

HOW PHILANTHROPY TEACHES THE NEXT GENERATION ABOUT YOUR VALUES

September 2022

“ Leading by example is a terrific way to model philanthropic values for your children, and your legacy.

- Kate Lazier, Director of Philanthropy and Legacy Planning, CIBC



Back-to-school season is an excellent time to reflect on the lessons we teach the next generation about giving back. How do we help kids think about their values and what's important to them? Philanthropy is a great way to start, and the best way for them to learn is for you to lead by example.

Opening up about your own charitable giving is mutually beneficial. Kids get acquainted with the causes you support and start to think about their own philanthropic goals. What's more, teaching children about philanthropy opens the door to future conversations about strategic giving as part of a robust budget and financial plan. Whether you're volunteering with them or just talking about philanthropy, let's look at some things to consider.

Research, research, research

What causes do you support and why? Teaching young people how money impacts the causes they support is an important skill. Differentiating between charities and non-profits encourages them to think about how they give, and not just what they give. From medical research to environmental initiatives to support for underprivileged children—there're numerous ways to give. Plus, discussing how you decide to support a particular cause or charitable organization helps them, and you, reflect on values behind your giving.

Due diligence isn't just important in investing. Teaching young ones that not every dollar they give is managed equally is an important lesson. So, as you introduce the kids in your life to the causes you support, consider talking about the organizational factors that are important to you. What communications does the organization provide to measure impact? (Financial statements, success stories, site visits etc.) Is their administrative budget reasonable for the type of charitable work they are doing? What is the charity's reputation among its clients and the community? Whatever criteria you use, being explicit about your reasoning teaches the next generation what to look for.

Normalize philanthropy conversations with the young people in your life

Creating an open and honest dialogue about philanthropy and strategic giving can help your youngsters understand how to align their wealth with their values. Better still, these kinds of conversations offer a great chance to bond over shared perspectives, helping you both understand what's important to you and why. Together, you get to imagine the kind of world you want to live in and ways to make it a reality.

If you're interested in discussing your charitable giving or need guidance in managing it, we're happy to assist. If you'd like, your children can be part of the conversation.