



Motivations for Board Service: Why Many Family Members Want In and Some Don't Want to Leave

President's Message, *May 2007 Family Giving News*



Many of the requests for help that come to me directly or as referrals from colleagues or National Center staff are about governance. When it comes to the fundamentally important issue of effective trusteeship - and appropriate foundation governance - the range of questions is startling and no question is insignificant. How do other foundations structure their boards? Should we have terms and rotation? Should there be non-family board members? How about advisors on the board? How do other boards handle conflicts of interest or the perception of conflict of interest? How about just plain conflict - of opinions, personality, family issues, etc.?

Of all the governance questions I get and stories I hear, none come more frequently and with more urgency than those related to preparing the next generation of trustee leaders. Now those of you who have read these columns or heard me speak know that my concern in raising future philanthropic generations goes far beyond preparing them for board service. I believe the parents and extended family members I meet want to raise charitable children, ensuring that they grow to be charitable, community-service oriented adults. Not every child will get to sit on a family foundation board, nor will every child wish to, but all can grow to make a world of difference in a world that desperately needs their commitment.

Be Straightforward and Realistic

Nonetheless, if we hope to have family members continue to serve on our foundation boards then we must offer inspiration, preparation, and orientation for that eventuality. We should also establish the eligibility requirements for being named to the board and the expectations that face new board members as they take their place. What we cannot do is let family members think this is anything but a very serious commitment. Further, we cannot mislead potential candidates about when, if ever, they can expect to serve on the foundation board. They should be well acquainted with the number of seats available, the number of potential candidates for those seats, and the process that will be used to determine rotation and succession.

In smaller families, it is often easier to avoid problems of too many hopefuls and not enough seats. In larger families, or in family foundations entering the third or fourth generations, the sheer number of individuals that would like to serve makes it necessary for a family to manage expectations fairly and wisely.

By coincidence, I have recently worked with a number of family foundations moving from the second to the third generation where the second generation has enjoyed life terms on the board. In these families, questions have arisen about how, when, and how many next generation members will come on the board. Will the second generation have to rotate off? Should the third generation also expect to serve life terms? Are capable trustees being excluded in favor of those who are not interested in board service - all in the interest of "family fairness?"

In helping foundations address these questions, I find I am exploring two critical questions:

- How can boards maintain focus on what is in the best interest of the foundation while they are sensitive to their family's hopes, egos, and genuine interest in serving; and
- What motivates someone to want to be on a family foundation board and to stay on that board once appointed?

Profiles of Motivated Trustees

My explorations have led me to flesh out six motivations for wanting to serve on a foundation board. This list is certainly not exhaustive nor exclusive. Trustees have many different motives for service, sometimes all at once."

Moreover, I have begun to realize that, more frequently than I would have thought, motivations become needs. That is, a trustee is no longer just motivated to be on the board for a specific reason; trustees can reach a point where they need to be on the board for that same reason.

With those caveats in place, here are brief profiles of six motivations I have observed:

1. The trustee who views board participation as an opportunity to serve the foundation. The privilege of being entrusted with the founder's vision and the chance to serve the public good motivate the time, energy, and commitment needed. These trustees are usually very proud of their family's philanthropic legacy and are eager to contribute to that legacy. In such cases, the trustee is motivated by what he/she can give to the foundation.

2. The trustee who views service as a "sacred trust." Such trustees are often the long-time friends or colleagues of the founder or, perhaps, the founder's siblings or children. They believe their role is to do what the founder wants done or, after the death of the founder, to do what (in their opinion) the founder would have done were he/she still alive. This board member feels this trust and obligation so deeply that the possibility of rotating off the board is unthinkable. They may be concerned that a successor will not feel this responsibility in quite the same way or, worse, not feel any allegiance to acting as the founder would have wanted.

3. The trustee motivated by concern for a cause, issue, or organization of great importance. Foundation board service provides an opportunity to support that organization or advance that cause. The issue may be one of special meaning to the family historically (such as cancer research in a family that has been affected by the disease) or important to the individual family member/trustee (such as a major arts institution or preserving the environment). As foundation mission and program interests evolve, the trustee can grow very concerned that his/her presence may be the only thing protecting funding for that issue. In such cases, the trustee is motivated by what they can give to a special nonprofit or cause.

4. Trustees who find that board service gives them great personal satisfaction. Such trustees are both professionally and personally stimulated by the work of the foundation, the opportunity to learn, and the connection to the grantees and the community. These trustees may have begun their service motivated by what they can give to the foundation, but along the way, the personal experience became more than a happy byproduct; it became a need that might not be filled anywhere else. In such cases, the balance has shifted and these trustees are motivated by what the foundation gives to them.

5. Trustees who find there are professional advantages to being a member of the foundation board. This may or may not have been calculated at the time of appointment, but the trustee now appreciates the professional opportunities the affiliation, access, and experience the foundation role provides. Being a trustee has added credibility to the board members' personal resume and perhaps even leveraged business opportunities. While such benefits may not cross the legal lines of conflict of interest, the advantages may make the trustee unwilling to relinquish a board seat or very anxious to take one on. Like the fourth profile, the focus may be more about what the foundation does for him/her, thereby shifting the service balance into murky ethical waters.

6. Foundation trustees who have found a sense of personal meaning and identity through board service. This motivation has been the most poignant to experience. Such trustees are family members who often do not have or are not happy in a paid job, nor are they likely to have a regular volunteer passion or commitment. They may not have valued their education (at the time) and they may not have a successful, nuclear family of their own. With little else to draw on, the role of foundation trustee provides a source of personal identity, accomplishment, and self esteem. This is the most intractable circumstance I have witnessed when it comes to board rotation or retirement.

These motivations are not unique to family foundations. However, in my experience, the bonds of family and the personal connections many family trustees feel to their foundations make these much more emotionally charged situations. When status as a member of the family rather than professional expertise or personal experience is perceived to determine access to a board seat, the potential for insecurities or hurt feelings is very high. Finally, when motivation becomes need (whether personal or professional need), then the potential for an unhealthy relationship or ineffective performance is especially high.

A Seventh Profile: The Unmotivated

In fairness, perhaps I should have included a seventh profile, since I hear about this circumstance so frequently: the potential board member - often the young adult a parent or trustee would love to have on the board - who is not motivated at all to do so. It can be disappointing, frustrating, and even hurtful to have a child or young family member appear to reject board service and, therefore, the foundation or family. In such cases, a number of possibilities for a lack of motivation exist:

- Young adults may be overwhelmed with education, a new career, a new family, and the like and board service may just not fit into an overly hectic and crowded schedule. This may be troubling for parents who expect service at a certain age but can often ease over time;
- Some potential board members may be so focused on creating their own path in the world, are very future-oriented, and are so eager to prove themselves that foundation service may

feel as if they are being pulled back into a past that gives them little chance to distinguish themselves as individuals. This lack of motivation may be especially prevalent in foundations where new, different, or young people's opinions are not well heard;

- There may have been very little orientation or experience with the foundation growing up and, therefore, no personal connection or commitment at this point. The foundation may be seen as something important to one's parents or grandparents, but with little relevance and meaning for them. Again, this circumstance may be true in cases where younger family members are given little opportunity to learn about the family's philanthropic work in their formative years;
- There may be some family dynamics - with or among parents, siblings, other family branches, etc. - that have created tensions for the younger family member. They may be aware of tensions on the board and at board meetings. Perhaps they are concerned that participating in a family activity will only heighten tensions or give them a place to play out. Families can interact together in meetings, businesses, family offices, reunions, vacations, and retreats. When the foundation is the only place a family has to act (or act out!) together, this may be a very real concern. If the foundation is not viewed as an acceptable venue for venting family frustrations and grievances, a more welcoming foundation environment may be the result (not to mention a more productive and effective place to conduct foundation business).

No matter what is prompting the lack of motivation, don't assume it is forever. Keep the door and the lines of communication open. Be ready to welcome someone in when the time is right for the young person and the foundation. I spoke recently with the mother of two adult children with a long history of rejecting invitations to participate in the foundation. By not giving up, she was thrilled to welcome them both onto the board when the time was right. Additionally, she happily noted that her son and daughter were now sharing the work; her daughter was handling financial matters and her son was managing the grants process.

In the Best Interests of the Foundation: Ownership vs. Stewardship

I believe the most successful approach in all these circumstances is keeping your focus on the best interests of the foundation. Trying to figure out "how we can keep everyone happy" is likely to make no one happy and distract from the foundation work to be done. It is easier and more helpful to consider motivation for service, the reluctance to cycle off a board, and the pressure some family members apply to get on the board in the context of foundation rather than family needs. A thoughtful conversation about ownership vs. stewardship (is this our property or our responsibility?) often helps everyone rise to the occasion.

As you think about what you need in your trustee leadership - a new board structure, terms and rotation, new or different talents and areas of expertise, a mechanism for engaging senior family leaders, board orientation, etc. - think first about what will serve the foundation and the foundation's mission, grantees, and future best. Hopefully, you will find that you can advance a sense of stewardship while being sensitive to individuals and family values. Thousands of family foundations are proving every day that you can do both and that an effective, well governed foundation only adds to the family's pride and joy.

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