

Survey Finds New Generational Trends in Women's Philanthropy

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Women of two important generations are practicing philanthropy in some very different ways according to a new generational survey funded by The Falconer Group, a family wealth advisory firm located in Traverse City, Michigan. The national survey using SurveyMonkey consisted of 62 questions and focused on Baby Boomer women born between 1945 and 1960 and Gen X women born between 1961 and 1980.

The report was conducted by women and philanthropy pioneer, Sondra Shaw-Hardy along with Carmen Stevens, Director of Philanthropic Services for Falconer Group and they concluded that Boomer and Gen X women are very thoughtful, quite sophisticated, and discerning philanthropists.

176 women across America volunteered to participate in the survey in occupations including homemaker, professor, artist, physician, lawyer, executive, volunteer, publisher, student, and retiree. Their gift sizes ranged from \$200 to \$4 million annually. 54 percent of the Boomer women reported incomes above \$150,000 and 61 percent of Gen Xr's had incomes above \$75,000.

The two generations of women were chosen because, as Shaw-Hardy said, "These are the women who are the leading the way in philanthropy today. Their giving potential and earning power, plus higher education levels, are helping to place them in positions of power in their communities, organizations, and institutions. We believed it was important to know how they think, give, and lead."

There have been several studies dealing with Baby Boomer women's giving but the researchers say this is the first study that analyzes women's giving across the two generations. Shaw-Hardy said, "When I first became engaged with women and philanthropy almost twenty years ago with my colleague, Martha Taylor from the University of Wisconsin-Madison Foundation, Gen X was not even on our radar. Now Gen X women are the future of philanthropy."

As for the term philanthropist, Stevens said, "We believe these women are a representative selection of the kind of women who are showing us the way in philanthropy today. Unlike women ten years ago who felt that a philanthropist was an older, wealthy male who gave money to put his name on buildings, today's women are embracing the term philanthropist as their own, especially Gen X'rs."

Following up on that, Shaw-Hardy said, "Because more Gen X than Boomer women consider themselves philanthropists, it has been my observation that Gen X women are looking beyond philanthropy for involvement, both personally and with others, to create a "ripple" effect and collective change as they go about

making the world a better place. With Boomer women, involvement was key before they gave. With Gen X'rs it is the reverse."

The survey asked about life experiences and national events that had shaped women's lives and thus their giving. Both generations listed war as the single most important national event they recalled as a child. For Boomer women it was Vietnam and for Gen X'rs, the Gulf War. "Since war played such an enormous part in the women's earliest memories, it is not surprising that peace was the change both generations felt most important for the world, and they would bring about change through financially supporting causes that advance world peace," Stevens said.

Other changes that were important to both generations were: to promote understanding that the world is one giant global community; protection of the environment; the redistribution and sharing of resources; and the need for compassion.

When asked how they would bring about these changes, both generations said they should give financially, support education, set an example by being role models, and help change leaders (supported more by Boomer women than Gen X'rs). "I believe this is very significant for organizations and institutions. If they are to engage more women in philanthropy, they must focus on the important issues of today," Shaw-Hardy said. "Women see these issues as being global ones with the United States having the responsibility to lead in addressing such problems."

According to Stevens, a Gen X woman herself, the generation desires "hands-on" engagement that differs from the philanthropy of previous generations. "They want to engage in volunteer trips and/or learning journeys as a way to give and learn about the needs of an institution's constituents," she said.

The research demonstrated women were willing to give globally but the reasons were different for each generation. Boomer women stated that extreme need was the number one reason they give overseas and Gen X'rs number one reason was the link they saw between local and global issues. When asked what motivated them to give, passion for the cause was at the core of both generations' decisions.

Among the trends the survey showed, were the continued willingness of women to give money based on their values and their desire to transform society. "Women have always been more interested in solving problems rather than funding buildings or maintaining the status quo," reported Shaw-Hardy. "They want to know that their gifts will make a difference and change things for the better." This supports past research conducted by Shaw-Hardy and Taylor for their seminal book on the subject of women and philanthropy, "Re-inventing Fundraising: Realizing the Potential of Women's Philanthropy."

The research has some interesting lessons for philanthropic and financial organizations. It suggests that women are giving independently and traditional financial advisors are not a significant factor in women's giving decisions. "Women want to allocate more time to and receive more education in financial planning," Stevens said. "However, they are longing for advisors and institutions that honor the values that guide their charitable decisions."

Women in the study gave to a variety of causes with education being the most widely supported.

Some areas where the two generations differed were:

- Boomers on an average give between 4 and 7 percent of their income and would like to give between 11 and 25 percent.
- Gen X give between 1 and 3 percent of their income and would like to give between 8 and 10 percent.
- More Gen X than Boomer women expect to receive an inheritance and make more of their gifting through family wealth using family foundations.
- Boomer women are more likely to give with their spouse whereas Gen X giving is from personal and inherited income before gifting from a spouse or partner.
- Gen X want to give away their money during their lifetime while Boomers want their giving to go on beyond their lifetime through their children and grandchildren.
- Boomer women wanted more time to become financially literate whereas Gen X said they wanted more education about financial matters.
- More Gen X than Boomer women said they were influenced to give when the solicitation was made on a generational level, (i.e., same age).
- Gen X women valued their time more than their money but Boomer women were prepared to give both at least equally.
- Boomer women were more likely than Gen X women to give to large institutions.
- Boomer women were more comfortable than Gen X with public recognition of their giving. Gen X's said they would accept recognition if it was for the pure benefit of the organization and each member who aided the organization was also recognized.
- Gen X women weren't as concerned about receiving follow-up from the organization after they made a gift while Boomer women desired it.
- More Gen X than Boomer women were involved within their religious communities.

Some philanthropic trends that the survey revealed were:

- Women are influencing gifting decisions in couple giving.
- Collaboration is necessary with other organizations and institutions to attract women donors.
- Women want to be “partners for change” with the institutions they are giving to.
- Institutions will benefit by helping women define their passion and values through their philanthropy.
- Women view philanthropy as an investment in the future.
- Programs the two generations will most likely support and fund are:

Those focusing on the important issues of society and the world such as critical needs for food, water and shelter.

Women want peace in the world and are open to programs emphasizing collaboration and connection.

Those dealing with the environment. Both generations see the state of the planet as an influence on their lives, their communities, and the quality of life for future generations.

Teaching children and young people about philanthropy.

“Hands on” programs.

Although only 21 Prime Time women (born between 1928 and 1944) were contacted and responded to the generational survey, the authors felt it was important to include some results from this generation. “In addition to thanking them for taking the time to do the survey, we thought it essential to point out the significance of this generation of women to philanthropy,” Shaw-Hardy said. She cited Marti Barletta’s book, “Prime Time Women,” reporting that women of these ages are, “... at the peak of their careers and enjoying the highest earning power of their lives.”

The research from the Falconer study about Prime Time women compared to Boomers and Gen X showed the following:

- 24 percent gave between 11 and 25 percent of their income to philanthropy.
- Of the three generations surveyed, Prime Timer’s were most likely to give with their spouse.
- 41.5 percent of Prime Timer’s funded basic needs, 38 percent funded arts and culture, and 45.5 percent funded women’s initiatives. All of these figures were the highest of the three generations.
- 50 percent wanted anonymity and the other 50 percent accepted recognition.
- At the core of their decision to give were passion for the cause – 67 percent; fiscal responsibility of the organization – 50 percent, being asked by someone they know – 28 percent, and leveraging additional gifts as a role model for others – 29%. These percents were the highest of the three

- generations but only 21 percent said they wanted to “give back,” which was the lowest of the three generations.
- Gen X and Boomers preferred giving to grassroots organizations over large institutions but Prime Timer’s preferred giving to large institutions.
 - 100 percent said they believed they were partners for change in their giving.
 - All considered passing on a legacy to their children was very important or important.
 - 75 percent of those answering said they would give globally. This was the highest of the three generations.

Falconer Group is an independent investment and philanthropic consulting firm that measures success via the “triple bottom line” of financial return, social responsibility and long-term sustainability. The firm’s services include financial planning, investment management, educational programs, and philanthropic services. Falconer Group was founded in 1998 by Erik and Leslie Falconer. The firm is located in Traverse City, Michigan.

Preliminary findings of the study were presented at the CASE conference (Re) defining Women’s Philanthropy: Rich Conversations by Leslie Falconer and Carmen Stevens in June, 2007.

Researchers can be reached via email:

Sondra Shaw-Hardy: sondrash@sbcglobal.net

Carmen Stevens: carmen@falconergroup.com

To receive a copy of the entire survey, please contact Katherine DeGood at katherine@falconergroup.com