

8-28-11 Philanthropy Corner

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“The Next Generation of Philanthropic Leadership”

Last month’s Philanthropy Corner discussed the massive wave of executive turnover in the nonprofit sector as more than half of all nonprofit leaders will be retiring in the next decade without a plan for their succession. Unfortunately, many organizations are ill prepared to engage the next generation of philanthropic leaders. New studies show that Millennials may be our best hope to carry out the work of the nonprofit sector with their civic personalities, world view, and comfort with technology and social media.

In order to prepare for the leadership transition that is inevitable and attract the future leaders of the philanthropic sector, nonprofit organizations need to understand these rising young professionals and what they expect from their careers. Born from the mid-1970s to mid-1990s, Millennials are the children of the retiring Baby Boomers and the youngest generation in the work place. They grew up with school shootings, terrorist attacks, and the Internet. They value racial harmony, personal engagement, and a balance between work and play, and are technologically savvy and able to retrieve information very quickly.

Although Generation Xers are next in line behind the Baby Boomer generation, studies indicate Millennials may be better suited to share our passion for philanthropic work. A new report of the Next Generation of Philanthropy and Nonprofit Leaders by Changing Our World and Future Leaders in Philanthropy surveyed young professionals in the field in order to have a better understanding of what it will take to attract the talent needed in this demographic transition. Unlike the Generation Xers who are characterized as cautious, conformists, pessimistic and fearful, Millennials are described as optimistic, tenacious, energetic, open-minded and eager to try something new. Many of the Millennials surveyed are interested in working for companies whose corporate ethics match their own. One study described this generation as “relentless in their pursuit to change the world.”

In order to leverage the talents and welcome Millennials into an organization, nonprofit leaders need to understand the career expectations and workplace practices preferred by these young professionals. Although money is an important concern young people have about making a long-term commitment to a career in the nonprofit sector, studies reveal that money is not the motivating factor for why people choose to work for a nonprofit organization. In fact, money ranked dead last of all the reasons for working in the nonprofit sector. Rather, the most important motivation factor for entering into the philanthropic sector was the idea of working for a socially mission-driven organization.

The culture that seems imbedded in many organizations in the nonprofit sector may frustrate younger employees and impact their long-term commitment. With an attraction for fast-paced environments, their inexperience with the complexity of politics and processes in the nonprofit sector may lead to turnover. Having short term goals and wanting to reach management quickly, Millennials are most likely to become frustrated working in an organization where management clings to their positions of power or waiting for Baby Boomers to retire. Organizing face to face meetings will be a challenge for Millennials who prefer communicating through technology and social media. Young professionals working in the nonprofit sector are becoming disengaged due to the quality of leadership mentoring and lack of resources and opportunities for career advancement and professional development.

Each generation has its own characteristics and coming of age events that have shaped their view of the world and influenced the workplace which all organizations need to understand and support. It's no longer one size fits all in any workplace, especially during this transitional time. Corporations are already adapting the modern day workplace seeking young professionals who are tech-savvy problem solvers equipped with a variety of skills and eagerness to learn new ones. And the nonprofit sector must quickly adapt to this demographic shift as well. As one GenX blogger wrote, "For baby boomer employees, this has been a big shift in our company culture ...Our company is already stronger due to having employees from the different generations—we have the history and wisdom that only time and experience can provide, the innovation and passion that Millennials bring, and the ability to intuitively bridge organizational and personal needs by the GenXers." Our role is to cultivate the talent and enthusiasm of our successors and prepare them for the challenges they will face as we pass the torch to the future leaders of philanthropy.

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