

# 21/64

## LETTER FROM THE EDITOR //

*“We at 21/64 have begun to develop resources geared not just towards next generation audiences, but also towards multi-generational families and foundations”*

Four years ago we founded 21/64, a nonprofit consulting division at The Philanthropies, to provide services to the next generation of funders. Within this division, we began facilitating the Grand Street network for 18 to 28 year olds who are or will be involved in their families' philanthropy. We also started developing tools, such as *Rooted in Change*, a map of American Jewish history, and Motivational Values Cards, to meet the needs of young Jews who were beginning to learn about their legacies and identify their values as funders.

What has evolved since 21/64's inception is our understanding that engaging the next generation is not limited to the next generation. The much discussed transfer of wealth has already begun to convey trillions of dollars to Baby Boomer parents, who are often learning how to manage their philanthropic inheritances at the same time as they begin involving their adult children in those discussions. Simultaneously, as we help prepare Generation X and Y family members for their responsibilities, we are discovering that their commitments to transparency,

accountability and a values-driven process influence the way the entire family approaches grantmaking, governance and other operations.

With four generations above the age of 21, the next generation is no longer sitting at the kids' table; rather, they are adults who bring their own experiences and expertise to the family enterprise. In order to adapt to this reality, we at 21/64 have begun to develop resources geared not just towards next generation audiences, but also towards multi-generational families and foundations grappling with these dynamics.

In this issue of the newsletter, as well as in the next few that follow, we will highlight some of the lessons we have learned while working with multi-generational philanthropic families as well as some of the tools that might help you unpack these complex conversations. As always, please don't hesitate to be in touch with any questions or comments.

Best,



Jeff Solomon



**“Mom, Dad, I’m 18 years old,**

**and I can make my own decisions”**

Sound like a familiar refrain? At 18, 21, 25 and so on, sons and daughters of all backgrounds begin to assert their adulthood. One can almost hear the implicit parental response: “You may be 18, but you will always be my child.”

So how does the parent-child relationship need to evolve when there are resources at play and parents and their adult children are making philanthropic decisions together?



## “THE KIDS” //

*“The Kids” are often adults when they are invited to join in philanthropic decision-making.*

Whether it’s around the kitchen table or the board table, next generation family members are being asked to make adult decisions—allocating philanthropic dollars—so how can the “kids” still be children?

With four generations above the age of 21 in American society today, “the kids”

are often adults when they are invited to join in philanthropic decision-making. Parents want their children to be responsible adults who make mature decisions about wealth and philanthropy; however, transitioning from a parent-child to a peer-peer relationship is a complicated step for most families.

## PEERAGE //

*“The transition from parenting to peerage is particularly complicated in families where there are financial resources.”*

Dr. Stephen R. Treat, CEO of the Council for Relationships, the oldest and largest counseling firm in the United States, terms the mature dynamic between parents and their adult children “peerage.” Dr. Treat advises parents and adult sons and daughters on how to achieve peerage, particularly those who work together on business and philanthropic matters. In a recent interview, he elaborated:

“The transition from parenting to peerage is particularly complicated in families where there are financial resources. In middle-income families, parents usually instruct their children

that they are financially independent when they leave for college. However, in families where financial constraints are not an issue, parents often wait to transfer responsibility for the wealth until later in life, inadvertently prolonging their children’s adolescence and related transition to adulthood.

“While it may feel difficult for parents to grant their children independence—at least emotionally—it is a necessary transition if children are to grow into differentiated and responsible adults. Furthermore, it is a necessary transition if a family business or foundation is to be productive.”

## PRODUCTIVE ADULTS //

*Our new case study explores three generations of individuals involved in family philanthropy.*

At 21/64, we recently conducted focus groups and interviews with three generations of individuals involved in family philanthropy. This research provided the data for our new case study called *Engaging the Next Generation in Family Philanthropy*, developed in collaboration with New York University’s Robert F. Wagner Graduate School of Public Service.

The following example illustrates how the transition to peerage can be critical

when families begin to make philanthropic decisions together.

### *Legacy vs. Differentiation:*

During an interview with one Baby Boomer, we learned that he wanted his children to carry on his commitment to Jewish life. He assumed his daughter would never support this legacy, yet when she was allowed to bring her own project to the board meeting for consideration, she surprised him by



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*While parents want to create a legacy for themselves, children also need to achieve differentiation—a separation from their parents—in order to become healthy adults.*

submitting a proposal for a Jewish women's organization.

In looking for signs of peerage, Dr. Treat asks: can a family explore each other's opinions without one party holding decision-making power over another? In the previous example, while the daughter's proposal was not for the same Jewish institution her father funded, he was still able to support her interests as well as honor his own legacy. Both parties were able to work as peers throughout the interaction.

While parents want to create a legacy for themselves, children also need to achieve differentiation—a separation from their parents—in order to become healthy adults.

When the next generation members in our focus group were expected to support their parents' choices status quo, the sons and daughters felt they were being treated like children, expected to follow their parents' rules without question. However, when "the kids" talked about having space to bring their own ideas and interests to the foundation, they sounded like positive and fulfilled adults who could embrace a respect for their family along with their own equal participation.

*Multigenerational Philanthropy:*

Each generation has had different experiences and opportunities that shape their behavior and attitudes about life. The questions for a multigenerational family foundation are: can each generation value the others' strengths and weaknesses? And can parents and their adult children be peers around the philanthropic table?

While working to achieve peerage in your own multigenerational family foundation, consider the assets that each family member has to contribute to the whole. The family—and the foundation—will be stronger for it.

**21/64 CASE STUDY**

*Engaging the Next Generation in Family Philanthropy* is a case study of a hypothetical three-generation family that is grappling with how to steward



their family foundation together. If the case study and accompanying facilitator's guide are of interest, you

can order them at [www.2164.net/2164resources](http://www.2164.net/2164resources), e-mail us at [info@2164.net](mailto:info@2164.net), or call 212.931.0109.