

Giving for Good:

Generational Differences in Philanthropy, Legacy, and Wealth Planning

People have a clear desire to make a positive impact on the world. In fact, **two-thirds (66%)** of advisors say that their clients donate to philanthropic causes due to either a duty to make the world a better place or a moral obligation to repay the people and institutions who contributed to their success, according to the Key Private Bank Advisor Poll on philanthropy.



The United States is on the precipice of one of the largest generational wealth transfers in history, with **\$68 trillion in assets** expected to be transferred to heirs and charities by 2030, according to Cerulli Associates. It's important, now more than ever, that families have cross-generational wealth conversations around philanthropy.

SOURCE: [Cerulli Associates](#)

Yet, **eight in ten advisors** say only "some" or "hardly any" clients involve the next generation in family philanthropy, according to the Advisor Poll.

Family philanthropy discussions and decisions

Few families proactively establish cross-generational philanthropic planning conversations.

The majority (57%) of generational differences in giving and philanthropy start from a lack of conversation and participation in discussions between parents and children, rather than disagreement on charitable causes.

What are the biggest generational differences when it comes to family philanthropy decisions?

33%

Lack of child involvement in giving conversations

25%

Lack of parent transparency with children around giving strategy

17%

How to align causes with personal values

13%

Reasons for donating (e.g., giving for selfless reasons vs. giving to get the tax benefit)

11%

Types of causes to donate to





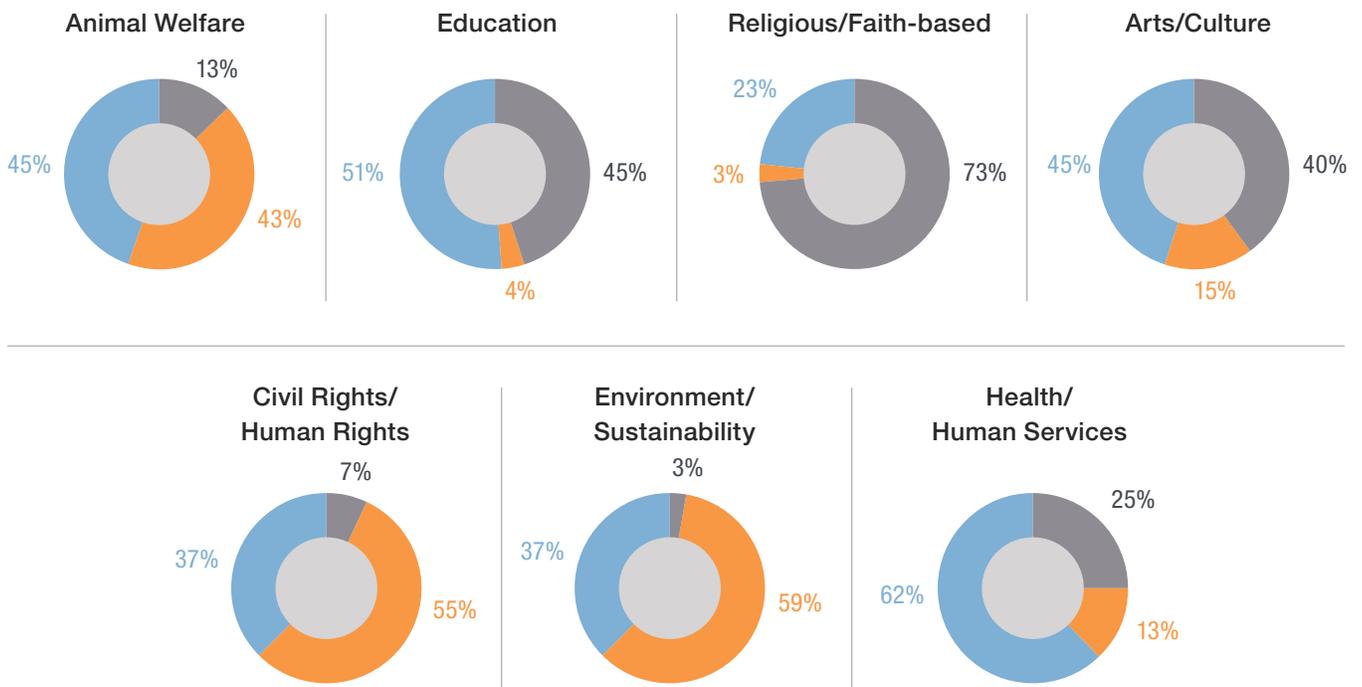
More than **one-third (36%)** of advisors say that failing to educate the next generation is the biggest philanthropy mistake clients make.

Preferences and interests in philanthropic causes

Parents and children prefer to give to different types of causes but show a preference for those that hit close to home.

While parents are most likely to prefer to give to religious and faith-based causes, children are more likely to support environmental and sustainability causes.

■ Parents ■ Children ■ Both



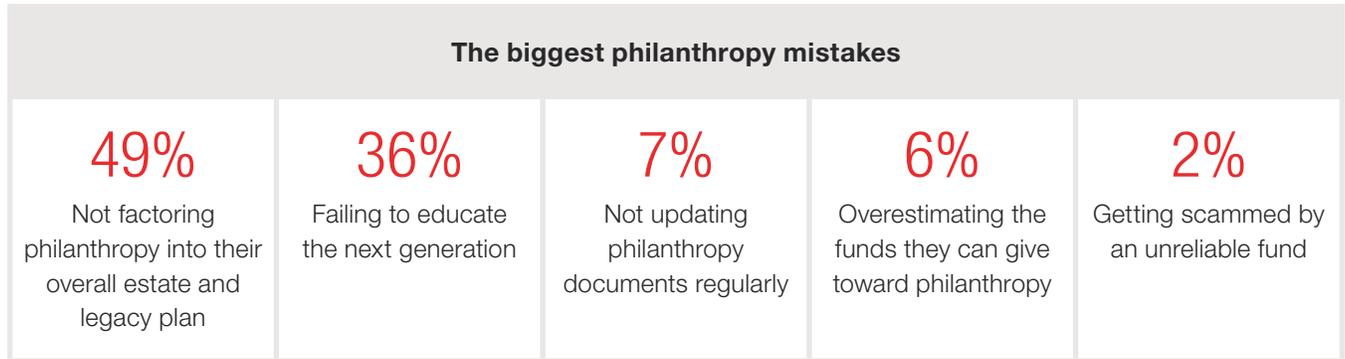
Advisors say that clients prefer to support causes with a local impact (**71%**), over exclusively national causes (**2%**). Additionally, the top trigger for giving is a family health crisis that leads to donations to a health-specific cause (**41%**).



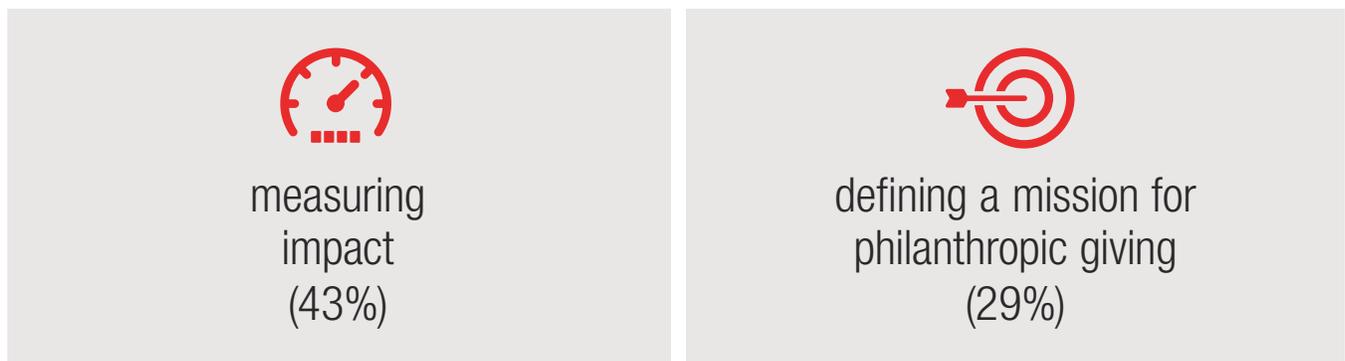
Most common philanthropy concerns and challenges

Philanthropic strategy and investments should be included in a family's holistic estate and legacy plans.

Seven in ten (71%) advisors say half or fewer of their clients currently include philanthropy in their legacy plans. Yet half (49%) of advisors say the biggest mistake they see clients make when it comes to philanthropy planning is not factoring it into their overall estate and legacy plan.



The most difficult aspect of philanthropic giving is:



For more information about how to make charitable giving part of your financial plan, [contact your Key Private Bank advisor.](#)

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