

Giving can create,
strengthen and
define relationships.
But because philanthropy is
often a deeply personal act,
many donors may feel
reluctant to talk about
their motivations and
convictions – even with
their families.

They may worry that starting a conversation about their own giving will be seen as self-important, or even worse, feel threatening to the family. Nothing could be further from the truth. To discuss philanthropy with loved ones is to share one of life's most fulfilling activities with them.

Of course, expectations should be realistic. Such conversations initially can be awkward and can lead to honest disagreement. And though sharing philanthropy has proven meaningful for many families, starting a foundation is unlikely to make a family close if family dynamics suggest otherwise. Still, philanthropy usually reflects genuine commitment and values. And when family members understand such heartfelt goals, relationships have the opportunity to grow.

This guide briefly reviews why you might consider talking with family members about philanthropy and when it might be appropriate. It also looks at how to prepare for such a dialogue and what topics might be covered. As with all the guides in the Philanthropy Roadmap series, key questions provide an avenue for reflection and engagement.

INFORM, INSPIRE, INVOLVE

THREE REASONS TO TALK TO YOUR FAMILY

Let's look at three major reasons to talk with your family about

Donors who wish to inspire family members to engage in their own philanthropy will often tell the story of their giving as an example. They may focus on how they got involved, what they learned, and why it's so meaningful and rewarding.

Donors often see philanthropy as reflective of their values, ideals and/or moral convictions. The giving is a vehicle for sharing values, as well as a contribution to society.

Donors may want to provide seed funding or matching resources so family members can develop their own independent philanthropic inspirations and paths.

This may be nothing less than an invitation to participate: donors will need to explain their goals and engage family members by listening to and incorporating those family members' values, causes, approaches and decisions. Donors sometimes decide to create a family giving plan. But no matter the vehicle, the process will require negotiation and active listening.

Engaging family members in philanthropy, formally or informally, can be an important part of a giving strategy.

WHEN SHOULD THE CONVERSATION START?

In some philanthropic families, giving is not only a conscious legacy, it's the subject of everyday conversation. Parents can involve even very young children in bringing canned goods to food pantries, or winter coats to shelters. A portion of allowances may be allocated for donations. Families do volunteer service together and discuss giving choices during the holiday season. As children become teenagers, they get support as they search for causes they can become involved in personally. Young adults become part of the family foundation or guide grantmaking through a donor-advised fund. In these families, talking about giving is a natural expression of shared interests.

But for many families, conversations relating to philanthropy and public service are sporadic and sometimes stressful. For still other emerging philanthropists, the conversations may not have happened at all. For these families, it's fair to ask: when is it appropriate to discuss philanthropy?

What we do know is that putting off the discussion generally

Here are a few critical junctures:

The donor decides philanthropy, rather than heirs, will get the majority of the wealth. This type of decision needs to be communicated thoughtfully and carefully.

The donor funds a giving program by selling a long-held asset, like a vacation property or a collection, to which family members have grown attached.

The donor takes on a controversial issue that will potentially expose the family name and reputation to greater public scrutiny and criticism.

The donor dramatically alters a well-established pattern of giving. For example, the donor may have decided to focus resources on one major issue rather than a wide variety of nonprofits, or to spend down rather than preserve principal.

The donor decides that one or more family members (but perhaps not others) will play special roles in the philanthropy.

The donor wants family members to be clear about how philanthropy should be carried out in the future.

Jan and Charlie, who have two young adult children and one child from Jan's earlier marriage, are the sole trustees of a substantial foundation. They began to gradually inform their busy daughters and son about the foundation's work. They established discretionary giving capacity for each daughter, along with professional advisory services to help educate their daughters, on their own schedule, through research, due diligence and site visits. After several years, each daughter had an active giving program and had become deeply interested in a part of the foundation's work. Jan and Charlie found, though, that their son was not as engaged; after some exploration with him about his interests, they discovered that he cared about a program area that was not part of the foundation's focus. They asked him to develop a plan for supporting the issue he cared about. He enthusiastically developed an approach that opened up their thinking on a new issue.



**WHAT SHOULD BE
COMMUNICATED?**

“It is my wish that the Trustees avoid innovation for the sake of innovation

Don't just explain your decision. Tell stories about your upbringing and experiences that illuminate your commitment and its meaning to you.

Ask family members to share some of their experiences and enthusiasm, bearing in mind that younger generations have less life experience than you.

If you plan to become a full-time philanthropist, explain specifically what that will mean. Will you be going to a foundation of your own? Will you be working independently, with family members, with staff, with expert advisors?

If you are going to become a public spokesperson, or take a higher profile, offer some specific examples of what that might entail, and why you hope it will be effective.

If you are explaining a major gift or naming opportunity, provide some background about the organization so family members can answer questions.

If you are providing resources for individual family members to use as they wish, make sure they get the information they need to proceed, including the legal structure, process, timing and any constraints.

A multi-generational family foundation established a donor-advised fund for its fourth generation, completely independent of the foundation. The siblings and cousins needed to make joint decisions on focus, strategy and grants. Their parents had no voice in the process. For the fourth generation, the experience built deep interest in organized giving and prepared them to join the foundation's board. The family's approach to philanthropy was at once traditional and non-traditional. The philosophy was as follows: to engage and inspire the next generation, you must share values while at the same time being open to different styles of giving.

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What decisions have already been made, and what decisions will other family members be making?

Exactly how will family members be involved? Do they have fiduciary responsibility or an advisory role?

If you're expecting family members to help you implement your philanthropic plan, what specifically are you asking them to do?

How much time are family members expected to give to the philanthropy?

Is this voluntary? Can family members adjust their involvement according to their preferences or their situation?

How much decision-making latitude will family members have? Does the head of the family have veto powers? Are some issue areas off-limits? Are some types of support off-limits? Are there geographic restrictions?

What role will in-laws/partners play?

How will decisions be made?

How will the philanthropy be implemented? What resources are available?

How much time do family members have to develop their own giving programs? How will that happen?

MOVING FORWARD

Being open about philanthropy provides an opportunity for family members to learn about, and perhaps even to appreciate and engage with, a donor's vision for a better world.

For parents and grandparents in particular, family philanthropy can present an attractive combination of present and future. A meaningful experience with loved ones can be shared in the here-and-now while a legacy of giving is built for future generations.

Of course, that goal may not be straightforward to achieve. But opening lines of communication, being ready to listen as well as talk, is an indication of respect and an invitation to connect. And discussing philanthropic projects with family members is an

is a nonprofit organization that currently advises on and manages more than \$200 million in annual giving. Headquartered in New York City, with offices in Chicago, Los Angeles and San Francisco, it traces its antecedents to John D. Rockefeller Sr., who in 1891 began to professionally manage his philanthropy as if it were a business. With thoughtful and effective philanthropy as its one and