

Starting the Philanthropic Conversation with Your Clients

A Theoretical and Practical Approach
Based on Case Studies



What Do the Numbers Say?

The Impact of Advisor-Initiated Client Conversations about Charitable Giving



**When there is a conversation
about philanthropy,**

**it is initiated by the client
93.4% of the time;**

**by the advisor
6.6% of the time.**

Dr. Russell James

According to Drs. Michael Sanders & Sarah Smith (University of Bristol) and Dr. Russell James (Texas Tech University):

When the advisor asks no questions related to charitable giving:

5% include charitable gifts in their wills

According to Drs. Michael Sanders & Sarah Smith (University of Bristol) and Dr. Russell James (Texas Tech University):

That percentage can be doubled (to 10.4%) by the advisor asking a “weak” question, such as “Would you like to leave money to a charity in your will?”

According to Drs. Michael Sanders & Sarah Smith (University of Bristol) and Dr. Russell James (Texas Tech University):

That percentage can be tripled (to 15.4%) by the advisor asking a “strong” question, such as “Many of our clients leave money to charity. Are there any causes you are passionate about?”

According to Drs. Michael Sanders & Sarah Smith (University of Bristol) and Dr. Russell James (Texas Tech University):

**HOWEVER, these increases
in percentages are driven only
by CLIENTS WHO HAVE NO
CHILDREN OR
GRANDCHILDREN.**

**If these increases in percentages are driven
only by CLIENTS WHO HAVE NO CHILDREN
OR GRANDCHILDREN,**

So what does that mean?

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The Experience Economy



*Work Is Theatre &
Every Business a Stage*

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The Experience Economy

Commodities

Goods

Services

Experiences

Transformations



Which economy are YOU in?

**Which economy do you
WANT to be in?**

**The answer to that question
will determine how you start a
Philanthropic Conversation
with your client.**

**A philanthropic conversation
focused on money is a
Commodities Economy event,
because MONEY is the
quintessential commodity.**




**Transformational
Philanthropy affects the giver
as much (or more) as the
receiver.**

**Not what we give, but what we share,--
For the gift without the giver is bare;
Who gives himself with his alms feeds three:
Himself, his hungry neighbor, and me.**

James Russell Lowell

**Do our clients' gifts nourish our
clients and their families as much
as they feed the "hungry
neighbor"?**

**Transformational
Philanthropy is Passionate,
Purposeful, and Intelligent.**



Tax-driven philanthropy is far better than no philanthropy, but it lags way behind Passionate, Purposeful, and Intelligent Philanthropy in terms of overall value delivered to the various stake-holders.

Let's talk about "PPI's."

Passionate, Purposeful,
and Intelligent Philanthropy



**Case Study: Paul Laughlin,
Vice-President & Trust Officer at
Trustmark National Bank;
Osceola McCarty; and The
University of Southern Mississippi**

Lessons to learn:

- **No tax implications in this case study**

- **The power of great questions**

Often, our questions are more valuable than our answers.

- **The power of sincere listening**

- **The power of simple teaching tools**

- **The power of the story**
- 



**Case Study: Mr. Brown,
the Lion's Club,
the Garden Club,
and The City of Ocoee**



Lessons to learn:

- **Find the passion before you start the philanthropy conversation**
- **Tapping into the Client's Story**
- **The impact of Mr. Brown's gift**

Case Study: An LDS Church leader with responsibilities related to donors and resources asked for counsel from his leaders regarding unrestricted gifts from several donors and where those gifts should be directed.

In the fund-raising and non-profit world at large, a large unrestricted gift is the gold standard, the holy grail, of giving.

Not so in the LDS world.



Case Study: His leaders taught him that donors have the right to personal revelation as part of their stewardship responsibilities for their resources. Donors should determine where their resources should be deployed within the approved charitable priorities of the Church.

**Why would they give him
those instructions?**

**And what does that teach
us about the purposes of
philanthropy?**



**Transformational
Philanthropy is Passionate,
Purposeful, Intelligent, and
Inspired.**

**So now we need to think
in terms of “PPII’s.”**



**Case Study: Financial advisor
Ryan Ponsford; Scott Kreinberg's
7th-grade class at an Inner City
Juvenile Detention Middle School,
San Diego, California.**

What happens to a young person when he or she is suddenly thrust into the role of being a Philanthropist?

What the process of giving teaches young philanthropists:

- **Financial Literacy**
 - **Written and Oral Communication Skills**
 - **Self Esteem**
 - **Community Awareness**
 - **Interpersonal Trust and Communication**
 - **Identification of Personal Values, Mission & Purpose**
 - **Group Collaboration**
 - **Volunteerism**
 - **Team building and Leadership**
 - **Understanding of the tax system**
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**What if they are further
charged with not just
giving away money, but
also being a Philanthropist
with Passion, Purpose,
Intelligence, and
Inspiration?**


Let's come back to all those clients who have children and grandchildren.

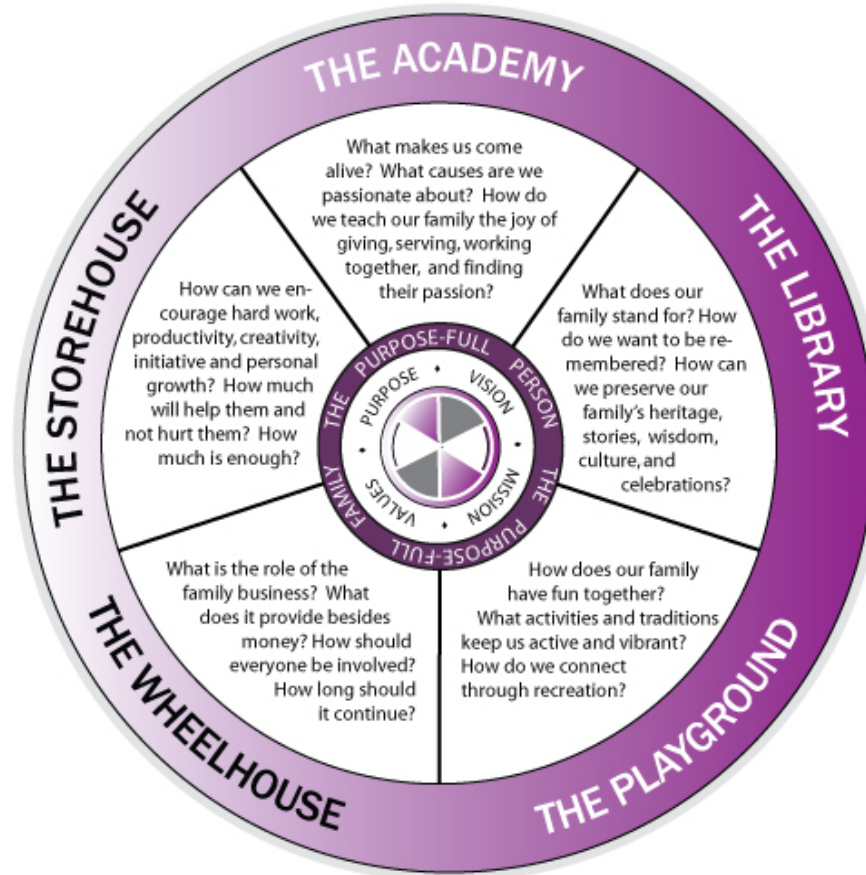
Inviting Clients to Consider Multigenerational Giving

What could you give your family that might be more valuable than money?

**In what ways would you like
to see your children and
grandchildren grow and
develop?**

What experiences can we create for your children and grandchildren that would lead them to receive those things and become those kinds of people?





The Thriving 3-Gen Family Model



**Case Study: Joshua Borchardt,
age 11, St. Cloud, Florida; and
Family Promise of Greater Orlando**



The Borchardt and Farnsworth Families at Family Promise of Greater Orlando



Josh Borchardt and the Director of Family Promise of Greater Orlando