

Engaging the Next Generation

Fundamentals of Family Philanthropy

November 10, 2021

Featuring:

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NATIONAL CENTER FOR
FAMILY PHILANTHROPY

Fundamentals of Family Philanthropy

- ✓ Engaging the Next Generation | November 10
- ✓ Succession Planning and Family Transitions | December 9
- ✓ More to come in 2022!



Today's Conversation

1

How do you define “next gen”, and what are some considerations when involving additional generations in philanthropy?

2

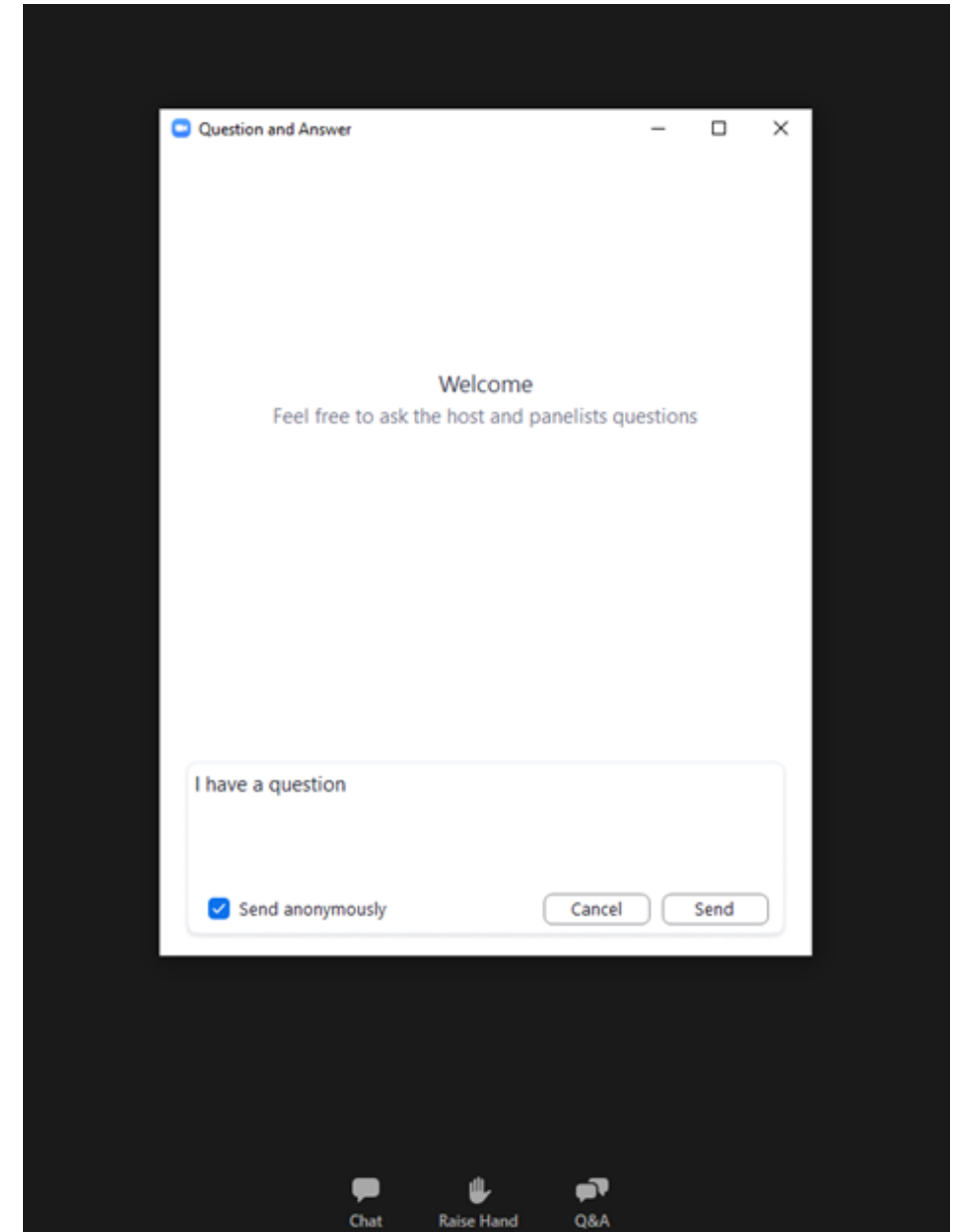
What are some strategies for engaging the next generation in the family philanthropy? What are methods to build engagement across the entire family system?

3

Why is it important to engage subsequent generations in the family philanthropy? How does this impact the legacy, culture, and lifespan of the foundation?

Submit Your Questions

Submit your questions into the Q&A box on your control panel at the bottom of the screen or use the chat.





Webinar Logistics

- If you have sound problems listening through your computer, try switching to a landline telephone or cell phone.
- To ask a question, type it into the Q&A box on your control panel at the bottom of your screen or use the chat.
- If you experience technical problems, please use the question box or email jen.crino@ncfp.org. Should there be a broader technical issue, we will send an email and share a message on screen.
- This webinar is recorded and a replay will be made available to the field.
- You may chat with us on twitter during or after the webinar using the hashtag #ncfpweb.



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Defining “Next Gen”

Mature/Silent Generations

- Born 1945 or earlier (age 76+)
- 23.5 million donors
- Average annual donation: \$1,235
- Aggregate \$29.0 billion per year

Baby Boomers

- Born 1946 – 1964 (ages 57-75)
- 55.3 million donors
- Average annual donation: \$1,061
- Aggregate \$58.6 billion per year

Generation X

- Born 1965 – 1980 (ages 41-56)
- 35.8 million donors
- Average annual donation: \$921
- Aggregate \$32.9 billion per year

Millennials (Gen Y)

- Born 1981 – 1995 (ages 26-40)
- 34.1 million donors
- Average annual donation: \$591
- Aggregate \$20.1 billion per year

Generation Z (iGen / Post-Millennials)

- Born 1996 to 2010 (ages 11-25)
- 9.3 million donors
- Average annual donation: \$341
- Aggregate \$3.2 billion per year

Generation Alpha

- Born 2011-2025 (age <11)
- Children of Millennials
- Influenced more than ever by technology



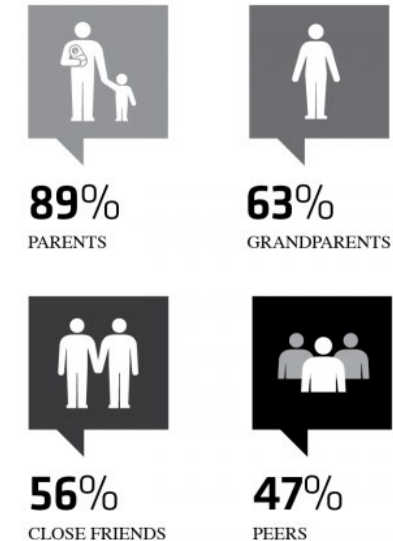
Next Gen Philanthropy: Trends / Opportunities

- Philanthropy greatly influenced by parents/grandparents
- Interested in different causes vs single/same organizations
- Want to touch, feel, see the change (driven by strategy & impact)
- Addressing root causes and systemic change
- Want to be activist/advocate + donor/supporter

Top 4 Most Important Influences on Learning
and Developing Personal Philanthropy



Who Influences Next Gen Donors



Giving Paradigm Has Shifted

Old Paradigm

- Duty
- Responsibility
- Obligation
- Guilt
- Charity
- Checkbook Philanthropy
- Give Later
- Transactional

New Paradigm

- Purpose
- Ownership
- Passion
- Strategy & Impact
- Hands-on
- Innovative (i.e., technology)
- Give Now
- Transformational



Next Gen Engagement: Considerations

- Understanding the goal / purpose of engagement
- Early, often, continuous learning
- Building trust and connections with meaningful relationships amongst and between family members
- Value of peer-to-peer learning/exchanging
- Acknowledging different entry, break, exit, re-entry points for ages and stages
- Making space and taking space
- Impact of technology
- Committing resources and time
- Documenting family history
- Sharing philanthropic/donor intent & legacy
- Articulating family traditions
- Cultivating and/or passing on a culture of giving (values)
- Developing interests
- Explaining roles, responsibilities, opportunities (time, talent, treasure, ties)
- Being flexible, open, curious
- Is it meaningful? Is it fun?



Next Gen Engagement: Strategies

- Early lessons: Save/Spent/Donate/Invest
- Birthday Giving Programs
- Book Clubs
- Volunteer Opportunities / Service Projects
- Buddy Program (mentorship)
- Next Gen-only Spaces – Social Time
- Peer Learning Circles (specific topics)
- Foundation / Family 101 (legacy, donor intent)
- Family Newsletter: updates from family, grantees, foundation
- Inter-generational Storytelling Opportunities
- E-communications / Social Media Connections
- Grantee Site Visits
- Next Generation Board Seats (with Board Training/Onboarding Process)
- “Shadow” Program / other leadership opportunities
- Next Gen “Liaison”
- Matching Gifts: foundation matches monetary donations and volunteer hours
- Discretionary Funds
- Junior Boards / Generational Grant Committees
- Collective Giving (Giving Circles)
- Family Reunions / Social Events – coinciding with foundation work
- Developing Shared Values and Legacy



Why Next Gen Engagement?



- Carries on the family legacy and donor intent through multigenerational philanthropy, informed by previous and current generations.
- Provides an opportunity to keep/bring the family together.
- Builds a culture of understanding, shared ownership, and collaborative giving.
- Allows exploration of new ideas and strategies to meet community needs.
- Prompts an intentional focus on clarifying core values and guiding principles.
- Prepares the next generation for leadership roles in the family philanthropy, and more.
- Could ensure / help chart future of the foundation.



Discussion



Purpose Statement

**We inspire and create meaningful
and positive change with our
donors and for our community.**



GREATER
HOUSTON
COMMUNITY
FOUNDATION

We are One Community.

2020 Giving

Grants by Program Area

(1/1/2020 – 12/31/2020)

Public Benefit	\$45,538,056
Human Services	\$35,958,128
Educational	\$24,291,612
Religion	\$23,169,664
Health	\$15,784,552
Arts	\$10,111,865
Environmental	\$6,971,714
International	\$2,096,953
TOTAL	\$163,922,544



The Menil Collection





The Center for Family Philanthropy (CFP) helps donors amplify their generosity and ensure their legacy through programming for youth, next gen, and families. The CFP mission is to connect, serve, and inspire families in their quest to do personal and impactful giving across the generations.

The NEXT GEN DONOR INSTITUTE

The Next Gen Donor Institute and Alumni Network is a program for donors (ages 25-45) who wish to develop a deeper understanding of their philanthropic journey and learn from their peers and community leaders about philanthropic trends and possibilities.

Family Giving Circle

The Family Giving Circle is an initiative that brings families together to give, learn, and make a difference in the Houston area. The grant making efforts are led by members of the Youth Leadership Team (YLT). The YLT is a great way for youth (12 and older) to develop their values, independent thinking, decision-making power, community knowledge, and leadership skills.

Family Meetings

Our goal is to help you find common ground so that all family members participate actively in your philanthropy. Our consulting team has specialized experience and training in multigenerational philanthropy. GHCF can help you develop a charitable plan that will ensure your philanthropic legacy.

MISSION

To connect, cultivate, inspire, and engage the Next Generation of philanthropic leaders in Houston.

PURPOSE

Throughout this year-long program, you will develop a deeper understanding of your philanthropic journey and identity as well as learn from peers and community leaders about philanthropic trends and possibilities. Participants will have a chance to engage with others in a supportive and private community. You will leave with new tools, resources, and a network to help shape your giving and community leadership.

NEXT GEN GIVING CIRCLE

Participants join other Next Gen alumni to participate in the Next Gen Giving Circle where you will learn about important issues facing the community, further your strategic grant-making knowledge and impact, and learn from your peers.

PHILANTHROPIC ADVISING

Two one-hour advising sessions with a GHCF philanthropic advisor where you will create your personalized learning agenda and giving plan.

DONOR EDUCATION & PROGRAMMING

Invitation to attend GHCF donor events with local and national speakers. *Events and programming vary each year.*

NEXT GEN ALUMNI NETWORK

Upon completion of the Institute, participants become members of the Next Gen alumni network, with now over 100 members. Membership in the Next Gen alumni network is included for three years after completing the Institute.

WHO SHOULD BE INVOLVED?

Ideal candidates:

- Desire to develop skills and knowledge around strategic philanthropy and community leadership
- Are engaged in philanthropic giving (such as through donor advised funds or family foundations)

What is the Family Giving Circle?

An opportunity for families to learn, volunteer, and grant together in the Greater Houston area.

Who can be a part the Family Giving Circle?

Families and individuals in the Greater Houston region. Appropriate for ages 12+. Families who want to learn about issues affecting Houston and the organizations serving the community.

Activities of the Family Giving Circle include grant making and volunteering.

What is the commitment that is required to participate?

Time:

- Attend Family Giving Circle meeting and/or Family Philanthropy Day
- Attend “meet the finalists” program
- Attend at least one site visit/volunteer event
- Review 3 - 5 grant finalist applications (online)
- Attend final meeting to vote

Funds:

Each family will contribute funds to create a \$15,000 grant pool that will then be distributed to 3 different organizations (up to \$7,500 per organization). Grants will go to local Houston-area nonprofits through a formal grant making process. The contribution amount will be determined by the number of families participating.

When will the Family Giving Circle begin and end?

The Family Giving Circle will begin at the start of the 2021-2022 school year with the final grant decisions made in December 2021 and May 2022.

What role will Youth Leaders play in the Family Giving Circle?

Youth Leaders (12 and older) have the opportunity to join the youth leadership team. Youth on the committee will preview and preselect grant applications, organize/lead a volunteer event or site visit, help select issue the area/topic, and/or offer other skills and knowledge to the process.

Additionally, Youth Leaders will have the opportunity to organize and lead Family Philanthropy Day, a multi-generational educational program for families including children ages 5+.

Youth Leadership Team

APPLICATION



We are looking for **involved** and **engaged** youth who want to make a difference and become community leaders. Throughout the school year, Youth Leaders will:

- Gain a better understanding of making grants to nonprofits
- Develop deeper relationships with nonprofits in the Greater Houston area
- Lead the Family Giving Circle
- Learn about various issues affecting Houston and surrounding communities

This leadership opportunity is a great way for youth to develop their **values, independent thinking, decision-making power, community knowledge, and leadership skills.**

Programs

Family Philanthropy Day is a multi-generational, educational, and hands-on program focused on issues affecting Greater Houston.

The Family Giving Circle (FGC) is an opportunity for families to learn, volunteer, and grant together. Families learn about grant making while exploring different issues and organizations in the Greater Houston area. The FGC is led by the Youth Leadership Team.

How to Join

Families will contribute funds to create a grant pool that will be distributed to three different organizations. Grants will go to Houston-area nonprofits through a formal grant making process. The amount of the contribution per family will be divided equally among the FGC member families.



LAIRD NORTON FAMILY FOUNDATION

- Foundation established 81 years ago
- 7th generation family
- Currently 500 living family members spread out across the globe, majority are in the US
- Annual grantmaking of ~\$2million
- 3 professional non-family staff
- 75+ family members engage annually with LNFF giving



Human Services



Arts in Education



Climate Change



Watershed Stewardship



Taproot Fund



sapling
fund

“By youth, for youth” philosophy

- outside of that, the giving focus changes annually based on what the youth want to prioritize in their giving the next year

Youth philanthropy programming established in 1998

- Created by 6th generation family members
- granted just over \$585,000 since then; annual grantmaking of \$50,000, typically made in 7-10 grants ranging from \$3,500 to \$7,500
- for family members aged 14-20 (+ Staff facilitator and Board liaison)
- Youth research and identify eligible organizations that fit that year’s priority giving focus
- Leadership within Sapling Fund and building future LN leaders
- Proposal process – updated in the pandemic

Additional opportunities for engagement and learning

- racial equity learning
- service projects at the annual family summit
- referrals to Resource Generation and NCFP peer-to-peer network



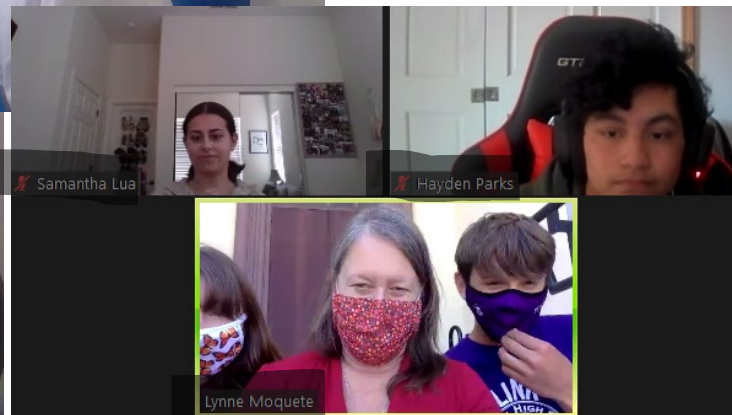
23 years ago – Sixth Sense





sapling
fund

Sapling Fund now



Closing Thoughts on Engaging the Next Gen

- Intentionally create “space at the table” for those who may be out of the central focus of the foundation
- Value interests and ideas of all... Must ask and invite input and feedback
- Establish learning goals and craft activities in collaboration
- Be candid, transparent – invite them to explore ideas with you
- Seed “sponsoring relationships” (e.g., family liaisons, mentors) to build trust and accountability early
- Do things together; plan on it at least once a year
- Think outside the box - Time/Talent/Treasure/Ties
- Nurture relationships; they cannot be taken for granted... even in a family foundation
- Be patient; acknowledge challenges and find opportunities to problem solve together
- Embed this work in your core values, operations, and strategic planning
- It's never too early... Start now 😊

I'm not
telling you
it's going
to be
easy,
I'm
telling you
it's going
to be
WORTH IT.



**More next-gen
programming**

Emerging Family Leaders in Philanthropy

November 18 | 3-4:30pm Eastern

Join Megha Desai, President of the Desai Foundation, in conversation with Katherine Lorenz, Senior Advisor at NCFP and Board Chair of The Cynthia and George Mitchell Foundation. This discussion will provide an opportunity for current and emerging family leaders between the ages of 21-45 to hear from our speakers and to exchange ideas, experiences, and challenges with peers.





Next Fundamentals of Family Philanthropy webinar

Succession Planning and Family Transitions

December 9 from 12-1:15pm Eastern

Succession is inevitable and can be especially complex in family philanthropy. There are a number of questions to explore to ensure the success of a collective giving effort. What are the anticipated moments of transition? What are the plans to navigate accordingly? And who is best suited—and prepared—to lead the family philanthropy effort moving forward?



Racial Justice

IN FAMILY PHILANTHROPY SYMPOSIUM

December 13-14, 2021

The Symposium is a two-day virtual learning opportunity for family foundation board members, CEOs, senior staff, and next-gen family members seeking to deepen their knowledge around racial equity frameworks and practices. Topics include:

- Navigating family conflict about racial equity issues
- Committing to racial equity and justice as individuals and a collective
- Adopting principles and practices across your management and operations
- Diversifying your governance structure
- Sharing power and decision-making authority with community



Join a Peer Network

Peer networks are for those interested in connecting to family philanthropy colleagues with similar objectives, challenges, and shared experiences.

**Engaging Youth | Non-family Staff |
Strategic Lifespan | Board Chairs**

Email Katie.Scott@ncfp.org to learn more and join.



Thank you for joining!

NCFP will send a recording and related resources for the webinar to all attendees.

Please complete the webinar evaluation survey that will appear after the end of this webinar. You may also send your comments and testimonials to ncfp@ncfp.org.

