

# Next Gen Revolutionaries or Feckless Youth? Sometimes They Look the Same

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## How the legacy and family philanthropy discussions are becoming intertwined with broader family business and investment affairs

A lot of time and energy gets spent focusing on how the ‘feckless youth’ of today aren’t ready to take on the responsibility of family wealth. The narrative goes something like this:

**T**hey are interested in spending huge amounts in showy bars and living the good life, but are not ready to sweat to run the family business or indeed get any job at all. We, the parents, in a last gasp attempt to engage these ‘don’t know they’re born’ offspring, try to get them involved in the family philanthropy. This too they spurn. It’s one thing not caring about the family business, making money or having pride in your own career but this generation don’t even care about doing good in the world. Wasters. And so we bend over backwards to give money to something they care about, or give them independence to make some grants of their own - and still nothing. They just don’t care about the world beyond themselves.’

It’s an interesting narrative. Sometimes it’s true. Sometimes, though, appearances can be deceptive.

Young people often don’t want to engage in family businesses and family philanthropy not because they don’t care, but because they do. The traditional model of making money at the expense of the rest of the world and then donating a small proportion of it to ‘doing good’ doesn’t excite this Millennial generation. Their problem is not with the giving away of the money but with how it was made in the first place.

The hardest conversation for a family to have is not young people saying to their parents, ‘*My values mean that I’d like us to give more money to charity*’. But instead, ‘The existence of this money is a threat to my values and therefore I do not want to associate with it’.

This is a generation who want it all and it’s not outrageous to suggest that this generation have reason on their side.

They believe that the world will change more through ethical business practices and new ‘clean’ industries and social businesses than through any amount of philanthropy.

They and their peers want to get paid well to work for ethical companies and buy products that are themselves ethical, but that do not compromise on quality.

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The very wealthy in this community are often no different from their peers in this respect, but their peers have less of a legacy to navigate. It’s easier when you are starting from zero to live by a value set. It’s more complicated when you have an inheritance, bank balance, stocks and shares, corporate assets, or indeed a Charitable Foundation that has been generated in a way in a way that compromises your quest for ‘the best of both’.

It’s a conversation many young people know their parents are not ready to have. Having it is to question their business or investment practices, the very identity of their wealth. Some parents imagine that their children are simply uncomfortable with the burden of wealth, when in reality, it is the burden of this particular wealth. Had their family business



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been a clean tech project that had made a fortune and reduced emissions globally, parents would have had to be wrestling them out of the board room by now, not trying to tempt them to engage through philanthropy.

This may make uneasy reading for some of the older generation who are not ready to budge – their businesses remain profit-focused ('as business should be!'), their investments include the dirties of sin stocks ('Everyone invests in them!') and their philanthropy remains completely disassociated from the majority of their wealth ('but we gave away over half a million last year alone!').

For young people the decision is relatively easy: wait. The option of confronting parents who worked their life to build financial success with the suggestion that the root of that success sits uncomfortably with their values, is not one that many of the Next Gen are prepared to pursue. So they are left with a choice between hypocrisy and an offensive rejection of their parents' or grandparents' work. They choose neither. They disengage. To the naked eye it appears the same behaviour that you see from a young person who cares nothing about social good. But it is in fact quite the opposite – they care much more than their parents and in a very different way; to engage with philanthropy on their parents' terms is to undermine their own beliefs.

Even within family foundations, young family members feel uncomfortable with the fact that investments in funds that include porn, arms, gambling and tobacco (without even getting on to fossil fuels) are being used to fund donations. But to question this is to begin to unravel the bigger problem that the Next Gen aren't 'philanthropic off-setters' but are 'triple bottom liners'.

The choice does not actually sit with the next generation but with the current one. Are they prepared to be a part of a new wave of business, investment and philanthropy - or are they going to hold on to the model that has served them? Are they going to have an influence on the future of their wealth by keeping it away from their children, or are they going to influence it by working work with the next generation and to lead together a quiet revolution?

*Voted one of London's '2014 Most Influential' for his work in philanthropy, Jake advises some of the world's leading philanthropists, businesses and family offices on financing social innovation.*

*Alongside his role at The Social Investment Consultancy Jake launched the social enterprise Future First, which provides innovative careers support in schools across the UK and is expanding globally.*

*Jake sits on the trustee boards of the Early Intervention Foundation and the £100m LankellyChase Foundation.*

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