How did that come about?

The Saïd Prize is the award for the "Best MBA Student" – their words, not mine! – and I didn't know it existed until our course graduation ceremony. During business school, I had worked hard because I was interested in the subject matter, but I hadn't been that focused on the grades. Frankly, the Oxford grading system is so different from the American system (an 80% is an "A"?), that it was just too much effort to try to keep track. Anyway, at graduation, when they were describing the prize and the monetary award that came with it, I turned to a friend sitting next to me and jokingly whispered something along the lines of, "Wow – if I had known there

was cash on the line, maybe I would have studied harder!" Don't judge me: it was *business* school, after all!

So I ended up winning the award. It was a really perfect way to cap off my academic career, before going out into the harsh reality of the finance world, where no one hands you a prize or pats you on the head for doing a good job.

Are there any classes you took at Saïd which continue to be useful to you today?

I took a really excellent marketing class, in which the professor stressed the importance of understanding your consumer before you try to position the product you are trying to sell. The goal was to segment the various consumers of your product into relevant groups so that you could tailor the right messages to attract them. This happens to be very relevant in my current job (investing in retail and consumer businesses, which live and die by their ability to attract consumers), but I think it's applicable to many other parts of life. Politics, for example, seems like a natural application of these principles, and even in daily interactions with others it's important to consider with whom you are speaking, before you even open your mouth. Believe it or not, it took me a long time to figure that one out!

Upon your return from Oxford, you took a job in Blackstone's Private Equity group in New York City. How was the transition from student life to the intense world of finance?

Have you ever woken up from a great dream about a warm, beautiful beach, only to discover that it is 6:30 a.m. in the middle of winter and your apartment is so freezing that you don't want to get out of bed? That's kind of what my "transition" to the working world felt like after two relatively relaxed years at Oxford.

All kidding aside, it was really hard to transition from student to "worker bee." I think I probably would have been a much better employee if I had gone straight from my intense four years at Harvard into an intense two years in an entry-level finance job, with 80+ hour work-weeks and no control over my own schedule. At Oxford, I had the luxury of setting my own work hours, wearing jeans to class, and spending as much time as I wanted just thinking about my assignments or whatever else interested me. Needless to say, post-Oxford life at Blackstone was pretty much the opposite of all that: long hours, business suits, and deadlines.

Then you moved to Lion Capital. How does this move advance your career and how is it different from your previous work experience?

Lion is quite different from Blackstone, but the work itself is very similar. Blackstone has a very large fund (\$21 billion) and a large workforce to go with it, while Lion's fund is smaller (€2 billion, or about \$2.6 billion) and our team is leaner. I joined Lion for two reasons. First, I love

consumer businesses, and that is our focus at Lion. Second, joining Lion provided me with the opportunity to help open a new office for a foreign firm; I work in New York and the headquarters is in London. It has been a great opportunity to be a bit more entrepreneurial while still having the safety net of working for an established investment firm with a good track record.

How is your day structured?

My work day is entirely driven by the status of whatever deals I am working on. If a deal is in the early phases, then my life is fairly orderly: wake up at a decent hour, hit the gym for a quick workout, and then spend the day in the office – usually about 9:30am to 7:30pm. Out of the office in time for dinner with my husband, Sam (who is awesome, by the way), or with friends. That time in the office is generally spent reading relevant research reports, taking conference calls, running financial analyses, and preparing investment memos, but the actual work varies day to day. On the other hand, if a deal is pretty far along and we are in the final stages of due diligence and negotiating a purchase price, all bets are off, including any guarantee of a good night's sleep.

How have you balanced work and your personal life?

I was so overwhelmed with trying to achieve that “balance” that I ended up procrastinating on responding to your interview questions until after my recent wedding was over. So I guess that speaks to how hard it can be to try to “have it all.” More seriously, though, my husband, Sam, has been the most amazing, supportive partner ever since we met. He totally understands my crazy, unpredictable schedule, and rather than getting upset when I have to work late, he uses it as an opportunity to do more of his own academic research. (He is a political science professor.)

Practically speaking, I think we're able to make things work by not having strict expectations of who is expected to do what around the house. If I have time to get groceries and make dinner, then I'll cook; if he has time to do the laundry, then he'll do that as a break in between paragraphs of the paper he's writing. For now, this system works because we live in New York and therefore have the luxury of ordering take-out when neither of us have time to cook, or sending the laundry out when we're both too busy to fold clothes. I imagine it gets a lot more complicated once kids are involved, but we're not there yet!

You gave a presentation at the 30 Summit [an annual conference bringing together leaders under 35] in Chicago in 2009 about the evolution of women's role in business and family since the mid-20th Century. How do you see societal gender roles changing in the future?

I actually think the stress that a lot of women in our generation feel about the idea of “having it all” (aspiring to a great career and a happy personal life and the ability to be involved in one's community and everything else) is no longer a distinctly female problem. Sure, we still have the biological issue of being the half of the species that can bear children, but aside from that I'd say

that men these days have it pretty bad too. With the advent of the Blackberry, Facebook, and wireless internet in every corner café, the lines of work/play and public/private have been seriously blurred. I think the key for all of us to keep our sanity will be to carve out times that are strictly for spending with our loved ones, to the extent that that's possible.

I've taken a new attitude recently that we don't have to try to be all things to all people all the time. Some days we'll be stellar employees and only mediocre significant others; on other days, we'll be awesome public citizens but not the world's best daughters or sons. For example, I recently resigned from the board of a non-profit that had become particularly time consuming. Tomorrow is Rosh Hashanah, the Jewish New Year, and this coming year is going to be about learning a lot at my job and figuring out this whole "being married" thing. There will be other years in the future to spend more time on non-profits.

What is the advice you would give to young women at this moment, who have the ambition to succeed in the business sector and also want a family life?

Well, first and foremost, don't try to do it all at once! Secondly, I would tell them not to shy away from hard work. The first two years at Blackstone were absolutely grueling, but I wouldn't know nearly as much as I do now if I hadn't put myself through them. There were probably other jobs I could have taken that might have had better hours or paid a little more, but I knew that I needed to pick the job that would give me the right foundation for the long-run, even if it would be a little painful in the process.

I think this is particularly relevant for people finishing up their Rhodes Scholarships at Oxford. It is easy to get a swelled head about how great you are when you're living in an academic bubble and you keep getting awards and good grades. But out in the business world, hard work and on-the-job experience are often valued over raw intelligence or a good pedigree. Sometimes you need to start out as a grunt in order to get where you want to be in the long term.

And finally, a feminist question: In your opinion, are we all still subject to the patriarchy? What is your take on chauvinism, sexism and discrimination today, in work and life in the United States of America?

Hey, I thought you said this was supposed to be an easy interview, not a flashback to the Rhodes selection process!

I think sexism in the workplace is much more subtle today than what we see on *Mad Men*. I actually covered this topic in my senior thesis research on women's work/life balance, and it's been interesting to watch it play out in person now that I am in the working world. I don't think most men are actively trying to keep women from getting ahead, but sometimes it can be hard for women to connect with their male peers or bosses on a personal level, and that keeps them from

becoming part of the “in crowd” at the office. Maybe it’s because women don’t necessarily share the same interests that make up a lot of the office small talk (sports, cars, *etc.*), or maybe the personalities just don’t gel all that well when the office is dominated by one sex or the other. But it can’t be entirely a coincidence that we have so few female CEOs despite the fact that women now make up more than half of the U.S. workforce.

In any case, it can be a lot harder for women to find senior mentors and bosses who will advocate on their behalf, and in the long run I do think that is a big disadvantage. A lot of women in my field have tried various methods of building a sense of community among the women in finance, to try to establish something of an “old girls” network to counter the “old boys.” However, the reality is that there really just aren’t many women in finance, so it’s hard to reach a critical mass. A lot of women fresh out of college and business school join the ranks of the investment banks and private equity firms out there, but over time many women drop out, usually because they don’t like the macho culture, or the hours are too grueling. Unfortunately, I’m not sure that there’s a real end in sight to that aspect of the finance world. It’s a shame, because there is a significant amount of academic research that shows that investment firms that have sizable female populations actually achieve better financial returns over time and have better risk-return profiles. Maybe I will figure out a solution. Let me get back to you in 20 years!