

THE GIVING GOVERNANCE of Multi-Generational Families

A study of how generous families in Canada organize to make philanthropic decisions*

Families are important drivers of philanthropy

Family enterprises alone generate tremendous wealth, accounting for 60% of Canada's GDP.



Family Giving Governance Matters

Effective giving governance strengthens generous families, and increases community impact.

ABOUT GENEROUS FAMILIES

What do they do?

- Embrace a dual-mission for their giving, identifying intended impact for the community and for their family
- Right-size their governance practices to continually account for family size, age, life stage, complexity and goals
- Inherit giving practices from 'family elders' and co-create new practices together
- Interconnect their giving governance with other family governance systems

What do they care about?

- Each other
- Family identity, history and values
- Accountability – to self, family and community
- Impact of their giving

What do they do well?

- Define the purposes of their giving
- Leverage their social capital within and outside their family
- Communicate effectively with each other

What do they want to do better?

- Embrace philanthropic education and learning opportunities
- Anticipate and plan for generational change and succession
- Acknowledge and account for different generational approaches to giving

SOCIAL CAPITAL is at the heart of generous families. It's key to how they cooperate and the foundation of their giving governance.

Giving governance helps strengthen family social capital. And, the stronger the social capital, the better the giving governance.

WHAT IS...



Multi-Generational Family

A group of people from two or more generations related by blood or intention who give together.



Social Capital

The network of **relationships** that connect family members to each other and to their community. It's **shared ideas** about family identity, culture, values, and purpose. It's also about **behaviours** like trust, dialogue, respect and connecting.



Giving Governance

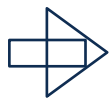
Giving governance = how families organize themselves to make decisions about giving.

The only research of its kind, this case study found that regardless of how a family gives (private foundation, donor advised fund or annual giving budget) family philanthropy governance is informed by a wide range of factors.

FAMILY PHILANTHROPY GOVERNANCE MODEL

to help families organize to make decisions about giving

This model provides a roadmap for generous families, even as their needs, philanthropic goals or approaches to giving evolve.



Governance Actions

What families do

- Envision a **purpose** for giving that benefits the community and the family
- Ensure right-sized **management and resources** to support giving
- Frame approach for **giving and engagement** with recipients
- Harness **social capital** to communicate and make decisions among family members, community partners and advisors
- Clarify **leadership, roles and expectations** of participating family members, and grow wisdom through learning



Principles of Engagement

How families do it

- Ensure family participation is **voluntary**
- Engage with **trust**
- Prioritize **dialogue**
- Seek **consensus**
- Commit to **accountability** to self, family and community



Governance Enablers

What families need

- Initiating and sustaining **leadership**
- Awareness of **family history, culture, identity and shared values**
- **External expertise and education** to address gaps or advance knowledge
- Informed **community partners** to provide insight into community needs, and the impact of charitable giving



Governance Differentiators

What informs families' choices

- Identified **goals and objectives** for giving
- **Family complexity**, diversity and size
- **Life stages** and **generational levels** of family members
- **Giving structure**, vehicles and scale of giving

BENEFITS OF USING THIS MODEL



- Greater giving effectiveness
- Reduced family conflict and increased social capital
- Joyful multi-generational engagement
- Adaptability, as the model is relevant regardless of giving structure, vehicle or approach

Tips for those who work with philanthropic families:

- Offer high quality philanthropic learning experiences
- Expand professional focus from giving tactics to other elements of giving governance
- Harness the social capital dimensions of families
- Share knowledge, data and insights on community issues and solutions
- Develop capacity for multi-generational approaches for giving and engaging
- Communicate the value and impact of charitable gifts



YOUR PHILANTHROPY MATTERS.

Helping those who give, give well.

WATERMARK
PHILANTHROPIC COUNSEL

* Data presented and the Family Philanthropy Governance Model are from Sharilyn Hale's doctoral dissertation *A Qualitative Multi-Case Study of How Philanthropic Multi-Generational Families in Canada Govern their Non-Foundation Philanthropy: A New Model for Family Philanthropy Governance* (© Copyright 2019).

For support with your philanthropy or giving governance, or for more information about the study contact Dr. Sharilyn Hale at:

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