



WEALTH STRATEGY & CHARITABLE GIVING

CAF America's initiative, *Wealth Strategy and Charitable Giving*, is an interview series about the ways that philanthropy and wealth services intersect, featuring leading wealth advisors and professionals dedicated to incorporating charitable planning in their practice.



Suzanne Hammer of Hammer & Associates gives family offices, donors, and advisors the tools they need to engage in and connect with philanthropy—helping philanthropic individuals and families identify their funding interests, and pair their passion with proven strategies.

To learn more, look for her EngagedPhilanthropy™ series for family offices, including *Global Philanthropy: A Family Office Guide to International Giving*, at SuzanneHammer.com or contact 303-319-3029. Follow Suzanne: @SuzHammerGiving.

WEALTH STRATEGY AND CHARITABLE GIVING: A Conversation with Suzanne Hammer, President Hammer & Associates

CAF America: Could you begin by speaking about Hammer & Associates and the services you provide?

Suzanne Hammer: Hammer & Associates was born about twelve years ago as a result of my work in the corporate sector where I was building charitable foundations for corporations. When the market crashed in 2008, I was also working with a family on their philanthropic giving. As corporations became less likely to hire someone to assist with their philanthropy, I transitioned to working with families and individuals to ensure that their giving balanced their passion with a meaningful strategy.

CAFA: How do your clients hear about your services?

SH: My client base is built completely on referrals and word of mouth. While Hammer & Associates does have a website, it acts more like an expanded business card. Existing clients have heard about me from other clients, through their wealth advisors, trust companies, or trusts and estate attorneys. Others learn about Hammer & Associates through the presentations and executive briefings I have done. Some clients have come to me after learning about our EngagedPhilanthropy™ toolkits that guide family offices to meaningful and impactful giving.

CAFA: What are some of the first questions you ask your clients to ascertain what kind of help they need and how you can assist them?

SH: That's where the fun begins! I ask them about their story: I want to hear the what, how, why, and who? What causes or organizations have they given to in the past? How do they learn about organizations—is it through personal connections? Maybe through one of their friends? Why have they chosen to support a given organization—is it because the organization has a meaningful connection to them or is it more of an "exchange of favors: you sponsored my golf tournament, so I'll sponsor your gala"? And then, I ask who they want to be involved in their philanthropy moving forward—is it just about the individual or is it about the family? If it's about the family, is it Gen-1 who wants to create a family foundation to ensure that Gen-2 and Gen-3 are involved?

We then move onto a conversation about values—what are the values that motivate their giving? This really helps me understand a family’s culture and thought process around giving. For instance, maybe their philanthropy started because of a tax-deduction but it’s continued because of the satisfaction they get from giving. It is important to understand their driving values—are they social justice, inclusiveness, and freedom? Or are they respect for elders, loyalty, and faith? Or do they value community and compassion?

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These questions then lead me to ask about their family legacy—how have these stories influenced the individuals, the family, and their giving. It’s always a learning process to discover the distinct blend of values for each family. Uncovering answers to these questions is the first step in co-creating an intentional philanthropic plan for the person and family that meets their goals.

CAFA: Have most of these families or individuals given thought to these questions before or is it the first time they’ve really considered them?

SH: Often this is the first time they’ve heard or thought about such questions. If they’ve only been working through their wealth advisors or attorneys, then they’ve only been discussing how to give and when—it hasn’t been a case of developing a strategy for their philanthropy. For example, I’m working with one individual who was referred to me by their wealth manager. The wealth manager’s job is to create wealth whereas my job is to help give it away. This individual really needed advice with legacy questions and determining their own motivations for giving. Those are questions the wealth manager wasn’t equipped to answer, so they asked for my help.

This individual had a history of giving and was passionate about it, however, they realized they needed to make some adjustments to their giving. For instance, they had a history of giving significant amounts to one organization, however after a more in-depth due diligence on the organization and re-examination of their own legacy and values, they decided to discontinue support.

CAFA: How do you move from those initial conversations to specific actions?

SH: It’s about taking time to listen to what families and individuals are doing, what their goals are, and what is their desired outcome from their giving. Knowing the answers allows for me to recommend solutions tailored to their needs, so it becomes very bespoke. It’s not just what they’re doing philanthropically, it’s about what they’re doing with their lives and why.

For example, another couple I’m working with are both attorneys and very involved with hot political topics right now. For them, their philanthropy is not separate from who they are, how they live their lives, and what they do. This is increasingly common in younger generations, in Gens-3, 4, and 5. Philanthropy is no longer an extra aspect; their giving forms an integral part of their lives.

Hearing what clients care about allows me to develop a roadmap for success, and it enables me to help them move the needle. Whether they want to plant more trees in one community or want more clean stoves in another, it’s irrelevant, it’s how they want to affect change that is important. I then help them identify benchmarks for success based on their own definitions of success. One donor told me: “I just want to give them the money; I trust them”. To that donor and others, I recommend the “trust but verify” approach. This allows for unrestricted funding for the organization, for which I advocate all the time, but also permits the donor some assurances at the same time.

Another thing I often advocate for is the willingness to change or adjust one’s giving strategy as necessary. I find this to be important especially when working internationally.

Lastly, it’s essential to understand family dynamics, the family’s corpus, if they have any upcoming income events, what is their risk tolerance, how they want to be engaged with their grantees, and finally do they want to be anonymous with their giving or do they want the recognition?

In some of these scenarios where you're working with older generations, do they actively involve the younger generations in their giving? Are there ever issues with family dynamics here?

People always get a little embarrassed when discussing their family dynamics but everyone has them. I just open up about when my dad died and how he was the last of Gen-1, and how that adjusted the relationship between my brothers and my two step-sisters. My personal story tends to put them at ease. Quite often Gen-1 wants to include Gen-3 and 4 in the family enterprise or philanthropy, and they aren't sure how to do it. It can be tough communicating well across generations and implicit family roles. I work with families to create more understanding, identify the trouble areas, and proactively plan on ways to mitigate conflict before it happens.

For instance, I'm working with an individual who has become the executive director of their grandparents' foundation. While helping with managing the foundation, I'm also coaching the individual on how to navigate family dynamics and specifically to get the respect they deserve as executive director from aunts and uncles who have before seen them solely as a family member.

CAFA: You assist your clients in international giving, which is rare among advisors, how did you get into this space?

SH: I have three experiences that led me to international giving. The first being that I'm a Rotarian and was actively involved in WASH issues, and as I got to know WASH organizations and leaders better, I learned that Water, Sanitation, and Hygiene are really the building blocks for sustainable international development.

Secondly, I was managing a family foundation earlier in my career that was funding internationally and a specific organization they funded in Uganda was not open or honest about how it was using the funds provided by the family. Once we were able to open up communication with the organization, I was able to better understand the challenges inherent in working internationally.

And then finally, in 2015 I co-authored a white paper called "Philanthropy in the Family Office: A Global Perspective". Our goal with this white paper was to better understand how different countries approach giving in the family office world, not from a dollar perspective but rather from a cultural perspective on giving. What we found was that advisors didn't know how to speak about philanthropy with their clients, which was surprising given that advisors

handle some of the most personal assets of families. Many advisors don't feel equipped or educated on how to do philanthropy well.

That's why, at Hammer & Associates, we created the EngagedPhilanthropy™ series for family offices and their advisors. The most recent of which focuses on global philanthropy – and offers a road map for how to do it well. I encourage giving internationally because the impact donors can make is so much overseas, where goods and services are so much less. Plus, it can be a fun and meaningful family experience. What better way to establish a family legacy than to take a trip every year to visit a project you fund overseas! I've found that these trips are a great way to involve family members and really disconnect from day-to-day life, gain a fresh perspective, and establish a family legacy.

International giving comes with its own specific challenges, but many times donors aren't aware of just how complex it can be. How do you help your clients understand these challenges without discouraging them from giving abroad?

It's important to explain to donors that giving internationally can be challenging, but it can be done. It's explaining that organizations such as CAF America exist to make it easier, to handle the contributions and ensure that the money goes to the correct place. That's why I find that partnering with CAF America makes my job much easier, because it does all of the due diligence, especially as it relates to terror watch lists and verifying board members. Giving internationally can be challenging, but there are structures in place that permit a family to follow their philanthropic passions and have peace of mind.

CAFA: Are there any uniquely challenging cases of giving internationally that come to mind?

SH: When giving abroad, donors are always more cautious about whether their funding is actually going to the correct organization or is being used for the intended purposes. Here is when we have to trust the organization but also take steps to verify. It's important to keep a degree of flexibility with the organization you're funding and understand that things change, and if they request to use your funding for a different project, it's probably for a good reason. When working across continents and cultures, we need to remember that what we think is right here isn't necessarily the best solution 5,000 miles away. We should listen to what the needs are in that community, think about the best way we can help, and finally act in a way that takes these needs into account.