

Generational Diversity

New Research on Transfer of
Wealth Opportunities

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**RESILIENT COMMUNITIES.
GREAT OPPORTUNITIES FOR ALL.**

About the Center

The Center's **mission** is to help community leaders build a prosperous future by supporting and empowering **business, social and civic entrepreneurs.**



The Center helps by bringing **empowering research** together with **effective community engagement** to advance **community-driven strategies for prosperity.**



COMMUNITY
DEVELOPMENT
PHILANTHROPY

Our **Solution Area Teams** empower community leaders to find their own answers to the economic development challenges and opportunities they face.



NEW
GENERATION
PARTNERSHIPS

Objectives

1. Community foundation leaders understand the research about changing demographics in the U.S and the implications for community-based philanthropy.
2. Community foundation leaders understand the particular characteristics and motivations of the Millennial Generation – your emerging donors.
3. Community foundation leaders get new ideas for working across the generations to build endowments and advance community-based philanthropy.

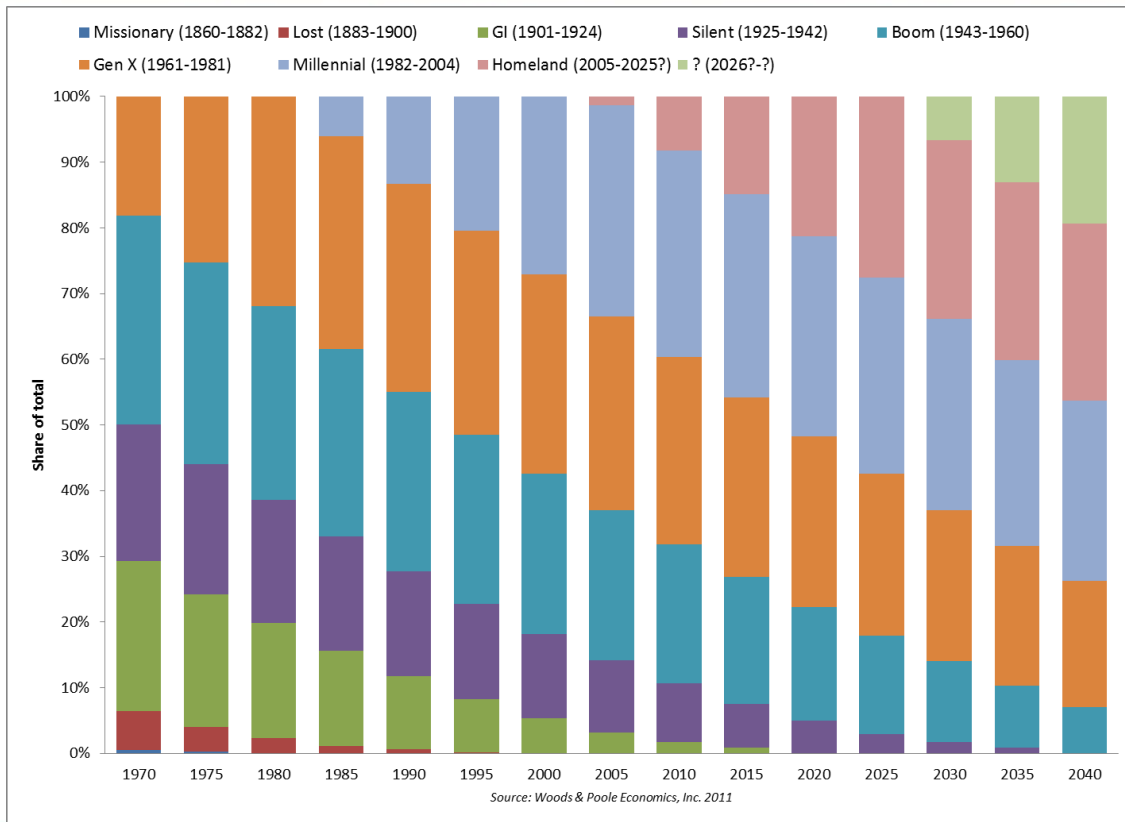


Data and Research



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Generational Diversity

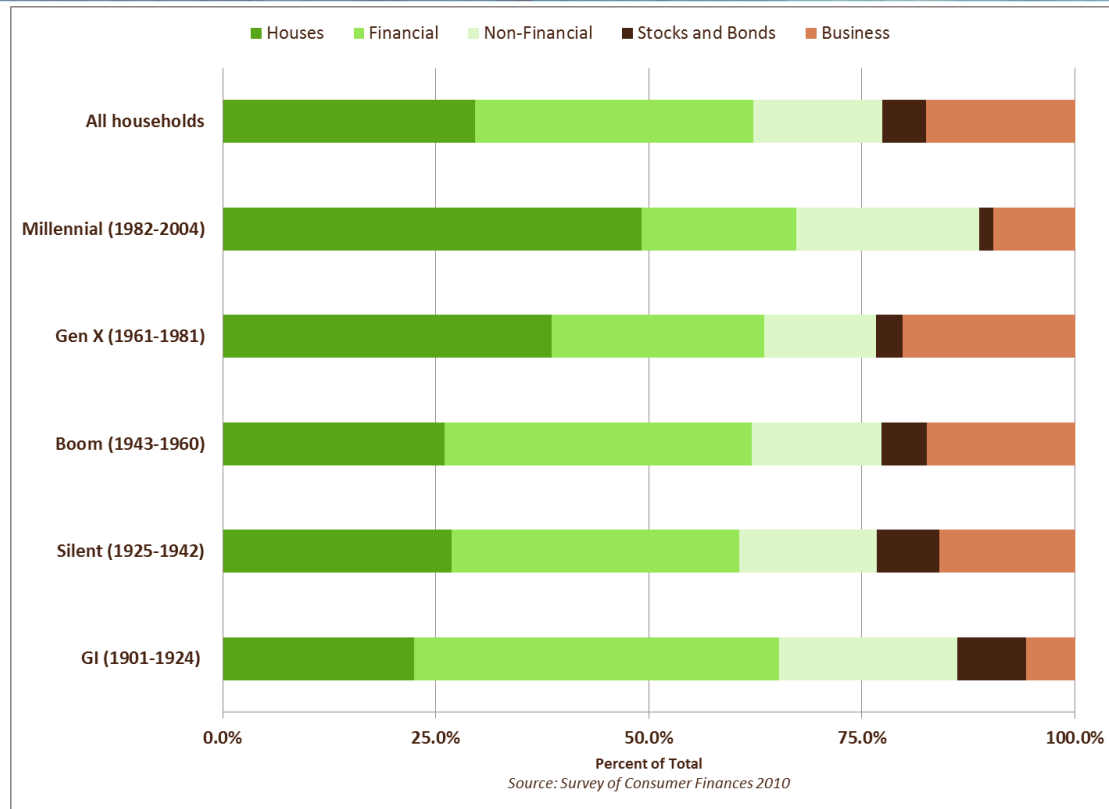


Implications for Philanthropy

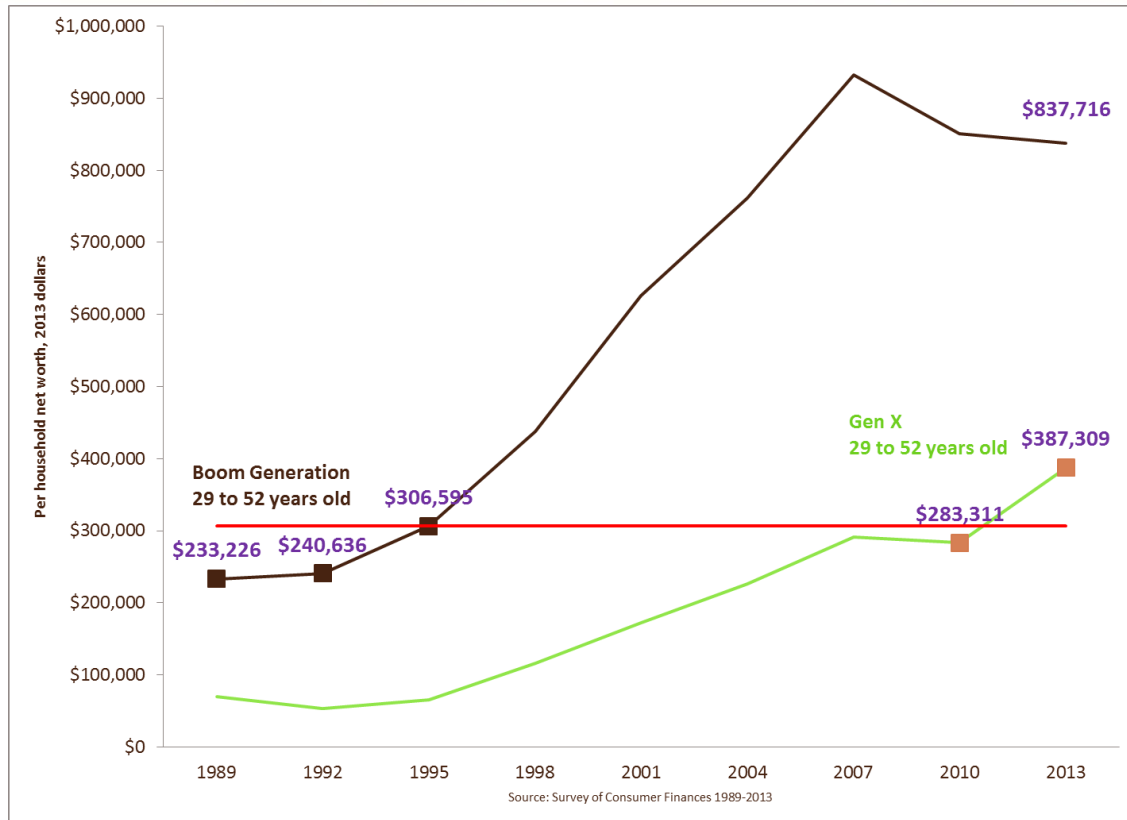
How do generational differences potentially impact philanthropy?

1. Asset Distribution
2. Wealth Accumulation
3. Transfer of Wealth Opportunity and Timing

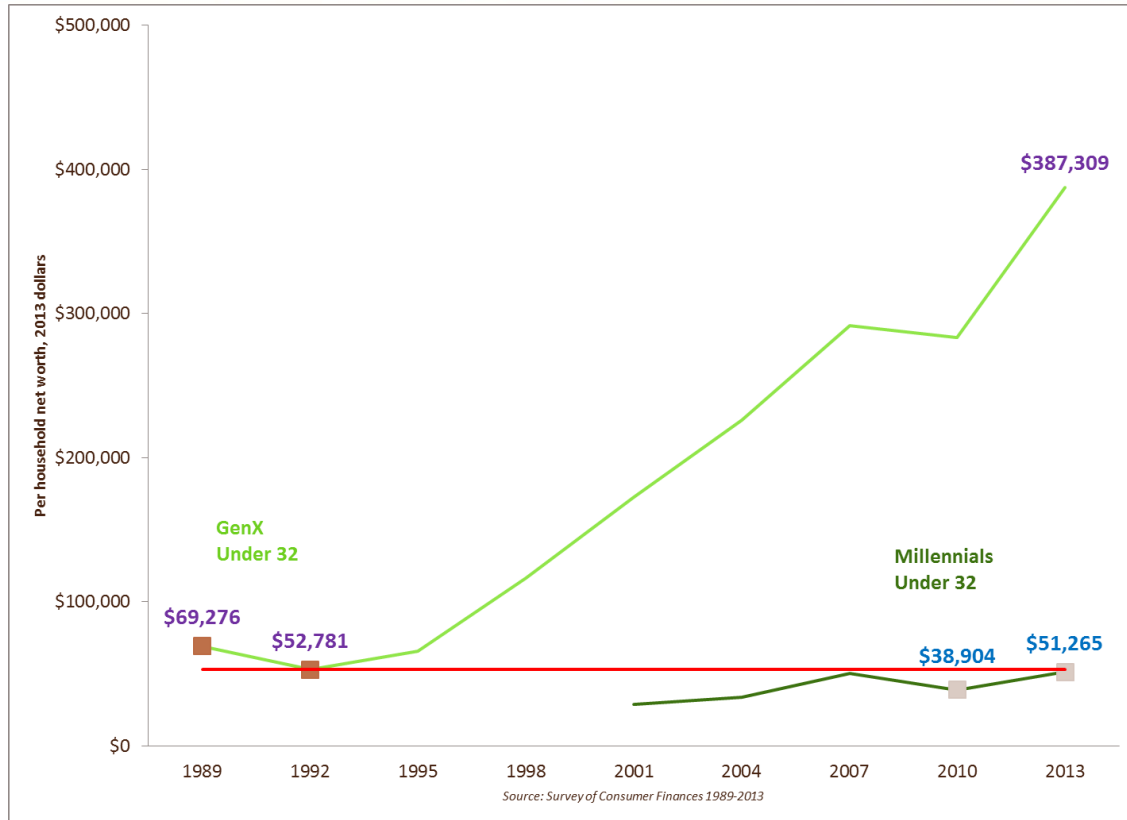
Asset Distribution



Wealth Accumulation

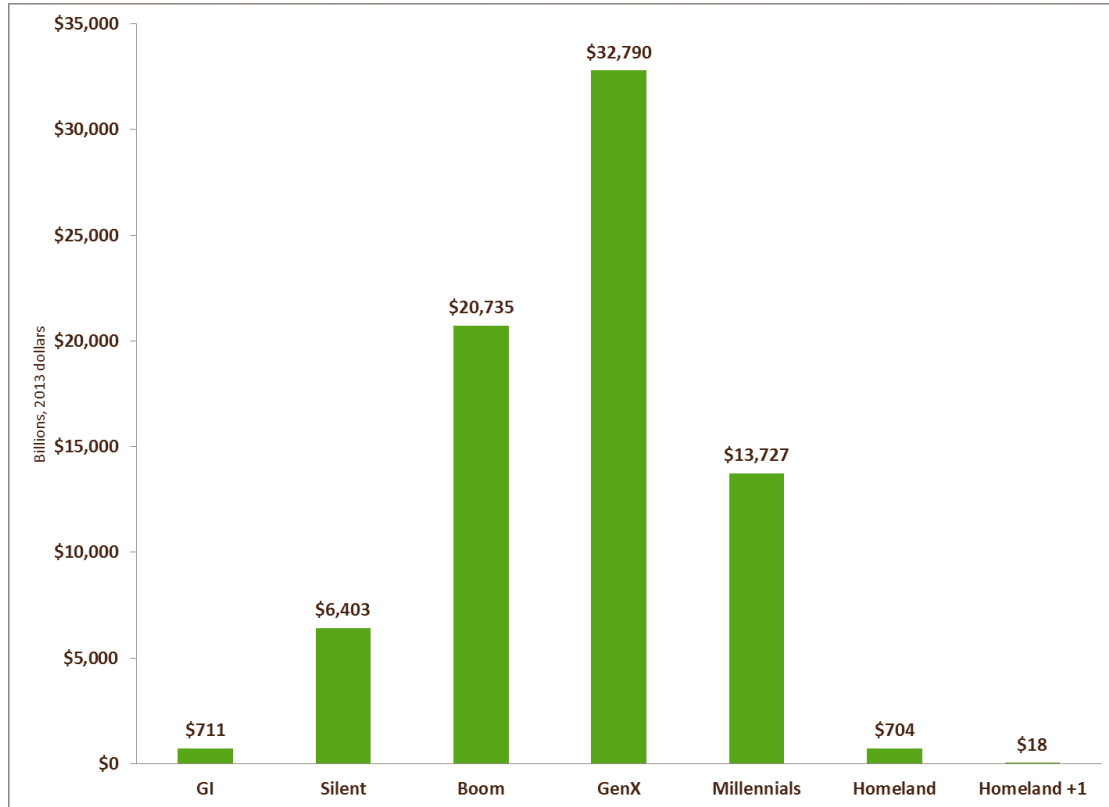


Wealth Accumulation



Transfer of Wealth Opportunity

2011-2060



Generational Diversity – *Why Care?*

- We tend to give from our **assets** and there are generational differences in **asset holdings**.
- How rapidly we accumulate wealth depends on our **personal characteristics** (e.g. educational attainment, business ownership, home ownership) but it is also **strongly** influenced by the economic times in which we live.
- There will be a **transfer of wealth** – how much you capture in the community that helped create it may depend upon how well you understand each generation's motivation for giving and engage even younger generations as potential donors.



- ✓ What generational trends or shifts are you seeing among your donors?
- ✓ What questions do these changes raise for your work?



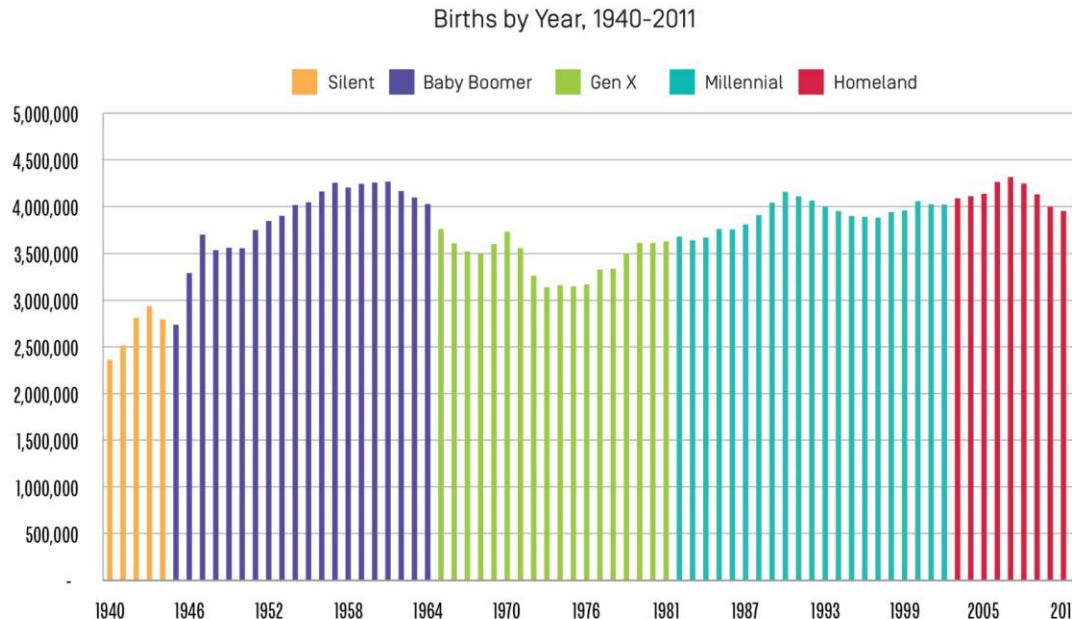
Spotlight on Millennials



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Who they are

Born between 1982 and 2004



NEW
AMERICA

Source for years 1961-2012: Joyce A. Martin et al., "Births: Final Data for 2012," National Vital Statistics Reports 62[9], Centers for Disease Control and Prevention, 2013; Source for years 1940-1960: Grove, Robert D. and Alice M. Hetzel, "Vital Statistics Rates in the United States 1940-1960," National Center for Health Statistics, 1968.

Who they are

Spent early years during period of relative peace and prosperity

Better behaved teenagers than GEN X

Less selfish and narcissistic

More likely to build new social institutions than tear down old

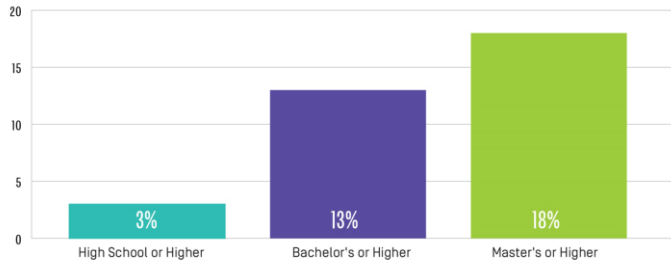
As a generation, more racially, ethnically, religiously diverse

43% are non-white

Reid Cramer, *Millennials Rising: Coming of Age in the Great Recession*, New America, 2014.

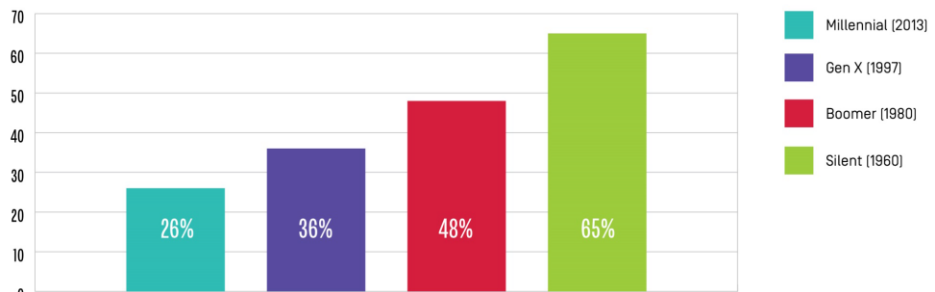
Who they are

Change in the Percent of 25- to 29-Year-Olds with Selected Levels of Educational Attainment, 2007-2013



Source: U.S. Department of Education, National Center for Education Statistics, "Digest of Education Statistics: Percentage of persons 25 to 29 years old with selected levels of educational attainment, by race/ethnicity and sex: Selected years, 1920 through 2013," Table 104.2, 2013.

Percent of Population Aged 18-32 Married



Source: Pew Research Center, "Millennials in Adulthood: Detached from Institutions, Networked with Friends," 2014.

Who they are



NEW AMERICA

81% OF MILLENNIALS
are on Facebook. [Pew Social Trends]

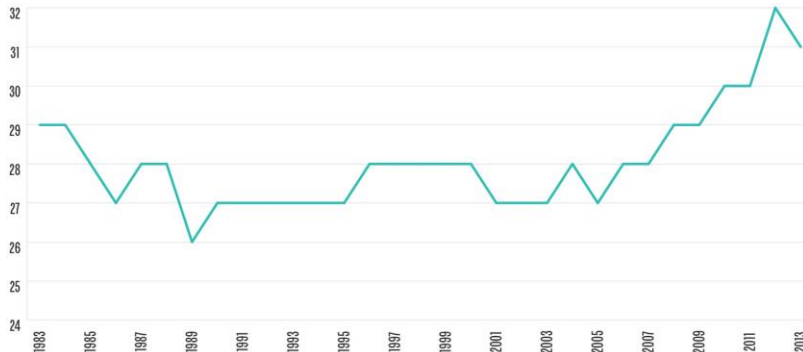


NEW AMERICA

41% OF MILLENNIALS HAVE NO LANDLINE
at home and rely on their cellphones for communication.
[Pew Social Trends]

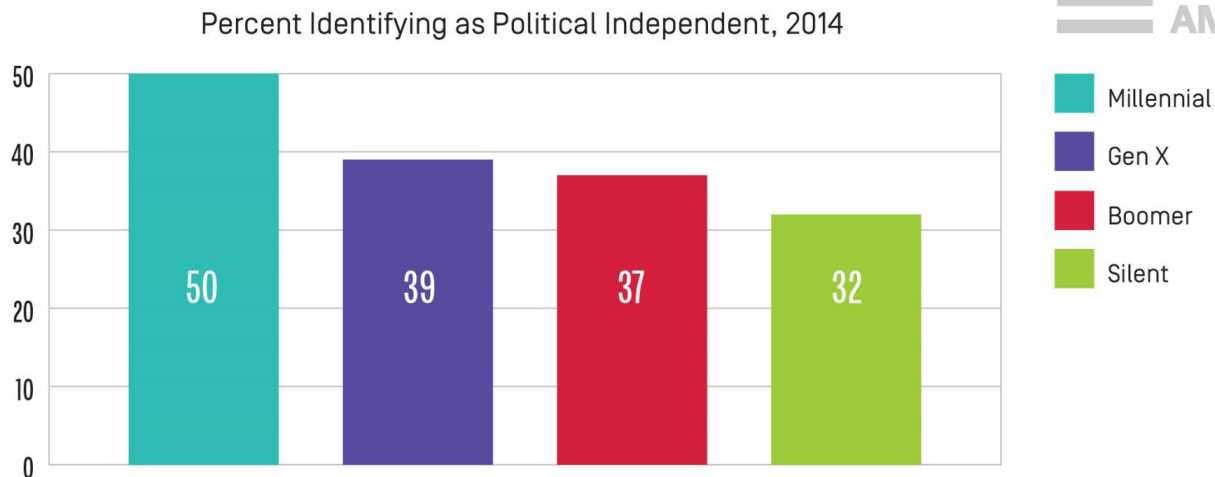
Percent of Individuals 18 to 34 Living at Home of Parents, 1983-2013

NEW AMERICA



Source: U.S. Census Bureau, "Living Arrangements of Adults," Current Population Survey, 2013.

What motivates them

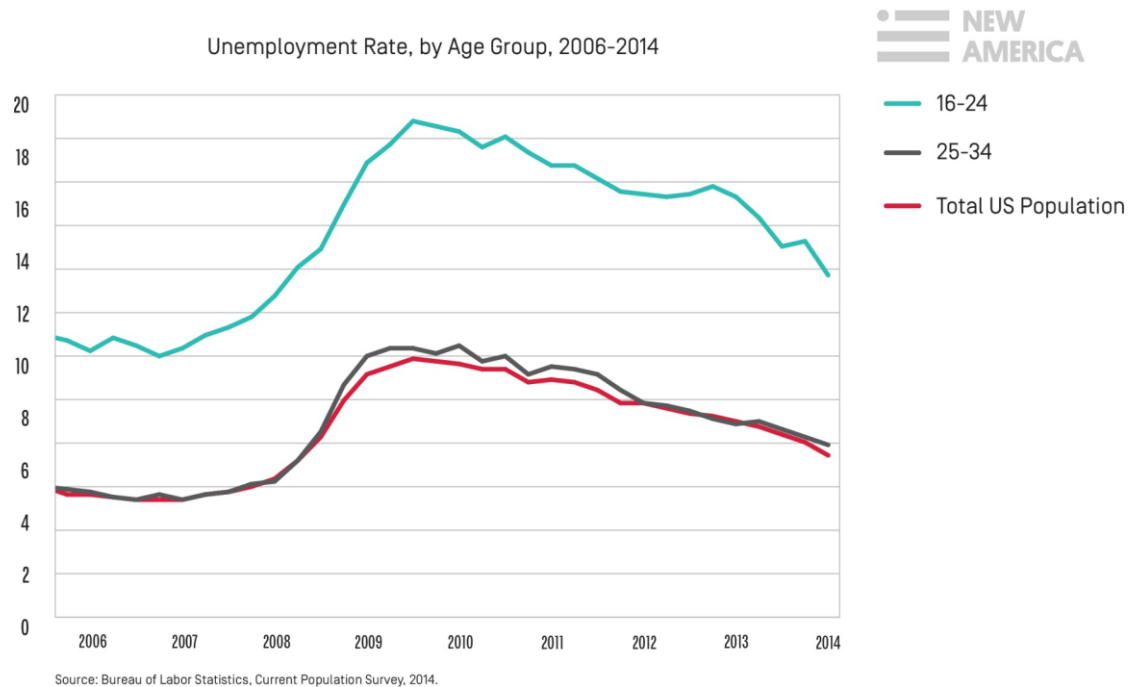


Source: Pew Research Center, "Millennials in Adulthood: Detached from Institutions, Networked with Friends," 2014.

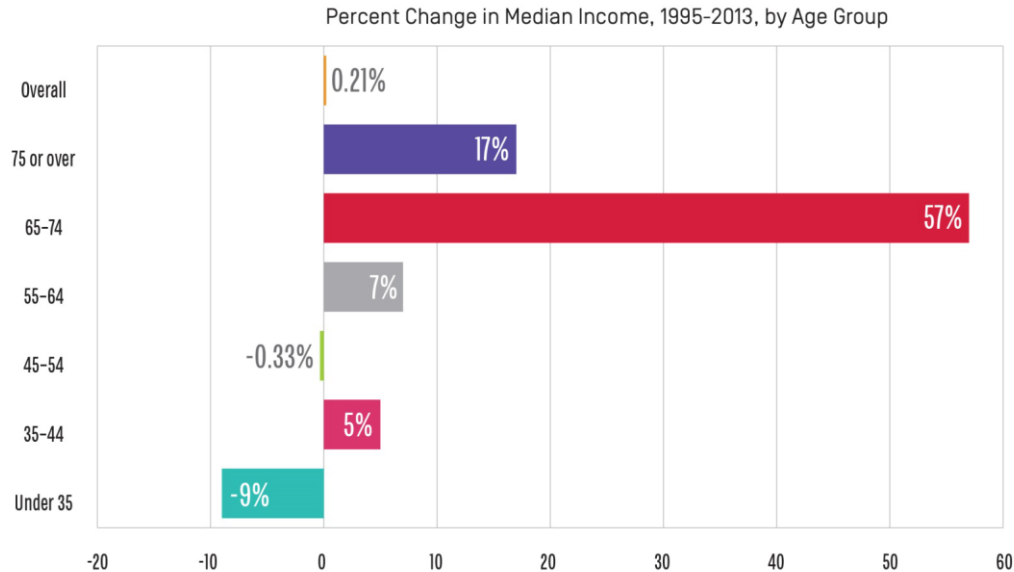
What motivates them

- First “**tech native**” generation
- Used to **instant access** to data, choices, reviews on everything from movies to political candidates to beer.
- What does this imply about their attitudes toward “**giving**”?
 - ✓ Actively engaged – Ice Bucket Challenge
 - ✓ Want to see the impact
 - ✓ Speak to their interests – healthy lifestyle, environmentalism, job and career choices

What is their economic reality

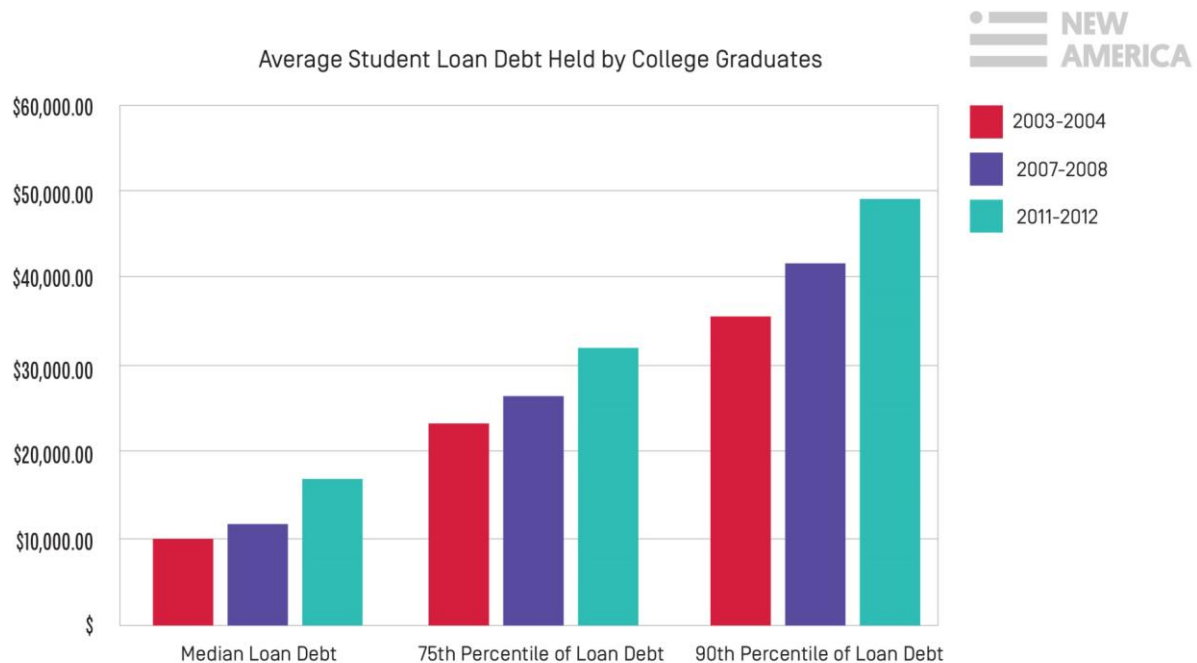


What is their economic reality



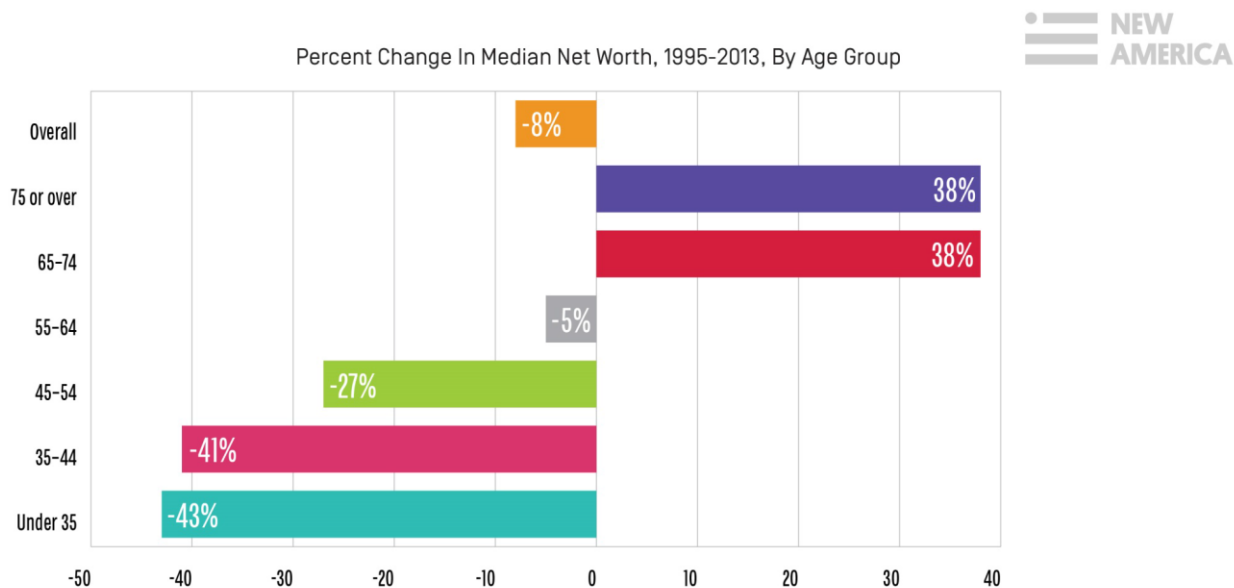
Source: Board of Governors of the Federal Reserve System, "2013 Survey of Consumer Finances," 2014.

What is their economic reality



Source: Ben Miller, "The Student Debt Review," Washington, D.C.: New America, 2014.

Millennials as Potential Donors



Source: Board of Governors of the Federal Reserve System, "2013 Survey of Consumer Finances," 2014.

Millennials as Potential Donors

"It may seem something simple. It's just semantics: **donation vs. investment**. But I think to a millennial, who's grown up in a very different world, one that's more participatory because of the digital tools that we have, to them they want to feel like they're making an investment. Not just that they're investing their capital, but they're investing emotionally."

Amy Webb, Webbmedia Group



- ✓ Do these perceptions ring true for Millennials in your community?
- ✓ What generational differences are you seeing with your younger staff, volunteers, donors?



Engaging Across The Generations



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Tips for Engaging Millennials

- **Start young** – remember, the youngest Millennials are in *middle school* right now!
- **Speak to their interests** – for 20-somethings, job and career opportunities are key
- **Start small but steady** – “sustainers” among young families and HS alumni



OUR COMMUNITY'S FOUNDATION
Give for Good, for Ever



Tips for Engaging Millennials

- **Speak to their hearts and ROI**
 - ✓ They want to make a difference – and will give where they think a difference will be made!
 - ✓ They want to do more than give money – think “Ice Bucket Challenge”
 - ✓ The world is much smaller than it used to be

Opportunity – challenge – for community foundations to make the case for investing in the place they call home.

Share your stories!

- ✓ How are you engaging younger generations in the work of the foundation (e.g. what are you doing to connect with YAC alums once they leave high school)?
- ✓ How are the interests and motivations of Millennials (and others) changing the way that you work?
- ✓ Where do you need to improve your practice?

Thank you for joining us!

For More
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