Connecting to Your Family’s Foundation--
A Primer for the Next Generation

Prepared by the National Center for Family Philanthropy
for the Association of Small Foundations

As a member of the next generation of your family’s foundation, whether currently on the board or being considered for this important role, you are in a remarkable position. You are part of a tradition of giving that may be much older than you, and you have the opportunity to enrich that tradition. However, you are also a member of a peer group, one whose ideas and priorities may be very different than those of your parents and grandparents. One of the greatest challenges you face in becoming involved with your family foundation will be balancing the old and the new, incorporating your individual experience while remaining mindful of history.

This primer will help you understand some of the difficulties inherent in a succession-planning process, and will give you suggestions to surmount them. This process should be tackled sooner rather than later – and you, as a younger family member, have an important role to play.

About the Association for Small Foundations
The Association of Small Foundations builds and strengthens small foundation philanthropy by providing quality programs, products and services to foundations with few or no staff. For more information, please visit their website at www.smallfoundations.org.

About the National Center for Family Philanthropy
The mission of the National Center for Family Philanthropy is to promote philanthropic values, vision, and excellence across generations of donors and donor families. For more information, please visit their website at www.ncfp.org.
As a member of the next generation of your family’s foundation, whether currently on the board or being considered for this important role, you are in a remarkable position. You are part of a tradition of giving that may be much older than you, and you have the opportunity to enrich that tradition. However, you are also a member of a peer group, one whose ideas and priorities may be very different than those of your parents and grandparents. One of the greatest challenges you face in becoming involved with your family foundation will be balancing the old and the new, incorporating your individual experience while remaining mindful of history.

Meeting this challenge can result in a wonderfully fulfilling involvement with giving. However, the path to this involvement includes tough decisions. Some of the toughest – and most important – of these decisions surround the issue of succession. Succession can be a sticky subject to bring up with your family. Alison Goldberg, donor education coordinator at Resource Generation, an organization that brings together young people with wealth, identifies six obstacles that can keep young people from getting involved in this area:

- **Family conflicts.** Young adults may not want to get involved in a difficult discussion when they know family rifts already exist.
- **Lack of education and training.** Family foundations may not always offer opportunities for young people to learn about philanthropy and foundation governance.
- **Generational differences.** Communication between generations can be difficult, either because of ideological or cultural differences, or because of simpler barriers such as geographical distance.
- **Unclear expectations.** Founders don’t always make it clear what role they want the younger generation to play – or what role foundation work is intended to play in their lives.
- **Insufficient sharing of information.** It’s not always obvious how information about the foundation should be passed on to younger family members. The younger generation may not know enough about financial data, community expectations, or grantmaking programs to think confidently about taking on foundation work.
- **Shifting missions.** As foundations move from a founder’s personal labor of love to a larger organization, their missions may become less obvious. It’s not always easy to know where the younger generation fits in the adaptation of grantmaking to changing families and times.
These obstacles may seem daunting. However, there are many resources to help you overcome them. This primer will help you understand some of the difficulties inherent in a succession-planning process, and will give you suggestions to surmount them. This process should be tackled sooner rather than later – and you, as a younger family member, have an important role to play.

**Why Now?**
The following, drawn from the National Center for Family Philanthropy’s new study, *Generations of Giving: Leadership and Continuity in Family Foundations*, are just a few of the many reasons your foundation may wish to address the issue of succession as soon as possible.

- The strengths of your foundation are best passed down while the senior members are still active.
- Starting succession planning early will give members of your generation plenty of time to prepare for leadership roles. When you eventually take office, this preparation will give you legitimacy, and everyone in the family will feel more comfortable entrusting you with important decisions.
- Talking about succession can be a gateway to discussion of other difficult issues, such as disputes over mission, the pressure of geographic dispersal, uneven competencies and commitment across family branches, poor leadership, or inadequate staff support. Resolving these issues will help your family move forward, and will help the foundation to focus on its primary purpose: achieving its charitable mission within the communities it serves.
- Succession is best discussed before a crisis makes the discussion necessary. Planning ahead of time allows the family to consider the nuances of the issue, and make contingency plans for various events.

**Why You?**
As the younger generation in your family, you have many important things to add to a succession-planning process, and to board conversations in general. Oona Coy, a 27-year-old trustee of two family foundations, says, “People view my voice differently; see it as fresh, more radical, and valuable.” Young adults like you may be able to get the foundation interested in new areas of grantmaking. Your knowledge of contemporary issues and communities may help the foundation serve its constituents better. And your input will likely energize and excite your family – everyone likes to see the joy of philanthropy being passed on.

Getting involved with succession will also benefit you directly. You will have a chance to share your views on this important subject. You will learn valuable skills that may come into play as you explore your personal philanthropic interests down the road. If board membership is in your future, participation in the succession planning process will help you understand your future duties. And your involvement will likely earn you respect in your family, making your work with them more effective and enjoyable throughout your life.
Getting Started

Some families avoid the issue of succession. How can you raise such a difficult topic without causing problems? Here are some tips for helping to initiate a succession-planning process:

- **Lead by example.** Write down your own giving plan, including a brief description of your current and previous volunteer activities, and share it with your family members. This will both demonstrate your commitment to philanthropy and stimulate planning in other areas.

- **Encourage your family to use the services of a non-family facilitator or advisor.** Such a person can help you work through difficult issues, while providing family-neutral advice.

- **Research your family and foundation history.** The more knowledgeable you are about the past, the more you will be taken seriously regarding the future.

- **Ask questions.** You may find that family members are willing to talk about difficult issues – if someone asks them.

- **Find an ally in the family.** This can be someone from an older generation who can provide advice and support to you when you voice your concerns.

- **Don’t be intimidated.** More likely than not, your family will appreciate the fact that you’ve thought about the issues and are looking for solutions.

Three Key Questions

Once you’ve raised the issue of succession, you may wonder what your role should be in the planning process. How can you learn the most from this experience? And what can you do to make sure it goes as smoothly as possible? In thinking about this, it may be helpful to consider three key areas where your attention is the most needed.

**Question 1: Where do you fit in?**

An important part of the succession planning process is deciding what roles family members will play in the future. Your participation in this decision will depend on several factors:

- **Your expertise.** Perhaps your studies have put you into contact with experts in some of your foundation’s program areas. Or maybe you have training relevant to the legal aspects of philanthropic operations, or could help develop the foundation’s first website to share information with your current and prospective grantees. No matter what your background, you likely have something new to bring to your family foundation. Think about how your skills fit into the foundation’s structure. Would you be interested in a staff position (either on a volunteer or paid basis)? Do you offer knowledge of a certain issue area or topic that is of particular interest to the board? Ask what opportunities exist in your family in the areas that you know best.

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1 Sources: conversation with Alison Goldberg, and *Passages*, “Opportunity of a Lifetime: Young Adults in Family Philanthropy.”
■ **Your future commitments.** Many young people in family foundations have board service on their horizons. If this describes you, be aware that being a trustee may take more time than you think. In addition to attending meetings, you will likely need to read grant proposals, remain up-to-date on your legal responsibilities, and attend site visits. Make sure that your family apprises you of the commitment involved on their particular board – before you decide to be a trustee. *Source: “Becoming an Effective Board Member.”*

■ **Your interests.** In some families, every descendant of the founder has the opportunity to serve on the board. In others, this is not the case. There are many ways of participating in your family’s philanthropy. If some appeal to you more than others, say so. Volunteering or being volunteered for a job you don’t want can set you up for failure. If you would like a particular job but think you need additional training, seek out training programs through your regional association, the Association for Small Foundations, and other groups.

■ **Family expectations.** As a younger member of your family, you may be the object of high (or possibly unrealistic) expectations from your elders. Making these expectations clear, explicit, and realistic can allow much more open and successful dialogue between generations. Consider asking your family to develop a statement of expectations for its younger members, in which the whole family has input. This will help you understand what you are being asked to contribute over the years, and determine that you can and wish to do so. *For a sampling of expectations foundations may have for their younger members, see “Opportunity of a Lifetime: Young Adults in Family Philanthropy.”*

No matter what your role in the foundation may ultimately be, you will feel more comfortable in that role if you know its demands and rewards, and have determined that it is right for you.

**Question 2: Where is the foundation going?**

As your foundation passes between generations, changes will undoubtedly take place. The needs of your grantees will change – and so will the interests of your board members. While honoring your founder’s legacy will likely remain an important part of your philanthropy, part of succession planning is deciding how the foundation’s mission will evolve over the years. How will you carry on the dreams of the previous generations of your family, while adapting to changing people and changing times?

■ **Communicate.** Talk to your family. Find out what is important to the older generation, and what they would like to see remain constant over time. If possible, talk to your founder, and get a first-hand account of why the foundation got started in the first place. Then give your own input. Discuss what direction you would like to see your family’s grantmaking take, and find out if others are open to this direction.

■ **Create a mission statement.** If your foundation does not already have a mission statement, suggest that the board prepare one. You can set an example by making a mission statement for your personal giving. Your family might consider setting short-
term and long-term goals for its grantmaking. This will allow its larger mission to remain constant while some aspects of grantmaking change to reflect shifting needs.

- **Understand existing priorities.** The foundation’s giving may not be able to accommodate all your personal priorities, but perhaps your own philanthropy and your family’s can be connected. Some foundations have matching grant programs to support personal grantmaking; discuss this option with your family. Some foundations also allocate a certain amount of funding to discretionary grants, meaning individual members can give it as they see fit. Opinions vary on this practice, but it may be an effective one for your family.

- **Be patient and respectful.** Your ideas are important, but so are the priorities of the founder. Remember that, even though it may adapt over time, your foundation also has a legacy to preserve. Recognize the value of this legacy to your founder, and be respectful of efforts to uphold it.

Whatever course your foundation’s giving takes, remember that this is a family organization that must take many perspectives into account. Don’t be shy about offering your input, but be mindful of your family’s history and traditions. And remember that other family members need to have input too. If others, particularly young people like you, seem shy or disenfranchised, help them get their opinions heard. Let them know they have your support, and help create a respectful environment where everyone feels comfortable speaking.

**Question 3: How will you prepare?**

Just like any job, work in a foundation requires some training. This process doesn’t have to be a chore, and in fact can be a fun and fulfilling way to learn about your family and its giving. If your foundation hasn’t provided for the training of its younger generation, consider suggesting some training possibilities. Here are some ways to start:

- **Develop job descriptions for board members and officers.** These will help potential trustees understand what they are getting into. If responsibilities are clear from the start, you and other members of your generation will know exactly what you need to learn. A job description will also help those who lack the time or energy for trusteeship to recognize this and seek alternate roles. If your family hasn’t already developed these materials, show them some examples.

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2 For a sample mission statement that includes both short-term and long-term goals, visit the website of the Steven and Michele Kirsch Foundation at [http://www.kirschfoundation.org](http://www.kirschfoundation.org).

3 For more information on this type of grantmaking, see *Passages*, “Discretionary Grants: Encouraging Participation … Or Dividing Families?”

4 For an example of a foundation that retained its legacy while adapting over time, see “Change Within Tradition: The Hattie M. Strong Foundation,” from *Living the Legacy: The Values of a Family’s Philanthropy Across Generations*.


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Sample trustee job descriptions are available in ASF’s Foundation in a Box, at www.smallfoundations.org.

- **Research training programs at other foundations.** Some hold retreats for next generation members. Others pair up younger people with senior mentors. Discuss these options with your family. After examining your foundation’s size and the time commitments of its members, your family can create a program whose duration and intensity are appropriate to your needs.  

- **Learn the specifics of your foundation.** Ask that financial information be shared with the younger generation. Find out the details about your foundation’s grantmaking programs. Are there certain grantees who have long-term expectations from your foundation? What does the community expect? Understanding these specifics now will prevent uncomfortable surprises later.

- **Network with other young people involved in philanthropy.** If your family is small, you may be one of just a few members of your generation working in the foundation. Talking to your peers will help you build a community that can give you support and advice about issues unique to your age groups.  

ASF offers workshops for next generation members; visit www.smallfoundations.org.

Being well prepared for foundation work will ensure that the transfer from the older generation to yours occurs as smoothly as possible. If you’ve been well trained for your job, your family members can be more secure entrusting you with responsibilities – and everyone’s relationships will be easier as a result. In addition, you may find that you learn fascinating information in the training process, and become even more excited about your role in your family’s philanthropy.

**Things to Remember**
Your family’s succession-planning process will probably raise some conflicts not discussed in this primer. A family dealing with a complicated issue may encounter unexpected difficulties. However, keeping a few key points in mind will help you deal with these difficulties as they occur:

- An early start is best for all concerned.
- Lead by example. Sharing your own future plans with your family can help stimulate theirs.
- Think about your skills, your interests, your future – and what your family expects from you.
- Help your family clarify its goals, and find out how these goals fit in with yours.
- Prepare for the work you will be doing.

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6 For two foundations’ approaches to training, see “Opportunity of a Lifetime: Young Adults in Family Philanthropy.”
7 For more information on how you can contact other young people involved in family philanthropy, visit www.resourcegeneration.org or the website of Emerging Partners in Philanthropy at www.epip.org.

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As a young person, you likely have many things on your mind. You may be working toward a degree, starting out in a career, or starting a family. You may feel you have little time to participate in your family’s philanthropy and succession planning. But if you stay involved and informed, and give your input regularly, you may find the process more rewarding than you thought. You will learn about your family, your community, and about the ins and outs of giving. What’s more, you will prepare yourself to be part of your family’s philanthropic legacy – a legacy that can be a wonderful gift from your forebears to you. Someday you too may be passing the foundation on to your descendants. When that day comes, you can look back on the traditions you’ve preserved – and the new contributions you’ve made. Planning for the future can be a trial, but it can also be a joy.

Additional Resources
In addition to the publications cited in the text, many of the ideas in this primer are derived from the following resources from the National Center for Family Philanthropy. They are a great place to look for further information on the topics discussed, and may be ordered online at www.ncfp.org or by calling 202.293.3424.

- “Becoming an Effective Board Member.” This chapter from The Trustee Notebook: An Orientation for Family Foundation Board Members, gives specific information on a variety of issues new and prospective board members should consider, such as time demands, conflicts of interest, and family dynamics.
- Generations of Giving: Leadership and Continuity in Family Foundations, by Kelin Gersick, et. al. This new study describes organizational development in family foundations across time and generations, and includes many stories of succession in family foundations. Chapters 7 and 9 are particularly relevant.
- Living the Legacy: The Values of a Family’s Philanthropy Across Generations, edited by Charles H. Hamilton. This volume of the NCFP Journal Series presents case studies and tools for helping families describe and pass on a philanthropic legacy over time and through generations.
- Managing Conflicts and Family Dynamics in Your Family’s Philanthropy. The issue of succession can cause conflicts in even the most harmonious families. This Passages issue paper offers descriptions of different types of conflicts, as well as ways to resolve them.
- Successful Succession: Inspiring and Preparing New Generations of Charitable Leaders. This Passages issue paper gives reasons why younger generation involvement is important, and describes training programs for prospective board members.
The following publications from the Council on Foundations also provide useful information on succession issues, and may be ordered online at www.cof.org:


Helpful Organizations

- **Association of Small Foundations**, [www.smallfoundations.org](http://www.smallfoundations.org). ASF specifically addresses the needs of foundations with small staffs or no staff at all. ASF provides publications, online resources, and a variety of gatherings that facilitate networking and learning, including workshops for the next generation.
- **Emerging Practitioners in Philanthropy**, [www.epip.org](http://www.epip.org). EPIP targets grantmakers under forty, with a focus on social justice philanthropy. It offers leadership training, nationwide networking opportunities, and advocacy campaigns to advance social justice causes.
- **National Center for Family Philanthropy**, [www.ncfp.org](http://www.ncfp.org). NCFP offers presentations, research services, a monthly newsletter, and an online knowledge center including the articles cited in this primer as well as many other materials on the topic of succession.
- **Resource Generation**, [www.resourcegeneration.org](http://www.resourcegeneration.org). Geared toward the 18-35 age group, Resource Generation helps young people with wealth bring their values and vision in line with their financial resources. They offer a national workshop series, a nationwide conference call program, and local networking opportunities.

The **Making Money Make Change** gathering, sponsored by Resource Generation, Third Wave Foundation, and others, brings together about 70 young progressive people with wealth from all over the country to attend workshops and share ideas about wealth and social change philanthropy.