

Family Systems and Family Issues: Community Foundations and Philanthropic Families

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A founder's dream...

“Deciding to organize our charity -- to start the foundation -- was actually the easy part for me. We have always tried to be responsible about our obligations to those who have much less than we do. But I wanted more. I wanted my family to be a part of this. I want our children to use good judgement, to be generous but not foolish. I guess I want them to show everybody that they aren't spoiled rich kids, but sensible. I want all that -- but I don't have a clue how to get it.”

The *Family's* Common Dilemmas

- How can we find a common Dream?
- Can our family work together in harmony?
- How do we manage a transition from the seniors to the juniors?
- Why am I the only one in this family who has any sense and who knows how to treat people?

The *Advisor's* Common Dilemmas

- How can I serve my clients?
- Who is my client?
- How do I avoid getting drawn into issues and advice outside of my training?
- Where and when do I refer families for more help?

Special Dilemmas for Staff of Community Foundations

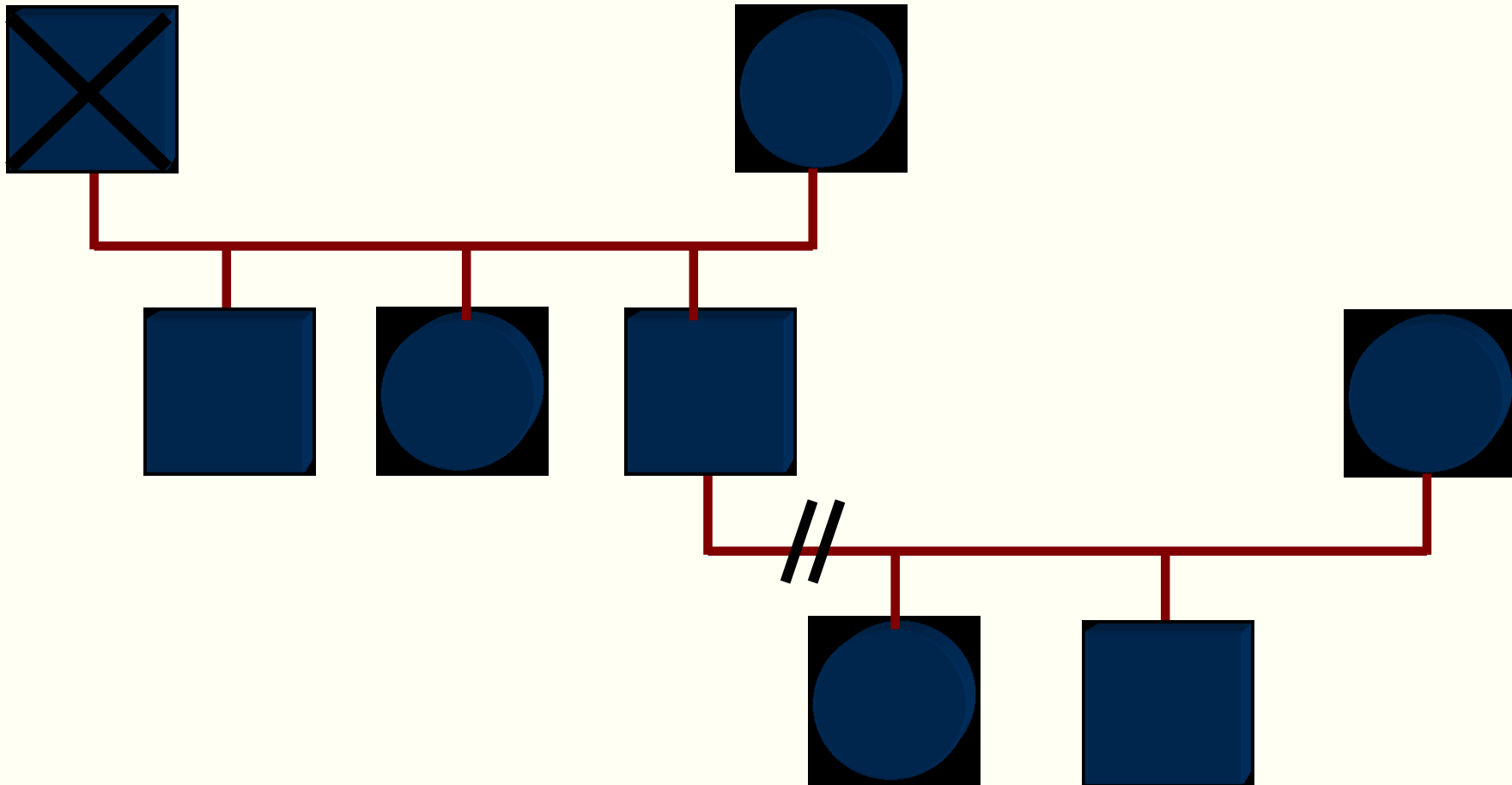
- Who is the client? How do we balance...
 - *the needs of the community*
 - *the goals of the donor*
 - *the enhancement of the family*
- What is our role?
 - *foundation growth and marketing*
 - *the limits of expertise and resources*

Part 1:

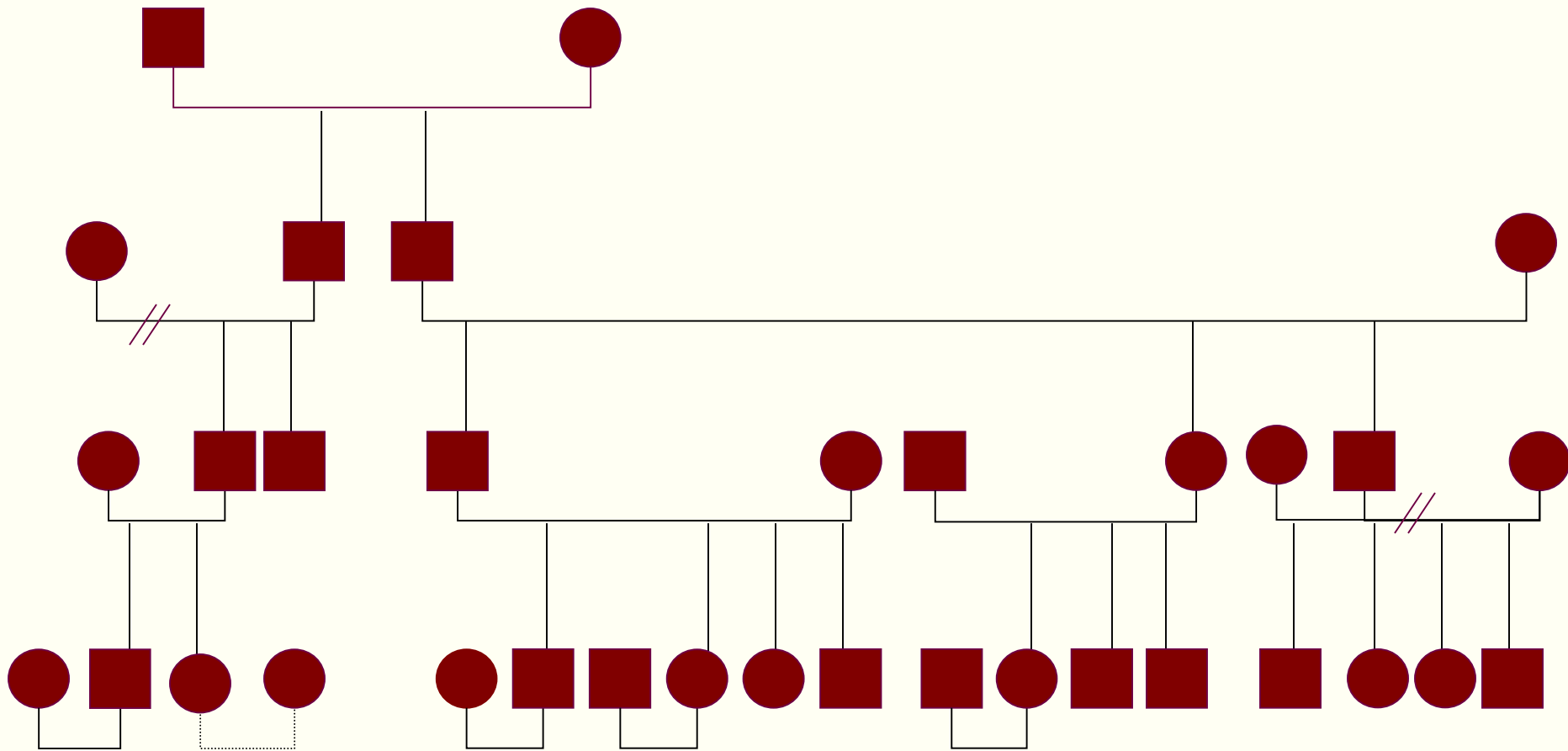
Understanding the Family as a System

- Structure
 - ⇒ Membership
 - ⇒ Alliances
 - ⇒ Conflict Pairs
 - ⇒ Triangles
- Roles
- Culture

Genograms



A Complex Family Genogram



Impact of Family Structure on Governance

- **SIZE:** Are we a large family, with many resources, or a small one?
 - Large families have to deal with selection; small families with recruitment
- **STABILITY:** Is it easy to identify who is “inside” and “outside” the family?
 - The “normal” family has many complex categories of relationships

Impact of Family Structure on Governance

ALLIANCES in Complex Families

Generational (horizontal) alliances

Positive: Collaboration and support

Danger: Stagnation/revolution

Branch (vertical) alliances

Positive: Legacy and loyalty

Danger: Competition, conflict, stereotyping

Affinity (diverse and diagonal) alliances lead to diversification

Impact of Family Structure on Governance

CONFLICT PAIRS in Complex families

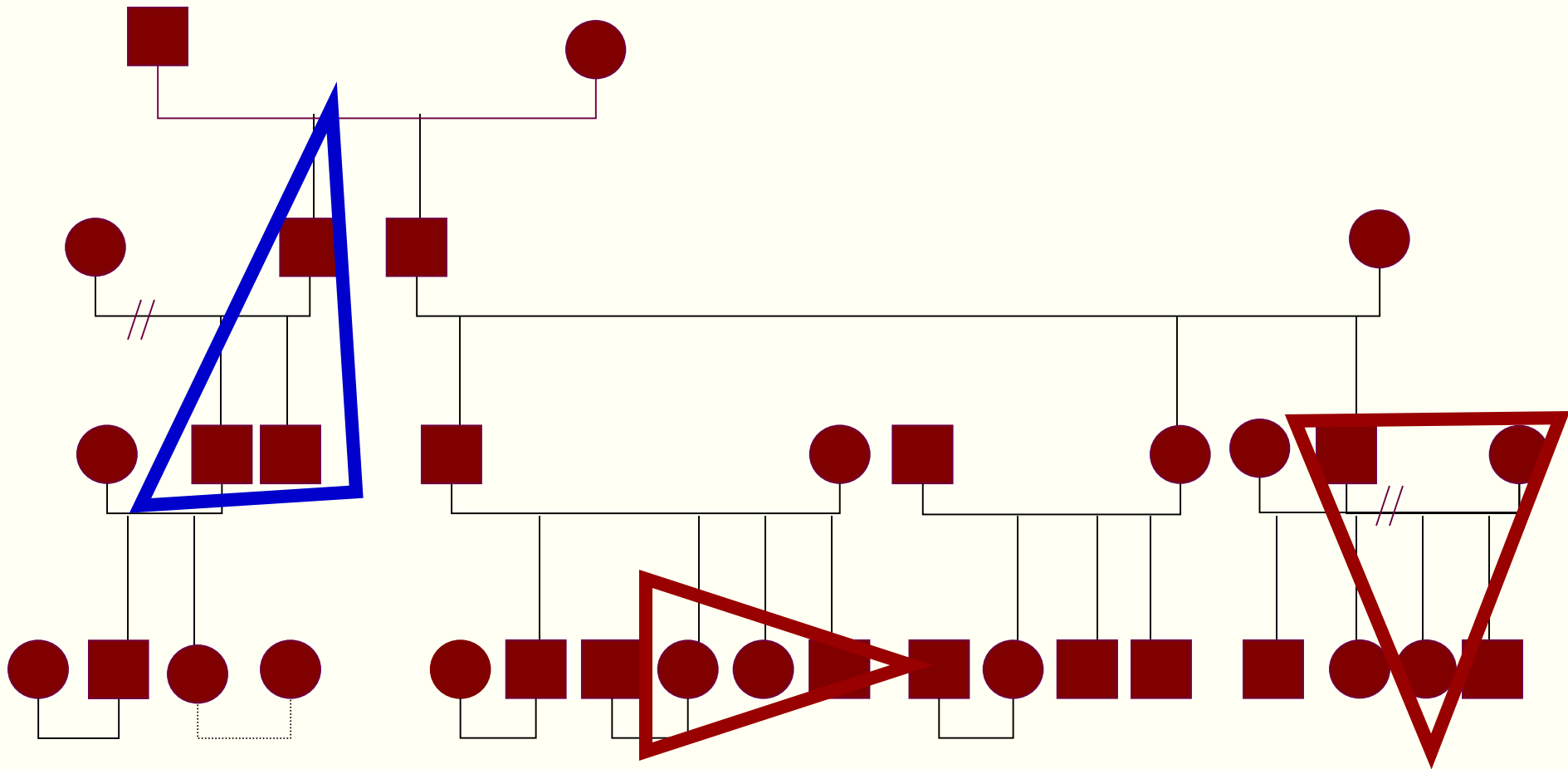
- Conflict is imported into grantmaking, not caused by it
 - Be aware of “ventriloquism” in conflict pairs
 - Normal conflict from habit, competition, and family culture responds to rules of conduct;
- Serious conflict or unmanageable individuals often requires outside intervention

Impact of Family Structure on Governance

TRIANGLES in Complex families

- Temporary and fluid triangles are important facilitators of progress
- Permanent triangles are destructive depending on their “direction”

Family Triangles





"I have to be getting back—I'm the glue that holds my parents' marriage together."

Family Roles

WHO FILLS THESE ROLES IN YOUR FAMILY?

Task leader

Gets the job done

Emotional leader

Keeps track of feelings

Social director/
Communicator

Focuses on group process
and information flow

“Pot stirrer”

Raises controversial issues

Headache

Challenges basic assumptions

Other

Impact of Family Roles on Governance

- Think about how each persons style and talents can make a contribution – it's not “one size fits all”
- Don't trap people in one role forever – allow for maturation and development

Family Culture

Hierarchical  Democratic

Vertical  Horizontal

Enmeshed  Disengaged

Affective/Expressive  Cognitive/Reserved

Family Culture

Hierarchical



Democratic

**Strong on efficiency,
clarity of authority,
respect for seniors**

**Problems with
resentment by the
subordinates, under-
utilization of talent**

**Strong on
participation, feeling of
empowerment**

**Problems with
inefficiency, slow speed
of decision-making**

Key question: *How is authority distributed?*

Family Culture

Vertical



Horizontal

**Strong on branch
identification and
loyalty**

**Problems creating a
sense of the whole
extended family, healing
sibling grievances**

**Strong on intimacy and
collaboration within
generations**

**Problems with
maintaining a legacy,
connecting to history**

Key question: *What role do branch and generation play in our grantmaking process?*

Family Culture

Enmeshed



Disengaged

**Strong on intimacy,
creating a sense of
belonging and mutual
support**

**Problems fostering
independence, privacy,
and separation**

**Strong on self-reliance,
adventurousness,
independence**

**Problems with
loneliness, sense of
disconnection**

Key question: *What is the balance between collective and individual agendas?*

Family Culture

Affective/Expressive



Cognitive/Reserved

Strong on recognizing, expressing, and using emotions

Problems with impulse control, over-reliance on “intuition,” recovery-time from conflict

Strong on decision-making, avoiding conflict

Problems with unexpressed feelings, experiencing the pleasure of accomplishments

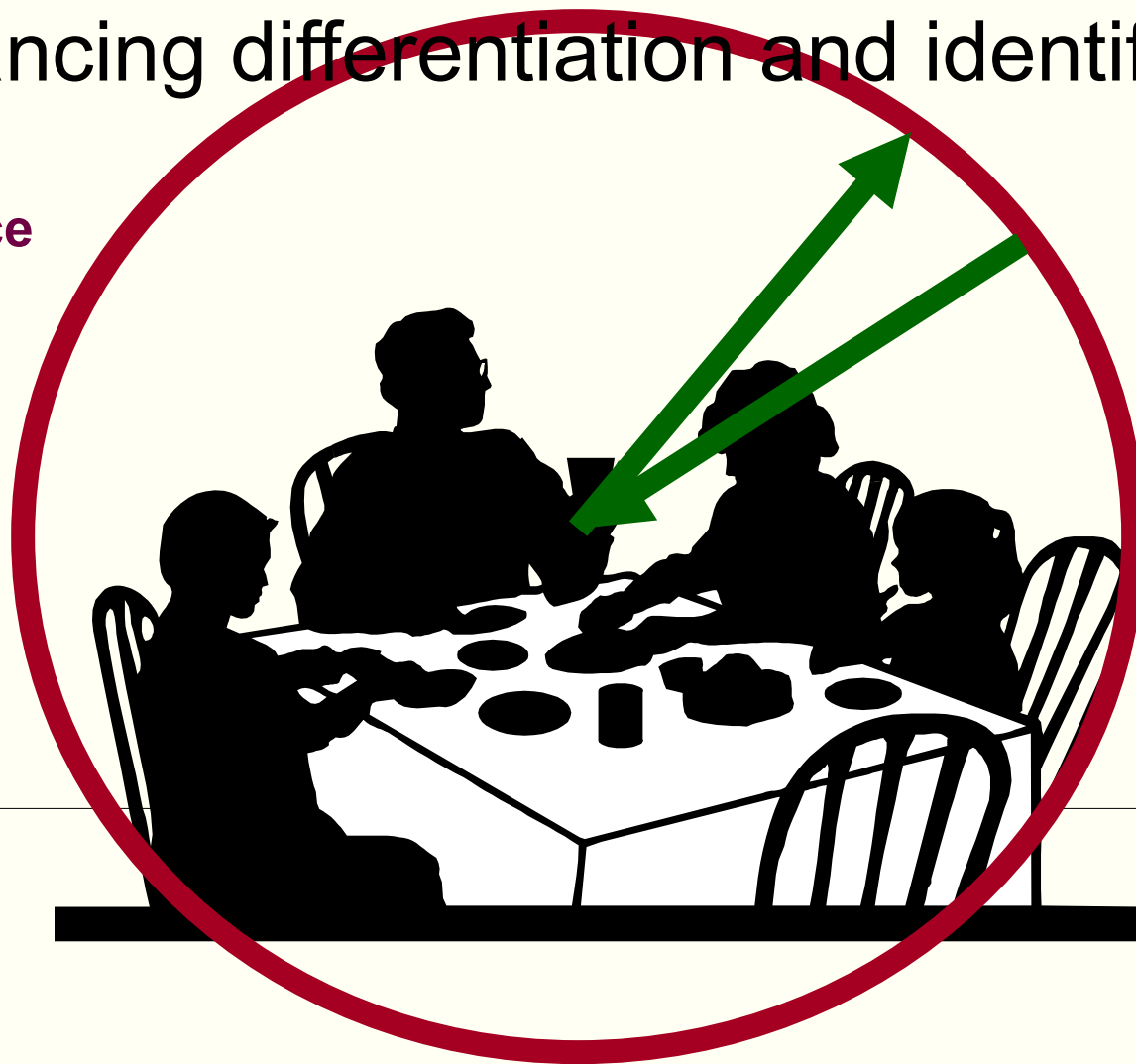
Key question: *How do we balance serious work with enjoying the family togetherness?*

The Primary Task of Family Continuity

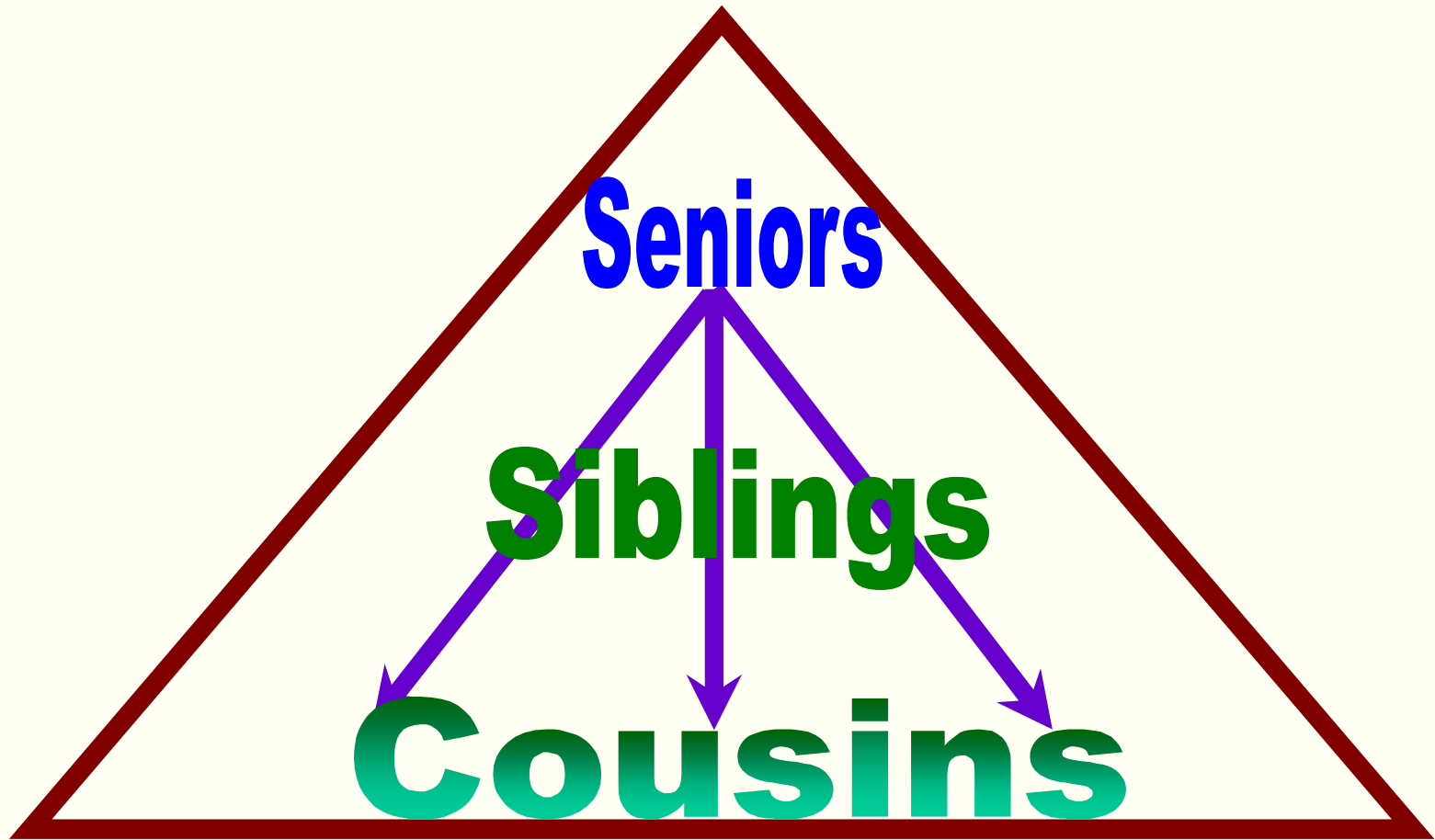
Balancing differentiation and identification

Centrifugal force
pushing out
toward
individuation
and self-
determination

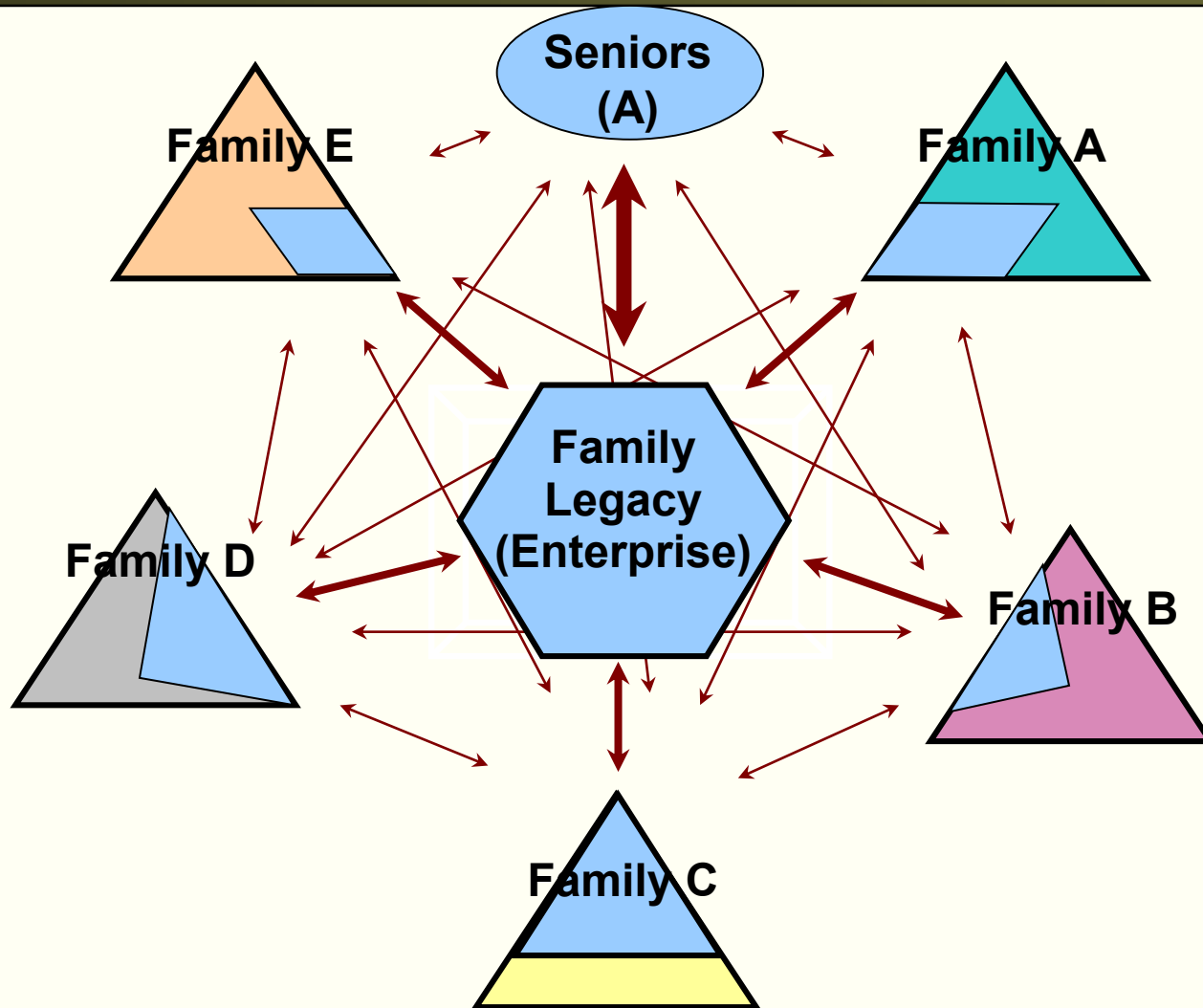
Centripetal force:
pulling in
toward
collaboration
and family
identification



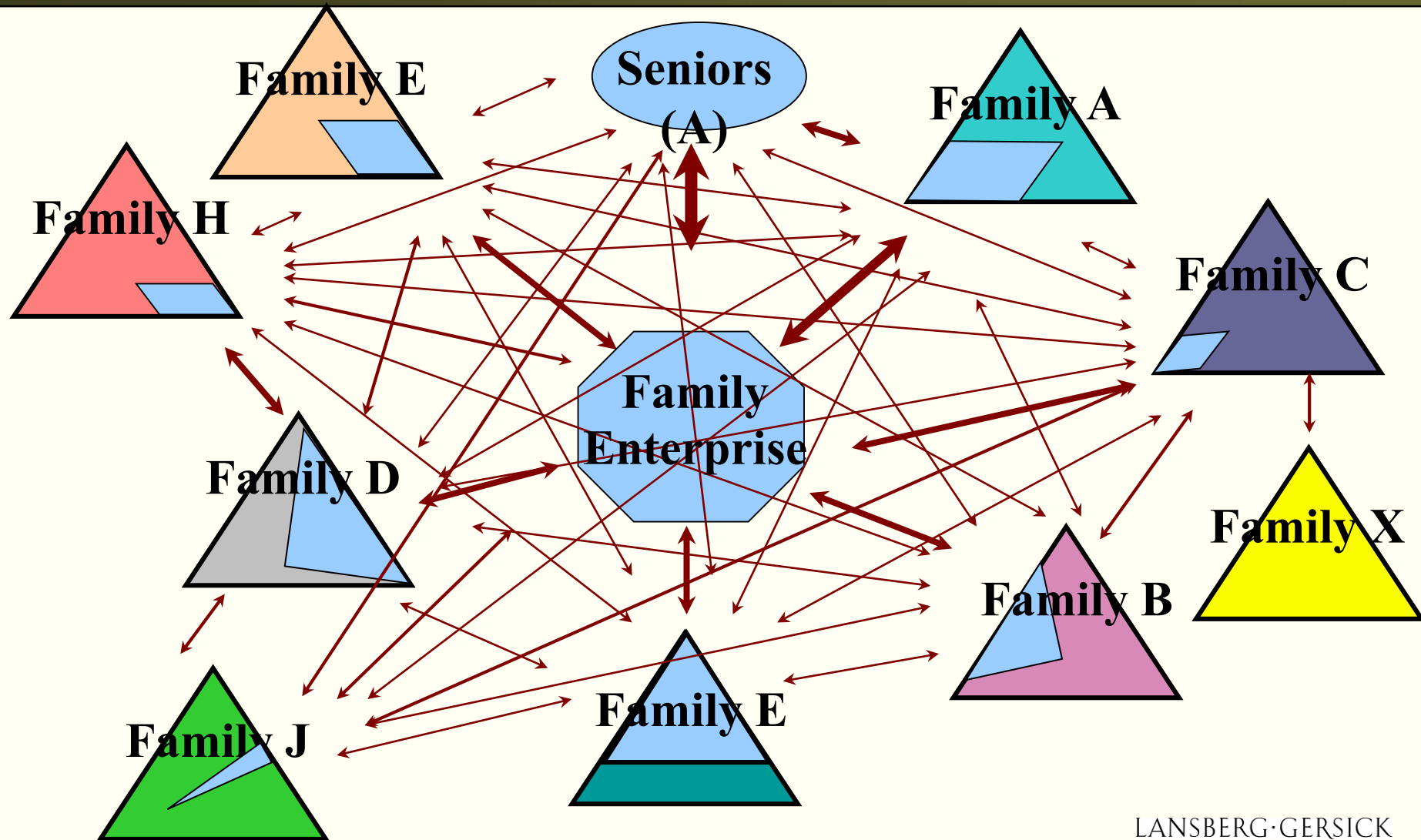
The Senior Generation's Perspective: The Unified Family



The Junior Generation's Perspective: The Network of Families



The Descendants' View: The Complex Family Network



Resistances to Letting Go: Internal

The Loss of Heroic Mission

- Control
- Support
- Judgement
- Network
- Finances

In the hands of others, the organization will lose its way, or its ability to achieve excellence.

Resistances to Letting Go: Internal

The Loss of Heroic Stature

- Deference
- Inclusion
- Significance
- Gratitude
- Vigor

Without my title and role, my life will become unfulfilling and valueless.

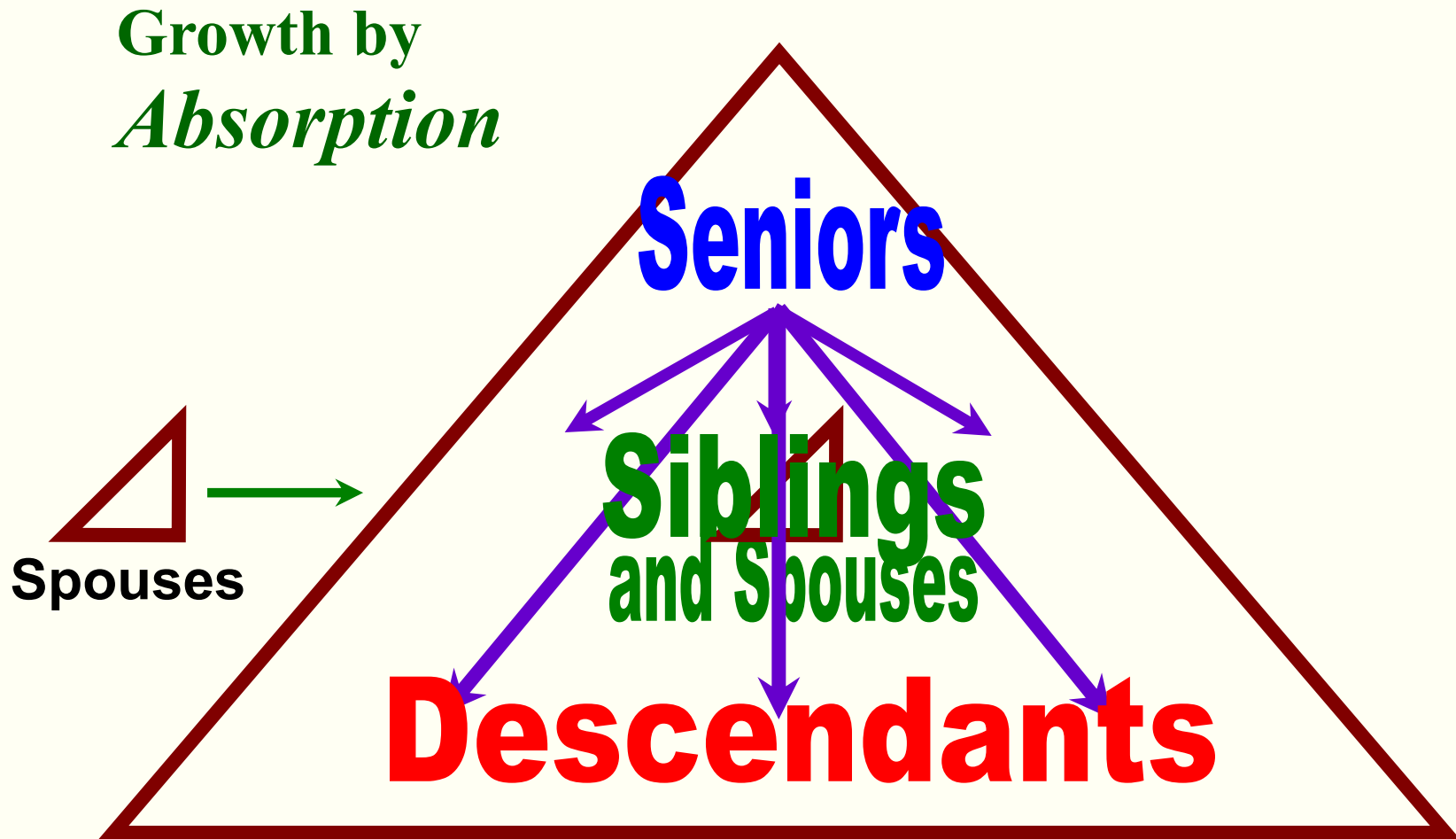
Other Family Issues Triggered by Entry of the “Next Generation”

- Parenting style and authority
- Explicit differences in values
- (Dis)Comfort with wealth
- Ambivalence (fear) about aging

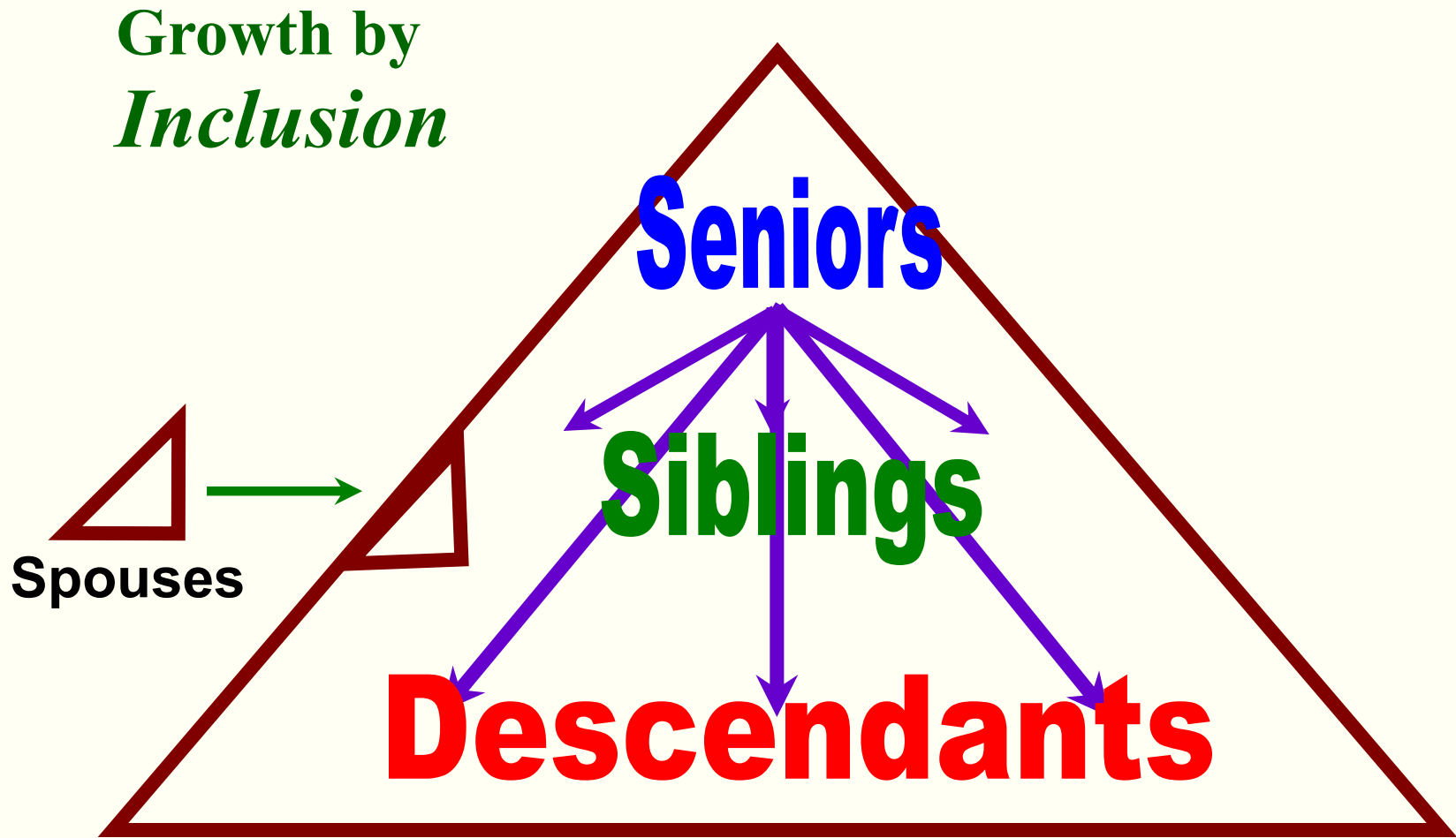
balanced against...

- Discovery
- Pride
- A glimpse of the future

The Entry of New Members: Type 1

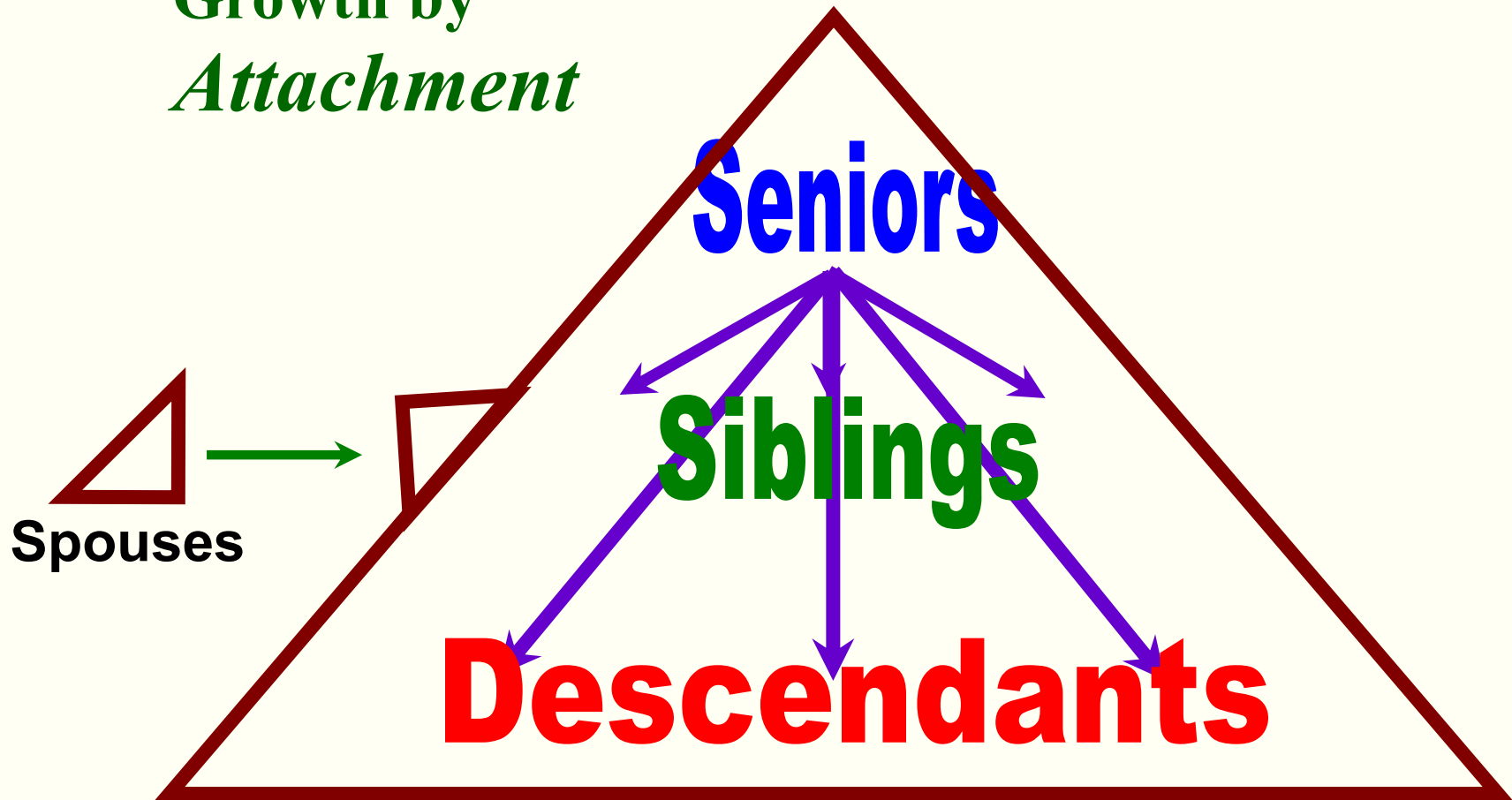


The Entry of New Members: Type 2



The Entry of New Members: Type 3

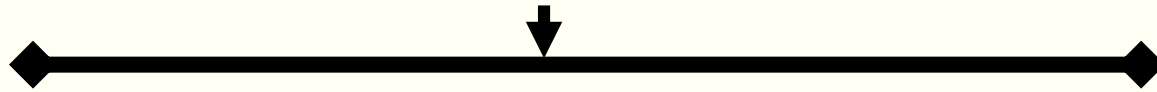
Growth by
Attachment



The Expansion Dilemma of Family Philanthropy Governance

Where do you want
to be?

Inclusive



Efficient

- Inviting all interested to participate
- Very forgiving on level of effort
- Encouraging open expression, but not forcing resolution of divisive issues

- Inviting only the most able and prepared to participate
- Very demanding on level of effort
- Efficient, task-focused process; moving to resolution, and majority rules

Part 2:

Types of Family Foundations

Controlling Trustee Family Foundation

A controlling trustee(s) sets the mission and manages the philanthropic work.

Collaborative Family Foundation

Family directors work together to direct and manage the philanthropic work

Staff-Managed Family Foundation

Family and non-family directors work together to govern; professional staff manage the philanthropic work

Controlling Trustee Dilemma

Founder's Purpose vs. Family Dream

A foundation that is primarily intended to achieve a particular consequence in the world – offering a legacy of impact.

OR

A foundation that is primarily intended to achieve a particular process in the family – offering a legacy of opportunity.

The Network Dilemma

Cooperation vs. True Collaboration

A process of
mutually respectful,
individualized
grantmaking.

OR

A shared Dream,
supporting truly
collaborative
grantmaking.



"Before we begin this family meeting, how about we go around and say our names and a little something about ourselves."

Managing Family Process

1. Help them clarify their goals for family involvement

- **Founders: Decide if you want supportive participants or collaborators, and communicate your goals clearly**
- **Family members: Decide your realistic motivation and capacity for involvement, and communicate them clearly**

Managing Family Process

2. *Help them understand how families work as systems*

- **Reflect on, and discuss with your spouse: alliances, conflict, triangles**
- **Discuss openly the pros and cons of involving in-laws**
- **Share views of the family culture and anticipate how it will affect your interactions and grantmaking**

My Advice to Advisors

- Suggest exploration of different vehicles, even if they think they know what they want
- Extend their time horizon – ask clients to articulate their “dream” for future generations
- Consider family culture, not just financials
- Know your “handoff” network
- Try to understand your own dynamics