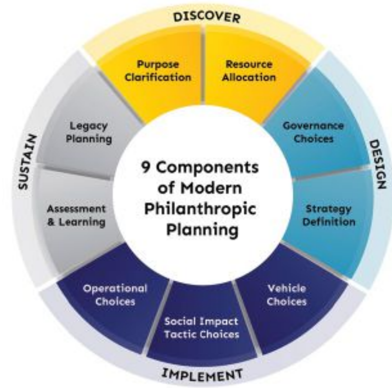
The Nine Components of a Modern Philanthropic Plan



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Today's clients increasingly expect advisors to help them navigate questions that extend well beyond finances. Conversations about purpose, values, impact, family, and legacy are becoming routine in advisory relationships.

According to The Philanthropic Initiative's 2026 study, 97% of high-net-worth clients say conversations about philanthropy with their professional advisors are important.

Despite that demand, most advisors were never taught what actually belongs in a philanthropic plan. Financial planning has a well-established framework that guides the planning process from discovery through implementation. Philanthropic planning has been slower to develop a shared structure. As a result, many advisors know the technical tools—gifts of appreciated assets, donor-advised funds (DAFs), and private foundations—but lack a framework for the broader conversations clients increasingly expect.

Just as a financial plan is more than an investment portfolio, a philanthropic plan is more than choosing a charitable vehicle. The modern philanthropic plan[1] gives advisors a structured way to approach philanthropic conversations with the same discipline they bring to financial or estate planning. It includes nine components that help clients move from intention to action. Clients new to organized philanthropy may need only two or three, while very wealthy clients and multigenerational families may engage all nine.

While these components often overlap, they typically progress from clarifying purpose and strategy to implementing, evaluating, and sustaining a client's philanthropic vision.

1. Purpose Clarification. Every plan begins with clarifying a sense of purpose that provides direction for every decision that follows. Advisors help clients explore the experiences, values, and aspirations that shape their giving.

2. Resource Allocation. Philanthropy involves more than financial capital. Clients may contribute time, expertise, relationships, influence, and leadership alongside monetary resources. Planning helps deploy these assets intentionally.

3. Governance Choices. As giving becomes more intentional, governance matters. Clients must decide which family and community members will be involved, how they'll work together, and what structures will guide accountability.

4. Strategy Definition. Strategy connects purpose with outcomes. Advisors help clients identify the issues they want to address, who they hope to benefit, the scale of desired impact, and what success looks like.

5. Vehicle Choices. The appropriate vehicle depends on the client's strategy, governance preferences, resources, and desired level of involvement. Beyond donor-advised funds, private foundations, and testamentary gifts, many clients also consider LLCs, purpose trusts, 501(c)(4) organizations, and other social-impact structures.

6. Tactical Choices. Tactics are the specific actions clients take to advance their strategy, including grantmaking, impact investing, advocacy, donor collaboration, and other activities aligned with their goals.

7. Operational Choices. Advisors should help clients forecast the staffing, technology, and other administrative capacity appropriate to the scale of their philanthropy.

8. Assessment and Learning. Philanthropists want to understand whether their efforts are making a difference. Assessment helps clients evaluate progress, learn from experience, and adapt their approach over time.

9. Legacy and Succession Planning. Philanthropy is often closely tied to the legacy clients hope to create and leave behind. This component explores how values, commitments, and responsibilities can be shared across generations.

A Broader View of Planning

Philanthropic planning deserves the same level of structure as financial planning. These nine components give advisors a practical blueprint for guiding clients from charitable intent to thoughtful, strategic philanthropy.

As client expectations continue to evolve, advisors who embrace this broader approach will deepen relationships, differentiate their practices, and help clients create greater impact with their wealth. ■

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Learn more at www.daylightadvisors.com, LinkedIn and Instagram.

1. The nine components outlined in this article are based on the framework presented in Daylight's Introduction to Philanthropic Planning Certificate, which explores each component in greater depth through practical frameworks, conversation techniques, and representative client deliverables.