

21/64 APPROACH CASE STUDY

Entry

Rebecca (37) was referred to 21/64 by their family business psychologist. Her family currently owns a multi-million dollar agriculture business in the Southeastern United States, which engages in corporate philanthropy.

Her dad (75) and two siblings (Harris, 35 and Catherine, 34) are involved in different capacities in the business and the philanthropy. Rebecca doesn't find the corporate giving compelling.

The corporate giving docket includes automatic annual gifts to local institutions, such as the local art museum, local children's museum, Junior League, and the United Way.

Rebecca and her siblings would like to take a look at their philanthropy and make it more meaningful and strategic. She is calling to see if we could consult to her family.

Purpose

The purpose of this consultation is to facilitate a process whereby the family can work together in their corporate business and develop a plan for corporate giving that is both meaningful and strategic.

Objectives

In order to achieve the above purpose, we will help you by:

- Collecting data from the dad and three siblings in an organized and objective manner to determine the key aims, hopes, and concerns.
- Facilitating feedback conversations to share data from the interviews and enable you to discuss next steps for moving forward.
- Beginning to generate ideas around a group process for working together.

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Data Collection

What is your role in the family business?

Dad:

I took over the company at age 35 out of Duke Business School. I bought it for \$100,000, plus I agreed to cover a lien on the property. My dad was visionary, but he was not a businessman. I am the entrepreneur in the family. I took over that company and made something of it.

Harris:

I'm on the Board of Advisors of the company.

Rebecca:

I joined the family business by working summers at different company locations around South Carolina. Then I went to a New York investment firm for the experience and to live in New York. After that, I came back home, and dad gave me office space and time to find my passion here. Essentially, I created my own training program. Next, I decided my purpose was to figure out the next generation structure within the family business. First, I wrote a board manual, set up governance committees (accounting, compensation, etc.). Then I brought in my siblings to get their help in selecting new board members. It was the first time we worked together, and it went well. Now I'm excited to focus on improving the philanthropy and engaging my siblings in the company's legacy, especially as my dad gets older.

Catherine:

I live on Hilton Head. We used to summer there when I was growing up. Before that I studied interior design. I also volunteered for many organizations. Then I went to live in LA to get away from the family's imprint. After getting divorced, I moved back so that my kids would be surrounded by family.

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What do you remember about your grandparents' charitable activities or lessons your parents taught you about giving?

Dad:

My father started the Sierra Club in Charleston. I respect that idea, but I wanted to build my own legacy.

Harris:

Grandpa founded the Sierra Club in Charleston. Dad gives through the company, but surprisingly it hasn't been a lot. Only when the company really took off in the last twenty-five years did he start to make major gifts.

Rebecca:

The spirit of philanthropy came through mom, her kindness and generosity of spirit. She always volunteered and would sometimes take me with her when she would help out at soup kitchens around the holidays.

Catherine:

Grandpa founded the Sierra Club. I always thought my interest in the outdoors came from him. I wish I would have had the time to get to know him better, but as I'm the youngest, I was young when he passed away.

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What role could corporate philanthropy play?

Dad:

I want the kids to be involved in changing things. We can grow the corporate philanthropy but do it through the kids' involvement. I won't be here forever, and I want them to be involved. What I don't want is for the corporate philanthropy to be used as an opportunity to make a political statement. Keep giving to things that are safe, like United Way and larger organizations.

Harris:

I think we should give to the local communities where the company has offices. Many people work in our company and should feel the company's presence in their non-profit community; and we know that there are needs. We can see that from the areas surrounding the shops.

Rebecca:

1. Personal giving
2. Family giving (involve dad, my siblings, and eventually their kids)
3. Corporate philanthropy

Catherine:

I think we have a business reputation, not a philanthropic one. We could translate the company's reputation for being committed to the State, providing jobs and so forth, into our philanthropy. Build on the company's ethics of quality communications and generosity that have been drilled into us from an early age and translate those into how we give.

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Do you give charitably on your own? What has that looked like?

Dad:

Yes, I gave a large gift to the Smith School because that's where I went to school, and I wanted to give back for the education I received. I have been thinking I might want to set up scholarships at a few of the universities around the State for people who want to study agriculture. My mother was also a great art collector, so I have a passion for art and may do something for the museum too.

Harris:

Yes, I give to organizations dealing with issues in the gay community, the arts, and post disaster responses to animal welfare. I like to be very involved. After all, I'm giving them money, and they need to listen to my suggestions.

Rebecca:

Yes, I have causes I care about, and every year choose the organizations that I think best address those causes. But I could use help in the due diligence area, figuring out how to achieve the biggest bang for the buck. I like smaller organizations with less overhead, but I want to make an impact. I want to leverage other gifts. That might require me becoming more "out" about being a philanthropist personally, and not just hiding behind the corporate philanthropy. It's something I need to think about.

Catherine:

I give to my kids' schools and to artists or impressive people I meet in the community. Change is made on an individual level. Currently, I'm more reactive than proactive. I know that about myself but so far, I've been ok with that. Now as we're going through this process, I'm interested in learning more. I really want to volunteer more when I have more time.

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What legacy would you like to leave in the world?

Dad:

My legacy is the business and the kids, of course. What do my kids want for their legacy? I don't know, but I hope it's continuing the legacy of this business that I made successful. I want this family name to live on.

Harris:

I need to believe in non-profit professionals and the effectiveness of the organizations I give to. I want to measure success by impact – that you can see and point to and be proud of how you changed or created something. Legacy would be if people say, “if that family is giving to it, it has to be a good organization.” For that reason alone, I only want to give to well-known organizations. This is our family name and family company.

Rebecca:

I don't know. I'm not quite there yet, but I think our legacy would be that our company is rated best corporate philanthropy not because of the amount we give but *how* we give. I want to achieve results and change things in the world. I also think we should walk the talk and create a matching gifts program for employees who have been with us ten. Years or more and start to communicate the impact they are having in the communities in which they live and work.

Catherine:

We should be responsible to repair the damage we've done to the environment by our family's cars, boats, and planes.