



## What Will Really Engage the Next Generation?

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Family Giving News

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Fellow foundation advisor Kathy Klaus Wiseman and I were having coffee the other day, and she asked my views on engaging next generation family members in a foundation with which she was working. Without revealing the client's identity, she described a three-generation family where the middle generation is made up of two Baby Boomer parents who want to engage two 40-something Generation X sons. "The two sons attend meetings but never seem like they want to be actively involved," she confided. "How would you get them *really* engaged?"

As with many fortunate families across the United States, the prospect of engaging the next generation in family philanthropy and other enterprises is daunting. Eleven years have passed since Paul Schervish and John Havens first released their landmark research claiming \$43 trillion would be transferred to the Baby Boom generation and their adult Generation X and Y children by 2052. Before the release of the wealth transfer report, discussions about generational planning largely took place with trust and estate attorneys.

A decade later, families and their advisors no longer consider succession planning as something that takes place after the will has been read. Families understand this as something they can prepare for—and even engage in—together. The looming question is:  
*how*  
do we do it?

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, we don't have all the answers, but we have dedicated our time to this question of next generation engagement. Here are a few of the ideas I shared with my colleague.

### **INVITE THEM.**

Many parents and grandparents assume their children and grandchildren know that their involvement in family philanthropy is encouraged. Given the close relationships many families share, it's often presumed the next generation knows they are invited to participate in the foundation.

When I ask parents if they have invited the next generation, I often hear: "The kids have watched my husband and me leave the house for foundation board meetings. They know we want them to join us in giving back to the community."

But there is a difference between  
*knowing*  
and being  
*invited.*

When a specific invitation is extended, people feel valued for who they are and what they can bring to the table. For example, "I'd like to invite you to the family foundation board meeting because we want you to learn why philanthropy is important to us and to see how we give."

Or, even better, "... we want to hear  
*your*  
perspectives on what the foundation should be supporting."

One Generation X gentleman I worked with called me eagerly one day. He said, "I've been invited to audit board meetings." I paused wondering how he felt about the invitation to attend without the ability to vote. He continued on enthusiastically, "My aunt said since I've demonstrated an interest in learning about philanthropy, I should start auditing board meetings and after a year I can become a voting member."

Not only was the invitation explicit and intentional, it had the desired effect of engaging the next generation family member in a meaningful way.

### **CONSIDER THEM PEERS.**

"Mom, Dad, I'm 21 years old, and I can make my own decisions." Sound familiar? At 18, 21 or older, children begin to move from adolescence to adulthood and assert their independence. We can imagine the typical parental response: "You may be 21, but you will always be my child." So how does the parent-child relationship evolve when parents and their adult children are making philanthropic decisions together?

With four generations above the age of 21 in American society today, "the kids" are often adults when they are invited to join in the family's philanthropy. Parents want their children to be responsible adults who make mature decisions about wealth and philanthropy; however, the actual transition from a parent-child relationship to one of peers can be harder than most families anticipate..

Dr. Stephen R. Treat, CEO of the Council for Relationships, says that to be asked for input at a young age, and to be heard, makes an incredible difference in the way people then choose to participate in the family enterprise. Rather than showing up to meetings and being there passively, adult children who are not only physically invited to the table but who are also invited to bring their own values, experiences and skills are engaged as valuable people. The invitation to be a peer can catalyze that person's investment in the foundation for years to come.

Many families set up a junior board to involve the next generation, but if those children are over the age of 21, they often feel undervalued and wonder how long they will have to wait to be invited to participate as equal decision-makers on the grantmaking committee or at the board level.

One Generation Y woman I work with asked "Do they want me to participate, or am I being parked at the kids table?" She felt she was receiving mixed messages from her family. While she had complied with her family's goals for her—graduating college, finding a job, and attending philanthropy conferences for a few years—they had not invited her to participate at the foundation board table. What else was she supposed to do to prove she was ready for the role?

### **PROVIDE OPPORTUNITIES FOR SKILL-BUILDING.**

Serving a board well takes preparation and training. Some foundations require family members to obtain certain training—attendance at a specified number of philanthropy conferences or workshops, for example—in order to qualify for board service. One approach is to provide a budget and let next generation members create their own learning plan based on the theory that they will be most interested in the activities they choose for themselves. Members can use the allotted training funds for conferences, webinars, resource materials, and even peer groups. Networks such as

[Grand Street](#)

and

[Resource Generation](#)

help young adults explore philanthropy by encouraging members to: learn about their family's history and legacy; articulate their own values; consider how they can bring their resources to bear on societal needs; and, think about how they can be involved in family philanthropy over their lifetimes.

### **GIVE THEM A ROLE**

With a college course comes a syllabus and with any job comes a job description. The family foundation board does not have to be an exception. Next generation family members who are in school or in the workforce are accustomed to hearing the expectations of their teachers and supervisors before showing up. Once they know what's expected, they

can choose to participate (or not) accordingly. For example, three Generation X women with whom I work were invited to join their family foundation board. The foundation's bylaws describe the required criteria for board membership: a potential board member has to be over age 18, have a college degree, volunteer with a non-profit organization, not have a criminal record and attend three meetings per year. Additionally, members of the board are invited to participate in quarterly investment committee meetings and the foundation will match up to \$5,000 for contributions made by board members to organizations doing work in alignment with the foundation's mission. While one cousin asked "to attend" meetings via teleconference, the "job description" was clear. In fact, all three chose to accept their parents' invitation to join the board and have since become actively involved.

## **FIELD A TEAM.**

It used to be that people had to "put in their time" to achieve positions of authority. Leaders were seasoned only through years of experience. Many of today's generations of young people already possess valuable experience just by having grown up with a global perspective and information technology. When our national leaders talk about engaging the next generation, they are saying, "We require your expertise to solve 21<sup>st</sup> century challenges such as climate change and human rights which cross national borders and philanthropic program areas."

Similarly, when families talk about engaging the next generation, they want to be saying, "We are part of a family system that needs the next generation's participation to succeed." Rather than seeing new people and new ideas as rocking the boat, families want to think about their foundation as a team. It's possible both to honor the generations that established the foundation and simultaneously to engage the different perspectives and expertise of newer generations.

When fielding a team for any sport, managers don't look for players who have been playing the longest. They look for the best people to play different positions. In philanthropy, Baby Boomers may have the most years of experience, but Generation Xers may have financial expertise to bring to bear on the investments of the foundation's assets and Generation Yers may have suggestions about using technology to pass information around to geographically-dispersed family members.

Ultimately, work with families is a complicated and often long-term endeavor. However, for those of us involved in family philanthropy, we're fortunate to be able to help bring families closer together and to effect societal change at the same time.

**By Sharna Goldseker**

## **RESOURCES TO HELP MOVE THE CONVERSATION FORWARD**

For families engaging the next generation in their family philanthropy, resources can be found at:

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[Grandparent Legacy Project](#)

[Grand Street](#)

[The National Center's Family Philanthropy Online Knowledge Center](#)

[Next Generation Retreat](#)

[Resource Generation](#)