

Case Study of a Community Foundation's Work with a Family Philanthropy

Engaging the Adult Next Generation

Note: This case study was designed for a conversation by a group of community foundation staff. All participants read the two-page case study and discuss the questions. One staff, acting as facilitator, uses the third page to help guide the conversation.

Background

Like many family foundations in the United States, this family foundation has members scattered across the world. The 75-year-old patriarch still lives in the city where he built a business and a family office. Of the four adult children, only one son lives locally while two sons live in Europe and the daughter lives in New York City. They are all still involved in the family management company.

The family foundation has existed for many years and was originally Mom's passion. She was actively engaged in a number of philanthropic pursuits and was the force behind the decision to engage the children. Since her death, the children have dutifully returned home on a regular basis to listen to Dad's ideas about what he wanted to do with the required 5% payout (usually given to such community standbys as the United Way), but have not been involved in any substantive way.

A family advisor asked the community foundation to meet with the family. (The community foundation does contract work for private foundations). The patriarch was desperate to get his children more fully engaged in the foundation work as a way to be certain they would continue to gather as a family. The children had already expressed a disinclination to return each year for something that was of no interest to them and Dad was ready to try something new. Or so it seemed.

First family meeting facilitated by CF

At the first meeting, the family was taken through a values and mission exercise and together agreed that a primary shared value was "community." What became evident was that the children, who ranged in age from 40 – 55, were ready to be engaged. Happy to truly collaborate, they left their individual interests at the door. However, they wanted to be certain that whatever the family decided to do would have high impact in the community over a short period of time so that they could then move on to another project.

The community foundation surveyed the community to discover a project that would fit these specifications. At this point, Dad panicked. Before the second meeting he took his donor services officer aside and asked what would happen to his commitment to the United Way. He wanted to continue to give as he always had and was loathe to give up control to the next generation.

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Now the real negotiations began. The donor services officer, believing that each side would balk if pushed too hard, suggested that a percentage of the foundation's giving be allotted for the shared gift in order for Dad to continue meeting some of his regular commitments. The family agreed to begin with 25%, which necessitated changing the scale of the family project at the last minute. However, the next generation also gave their father an ultimatum for the future. They asked him to decrease his commitments by 25% each year until the foundation became a truly collaborative family effort.

The kids were able to acknowledge and honor Dad's "cold feet" but, with the community foundation's help, were able to begin a process that would allow Dad to appreciate the potential impact of a significant and specific family gift as well as the enthusiasm such a process generated in his children.

After the meeting

After the meeting, the community foundation once again did a community scan of the metropolitan area. They came back to the family with a suggestion for renovating a city park and asked whether the family foundation wanted to make a difference that way. The family visited a number of different sites before they settled on an inner city park in an area with a high incidence of crime, including two conflicting gangs. They worked closely with neighborhood groups and supported after school summer programs that matched the facilities and provided new resources for residents of the community.

This project really appealed to this entrepreneurial family. It was fun, exciting, had never been done before, and made a real difference. In addition, it contributed to other new projects in the neighborhood such as a newsletter for the park, published in three languages. It also kept the residents and community organizations engaged in the community, which served to counteract the gentrification that was underway. The family continued to help fund the summer programs and as they worked with the community foundation to identify additional sources of support. And after the success of this first project, they began looking for other projects that could have an equal impact in other neighborhoods.

For your group conversation

1. What are some of the lessons learned from this case study?
2. Did the family achieve its goals? How did the community foundation staff add value to the process?
3. What risks did the community foundation staff take? How did the staff manage these risks? Could they have taken a different approach?
4. Going forward, how might the community staff continue to help this family achieve its goals?

Facilitator's Guide

What are some of the lessons learned from this case study?

According to the donor services officer at this foundation, the lessons learned were:

- It is important to get behind the “presenting problem” articulated by one member of the family (e.g. Dad says his kids don’t want to get involved) by gathering the facts and getting perspectives from multiple stakeholders. It is not uncommon to find that lack of family engagement is indicative of a process that is not welcoming, interesting or inclusive.
- As the facilitator, it is important to remain open to the outcomes and be flexible when interacting with the donors. The donor services officer would often go into meetings thinking that it would go in one direction and find the family moving someplace entirely different.
- There was always a need to keep in mind and anticipate some of the patriarch’s concerns in order to bring him along slowly and gently to a shared agenda. Change is hard, even when someone believes they want to change.

Did the family achieve its goals? How did the community foundation staff add value to the process?

It appears so! The father was able to engage the children in the foundation work and the children were able to collaborate on an initial process, with some clearly defined criteria.

The staff did several things to help the family join together in a positive process: they gathered input from everyone at the beginning of the process; they started with an agreement on values, instead of focusing on projects or interests; and they worked with the family to develop clearly articulated criteria. They also sensitively dealt with the patriarch’s reluctance to let go of his commitments and set up a process that gave him time to get used to the new world of engaged family philanthropy.

Going forward, how might the community foundation staff continue to help this family achieve its goals?

Following are some suggestions for keeping the family engaged.

- Provide the family with a progress report on the status of the grant.
- Check in with Dad regularly to make sure he is comfortable with the process
- Invite family members to educational programs that fit their goals
- At some point, it may become important for the staff to encourage the family to stick with a project long enough to make more of a difference and learn from the experience. Perhaps as the communal grantmaking budget grows, this will become easier for them to accept.