Philanthropy Impact

Exploring the role of philanthropy as part of wealth management

Magazine

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IN THIS ISSUE

Letter to the Editor Ise Bosch

Editorial: Millennials and women of wealth – an opportunity or pitfall for advisers? Cecilia Hersler

The great wealth transfer evolution, not revolution – next generation philanthropy Geoff Cook

There's a huge win when you invest socially Dame Stephanie Shirley

Millennials are seeking professional advisers who understand their values Charles Peacock and Charlotte Filsell

The relationship between football, philanthropy and millennials' approaches to giving James Maloney

The many and changing ways to give Caroline Dewing and Francesca Griffin

Young Asians form a giving circle: experimenting with philanthropy by learning from one another Rob John

Why next gen philanthropists are being set up for failure Jake Hayman

An invisible opportunity: engaging women of wealth around philanthropy Leesa Muirhead

THE CAMPAIGN FOR GROWING MODERN PHILANTHROPY

MILLENNIALS AND WOMEN OF WEALTH: Creating a better world

Actively addressing the age of disillusion

A need to know for professional advisers

Philanthropy Impact

Vision: A world where individuals and families engage in philanthropy and social investment, supported by advisers.

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The purpose of the magazine is to share information about philanthropy in a domestic and international context. We welcome articles, letters and other forms of contribution in Philanthropy Impact Magazine, and we reserve the right to amend them.

Please contact the Editor at editor@philanthropy-impact.org

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Ise Bosch:
Letter to the Editor

https://dreilinden.org

Photo Credit: Jeanette Sears

Ise Bosch

You requested 'an article that demonstrated the importance of women of wealth' for your next issue. I do not have time for a full article at this time, but here is my response, in short.

At first, your request did not 'click' – why should women of wealth be more important for philanthropic impact than men of wealth?

In the West, women of wealth have historically been excluded from public spaces and roles that depend on wealth, broadly speaking. But, on the other hand, philanthropy has actually been the place for women of inherited wealth, when other power positions were not available.

It seems that women, as opposed to men, must learn to fully own their wealth, for themselves or whomever they chose to support, rather than being encouraged to give it away. (Although personally I think there are thousands of reasons for people of wealth of whatever gender to give lots away, at this time in history.)

There are some studies on philanthropic and financial behaviour saying that women tend to go for the long perspective; that they take their choices more slowly but more consistently than men; that they are less interested in having their names on buildings than in empowering others to pursue their own goals. This happens to be my own propensity. Yes, I owe much of my thinking to feminism and other teachings of solidarity – but men of wealth can follow this route as much as I.

In effect, I consider it more important what we give to, and how, rather than who we are. We're asking for equal treatment, after all. To give at the level of their true potential, women need to show up to the tables of power, they need to speak up, take their share, and do with it what they consider right. 'Ladies banking in pink' won't do. And there's no need to copy the men (except if they are actually cool).

Great Britain has some great examples of good philanthropy by feminists – I expect this issue tells their stories. These are what should be copied.

With warm regards,

Ise

***Ise Bosch** grew up next to the headquarters of Robert Bosch company, though, at the time, she was more interested in music. Nowadays she works full time as a philanthropic activist. She is co-founder of the Pecunia network of women with inherited wealth, and the German women's fund, filia. die frauenstiftung. Her book* Besser Spenden! Ein Leitfaden für nachhaltiges Engagement (Giving better! A guide to sustainable engagement) *was published in 2007. It is the first and as yet only German language publication on giving from a donor's perspective. Her personal focus is on human rights and gender. She is executive director of 'Dreilinden gGmbH' and supports gender diversity globally.*

She has recently published a book called Transformative Philanthropy – Giving with Trust which is about privilege, power and access. Together with co-authors Justus Eisfeld and Claudia Bollwinkel, Ise Bosch reflects on ten years of holistic grant making and impact investments by Dreilinden gGmbH, while also providing an in-depth look at her own method of transformative philanthropy.

Editorial:

Millennials and women of wealth – an opportunity or pitfall for advisers?

Cecilia Hersler *www.philanthropy-impact.org*

Cecilia Hersler

Retaining and recruiting millennials and women of wealth as clients – a first step for advisers

There are many reasons why this issue of the *Philanthropy Impact Magazine* is focused on millennials and women of wealth. One of them is the 'great wealth transfer' which will take place in the coming years. It will see trillions pass from older generations to a younger one.

We believe that it's time that professional advisers took some time to think about how this will affect them and their businesses.

Many things have changed in the course of these generations. One of them is the way millennials and women of wealth view society and how they often wish to integrate causes they believe in into their daily lives. Based on anecdotal stories and research[1,2], the younger generation of wealth owners are also more conscious about investments and often wish to align their money with their values.

For some advisers, these changes might prove challenging. Questions might come up such as 'how do I align my wealth with my values' or 'how can I achieve both a financial and social return on my investments'? Not only are women of wealth and millennials interested in knowing about these things, they have no problem to quickly change to a different adviser if they find that their current adviser is not fulfilling their needs or showing an understanding of their values.

In this issue of our magazine, professional wealth advisers, millennial and female philanthropists and social/impact investors, thought leaders and academics reflect on how the younger generations are changing the face of philanthropy and social investment around the world and the opportunities this can provide to professional advisers willing to take the necessary steps to meet their needs.

Upcoming events on this topic

15 November 2018

Family Philanthropy:
When the future meets the present

To see a list of all Philanthropy Impact's events, please follow this link
http://www.philanthropy-impact.org/events

For advisers to respond to these needs, they will have to show an interest in what drives these individuals, being able to identify opportunities and to understand their values. Being able to do so will play a part in how successful advisers will be at winning and retaining them as clients. Advisers therefore need to be comfortable talking about philanthropy and social investment. To help advisers seize these opportunities Philanthropy Impact has developed a specialised training programme for wealth advisers, which explores the commercial opportunity available to them to meet the needs of millennials, next-gen and women of wealth. The programme will help advisers to prepare and feel confident about having informed conversations with clients about their values, what drives them and how advisers can support clients in using their wealth to change the world.

***Cecilia Hersler** is Director of Training and Development at Philanthropy Impact, responsible for the organisations specialised training programme developed for professional advisers. Prior to this she was responsible for managing the organisation's communications and events programme in UK and Continental Europe. She started her career in international development working in membership development at United Nations Association of Sweden. Before moving to London she worked at the Nordic liaison office for World Food Programme in Copenhagen responsible for managing relations with Swedish donors and strategic partners. She has a Master of Science degree in Development Studies.*

1 *Generation Impact: How Next Gen Donors Are Revolutionizing Giving, 2017, Goldseker, Sharna & Moody, Michael*

2 *#Nextgendonors: Respecting Legacy, Revolutionizing Philanthropy, 2013, Dorothy A. Johnson Center for Philanthropy & 21/64*

The Great Wealth Transfer:

Evolution, not revolution – next generation philanthropy

Geoff Cook *www.jerseyfinance.je*

Geoff Cook

There's no doubt that global philanthropy is on the rise with individuals, families and businesses increasingly wanting to make a difference to society in a structured manner. In the UK alone, for instance, the total value of donations of £1m or more rose from £1.37bn in 2006 to a record high of £1.83bn in 2016[1].

The trend is a long-term one and it is clear that for these efforts to have maximum impact, philanthropy must be considered in the context of the next generation of beneficiaries of private wealth.

Jersey Finance has published a new thought leadership paper entitled *Flourishing Futures*, which examines the intergenerational transfer of wealth and provides guidance on how to make succession a success so philanthropy is relevant in this context.

Complex families

Over the coming years, a phenomenon dubbed the 'Great Wealth Transfer' is expected to see trillions of

dollars passed from baby-boomers to the present-day generation, via the transfer of direct and absolute wealth ownership and the transfer of individual influence in existing wealth-holding structures.

Back in the 1960s when structures were set up by the baby-boomers, the requirements of families were often much more straightforward than they are today. The typical 'one-size-fits-all' trust was set up, for instance, assuming that family members would remain in their 'home' jurisdiction and that they would all share the same wealth-planning goals.

Over the coming years, a phenomenon dubbed the 'Great Wealth Transfer' is expected to see trillions of dollars passed from baby-boomers to the present-day generation, via the transfer of direct and absolute wealth ownership and the transfer of individual influence in existing wealth-holding structures.

As a result, such structures, understandably, had little flexibility built in to them.

However, for the 'next generation' of beneficiaries, things can be more complex and that has significant implications when it comes to wealth and succession planning, sometimes leading to disputes. Indeed, when a trust has a philanthropic purpose, this can be particularly complicated if there are widely differing levels of connection to the cause.

Evolution

In order to address the complexities of modern family life and ensure the great wealth transfer can take place smoothly, trust structures have had to evolve to allow a lot more freedom.

Families tend, for example, to spread their wings further geographically, and are more likely to consist of step-children, long-term relationships without marriage, and same sex marriages, whilst not all family members will share the same personal, commercial or philanthropic goals.

In addition, families are much more comfortable with technology – accessing information and communicating digitally, transacting online, managing their finances via apps or being more open to fintech investment options.

As such, it is clear that it will be the digitally-enabled, flexible jurisdictions and trust providers who will win the day in meeting these changing needs and providing the most innovative solutions to modern family wealth planning, including where philanthropy is concerned.

Opportunity

There are opportunities to support families with philanthropic endeavours as part of the transfer of inter-generational wealth. Indications of this can be seen in the social, cultural and technological trends shaping the global wealth management sector.

The Knight Frank Wealth Report 2018[2], for instance, suggests that only 26% of families have a full wealth transfer plan in place and that the next generation is not being educated early enough about the management of wealth.

Jersey Finance's latest thought leadership paper, in partnership with law firm Bedell Cristin, makes various recommendations to this end, including:

- Prepare a summary of the trust structure which explains the terms of the trust in detail
- Initiate meetings with the next generation to discuss the trust
- Consider how existing structures meet the wishes of the next generation or whether it might be appropriate to establish new structures supporting philanthropic causes
- Review how the trust suits the lifestyles of the beneficiaries and considers family relationships
- Ensure communication is carried out in a suitable manner. For instance, with the next generation expecting fast, accurate information, does the existing approach sufficiently embrace technology, have the capability to interact via social media or offer an easy online platform?

The Knight Frank Wealth Report 2018[2], for instance, suggests that only 26% of families have a full wealth transfer plan in place and that the next generation is not being educated early enough about the management of wealth.

The focus should be on evolution, not revolution. What is important is to prepare properly for change – bearing in mind that, through inheritance alone, the total wealth of high net worth individuals in the UK and North America is expected to increase by US$4 trillion over the next generation[3]. So there is a lot at stake and it is vital to do this right.

Conclusion

It is inevitable that the great wealth transfer will throw up challenges where long-standing trust structures are concerned, and there is a clear need amongst families for specialist support.

Jersey Finance has witnessed the on-going changes in the global wealth landscape and as a result, believes that it is those wealth advisers who anticipate and adapt to change who will be best placed to meet the needs of the next generation and ensure the family's philanthropic legacy is sustained into the future.

[1] *Coutts Million Pound Donor Report 2017. http://philanthropy.coutts.com/*

[2] *Knight Frank Wealth Report 2018. https://www.knightfrank.com/wealthreport*

[3] *RBC Wealth Transfer Report, 2017. https://www.rbcwealthmanagement.com/_global/static/documents/RBC-wealth-transfer-report-2017.pdf*

*As CEO of Jersey Finance, **Geoff Cook** works closely with governments, regulators, financial professionals and investors, to promote the Island's award-winning finance industry, whilst highlighting legal and regulatory developments, as well as innovations in products and services that make international trade and investment easier to do.*

In addition to leading Jersey Finance hosted events, bringing together industry professionals, politicians and regulators to provide an open forum for debate, knowledge sharing and networking, Geoff speaks at and contributes to conferences and seminars around the world. He frequently contributes to leading publications – as well as writing a regular Jersey Finance CEO blog. In promoting Jersey's finance industry, Geoff features in media such as the Financial Times, The Wall Street Journal, The Economist, BBC Radio, the BBC World Service and Bloomberg TV.

Geoff joined Jersey Finance in 2007 with a strong career background in the London banking world, having held senior-level roles in wealth management and financial planning. Geoff is a chartered banker MBA, chartered director, a fellow of the ifs School of Finance, a fellow of the Chartered Institute for Securities & Investment and a member of the Society of Trust and Estate Practitioners. Geoff is also chairman of the Jersey Employment Trust, a locally registered charity whose primary role is to assist people with a disability to prepare, find and maintain employment in Jersey.

There's a huge win when you invest socially

Dame Stephanie Shirley CH *www.steveshirley.com*

Dame Stephanie Shirley CH

The following is a reprint of an article that appeared in the Philanthropy Impact Magazine Issue 10 Winter 2015-2016. The author, Dame Stephanie Shirley CH, is an exemplar; a model for women of wealth and for millennials – both as an entrepreneur and philanthropist.

The relationship between wealth and philanthropy is a subtle one. Aristotle may have described wealth as "whatever money can buy", but that is not how we view it today. Wealth is not defined in terms of what it can be exchanged for, but rather in absolute money terms. Yet if Bill Gates's wealth lay untouched in a bank and he lived in a hovel, eating bread and beans, he would undoubtedly be poorer than those who use money to buy books and see films, who travel and entertain and, in doing so, live richly.

Aristotle forgot what we all know, that there are many kinds of wealth that money cannot buy. A large bank balance is not a mark of achievement. The things that count are those we have earned, done, seen and enjoyed in the course of a life. We need to count what is spent, not what remains. That is why philanthropists give away their money.

Economists seem uncomfortable with the idea of morality. Morals are clear in a business context; acting honestly even when the opposite may be advantageous. Trustees are to be trusted. Managers too have positions of trust in their business. Acting accordingly is their prime moral responsibility. That is why corporates give away money.

The concept of responsible capitalism includes patient capital such as using microfinance to solve societal problems. It is not new, but rather like venture capitalism in investing over longer periods and in its risks. Philanthropy gives meaning to wealth and a voice to the generous; but can also serve to launder celebrity into political power.

Many people believe that philanthropy is only what wealthy people do when they give serious money. A more meaningful definition would be strategic giving, independent of value.

Aristotle forgot what we all know, that there are many kinds of wealth that money cannot buy. A large bank balance is not a mark of achievement. The things that count are those we have earned, done, seen and enjoyed in the course of a life.

Most of us are taught as children to share and give. Perhaps as part of family tradition. Many families struggle to make do, but some mega wealthy people want to limit the amount their heirs inherit so as to release them to make their own way. Devout people give to satisfy divine will. Enlightened self-interest is when we give to others and so, indirectly, help ourselves; perhaps as insurance – to Age UK for possible future benefit ourselves.

Another example of enlightened self-interest comes as entry into some elite group or event. Or with reputation – to show moral dignity not just our spending power – and achieve "fame and good report in this transitory world". Unfakeable authentic advertising.

We give to things that interest us; places with which we are linked; people we like and find stimulating, and who are not sycophantic (wealthy people are

surrounded by the less-than-genuine); all situations where in some ways we get as much as we give.

These drivers contrast with the altruistic; it's the right thing to do: 'giving makes me feel good'. (The positive-psychology movement swears that doing good has fabulous mental health benefits and it's a scientific fact that brain scans show the pleasure centres in the brain are stimulated when we act unselfishly.) My own giving is some sort of repayment for all that I was given as an unaccompanied child refugee.

Perhaps the motives hardly matter. The fact that people give is the birth right and defining characteristic of the human species. Britain has always had a secretive attitude towards money. In the States 'even the bad guys give'.

I believe that giving is more of a social and cultural activity than a financial transaction. People give time and skills; people give blood and body parts. Money alone is seldom the answer.

I believe that giving is more of a social and cultural activity than a financial transaction. People give time and skills; people give blood and body parts. Money alone is seldom the answer.

Of course, giving can be a compassionate act of detachment. I try always to make it a committed act of love. I get personally involved so as to ensure that the money I give truly makes a difference; I always use my business and entrepreneurial skills along with my wealth, never, ever just writing a cheque.

So the giving spectrum stretches from: no reward whatsoever, through acknowledgement, prestige and fun; to tangible returns and a sniff of immorality. Something which chronicles the gift. Such conditionality makes giving into an enforceable contract.

My company took 25 years before it ever paid a dividend but some people have made their wealth overnight or over year and want their giving to make a difference on similar timescales.

Fiscal policies do much to nurture a culture of philanthropy. It may be driven by tax considerations, but the decision as to timing is always a personal one: before a company goes public; waiving a legacy in favour of a charity; spreading a gift over more than one tax year; to mark a special occasion…

Tactical giving – a bit here and a bit there – is both inefficient and ineffective. Giving is no longer amateur but rather professional.

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Our gifts go to things that we know and care about. Perhaps to local projects so that we can really understand what people are doing with our donations. Perhaps further afield. Studies show that women tend to give more to international projects than men do; the diaspora tends to send money 'home'. Getting the leverage of tax breaks is more complicated when giving outside the UK. But exactly the same principles apply.

The personal return comes when we give with a warm hand – what's the point of writing gifts into a last Will and Testament? We create our most lasting legacy not in what we leave behind but in the way we live – especially the way we live with money. Success as a human being comes from learning how to give.

The Quaker Society of Friends gives quietly, usually anonymously. Muslims do not give 'to charity' but rather 'in charity' to individuals (much more difficult) and – like many Jews – think of giving as a duty, not an option. Giving to someone to help their self-sufficiency is viewed as more valuable than giving which might engender a dependency culture.

All faiths are equally valid givers. The important thing is that they all give – many Christians and others do so by tithe. Sikhs believe in life in three equal dimensions, one of which is giving one's earnings, talents and time to the less fortunate. Eastern cultures, in particular Buddhism, have philanthropy-like activities where giving is outside what people value and outside market behaviour; leaving philanthropy as a one-sided exchange.

Governments also make unconditional cash transfers. Nothing beats getting cold hard cash into the hands of poor people. The logic behind much aid is that the donor can do better than the recipients could be enabled to do for themselves.

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Philanthropic money is uniquely well placed to provide evidence to government as to what works. But philanthropists do not support activities that are rightly matters for the state.

Why is giving always high on the list of virtues? I guess that's because anyone can do it. We might not be particularly 'moral'; we might be partial to a drink too many; or have a roving eye; prefer light reading to philosophy. We may not see ourselves as all that spiritual. But we can all give.

As a normal part of everyday living, philanthropy sits very comfortable alongside both our business and social lives. Engaging others is one of its key qualities. I do not accept the established vision of the world as a vicious jungle where only the fit and selfish survive. But neither is philanthropy totally altruistic. It needs to be balanced between the giver and the receiver. We try to evaluate our contributions to understand what we are getting for our money. Not in the sense of bricks and mortar, but rather in terms of Outcome and Impact. The impulse to give does not always square with thinking in such a calculated way. The philanthropist who understands what difference a given donation makes to the world, is a philanthropist who will give three, or even thirty-three, times as much.

As Francis Bacon said: "Money is a great treasure that only increases as you give it away". It doesn't buy happiness. Worldwide, it has been shown that giving it away makes people happier than when they keep money for themselves. It can ruin people's lives. Unless it is made a pro-social experience.

The return when investing in yourself is negative; there's a huge win when you invest socially – the benefit to other people and also, ultimately, to the donor. When you measure philanthropy against the difference it makes, it's indecent not to help.

As Aristotle wrote: "To give away money is an easy matter. But to decide to whom to give it and how much and when, for what purpose and how, is neither in every man's power, nor an easy matter".

*Companion of Honour **Dame Stephanie Shirley** (85) was the first ever, national Ambassador for Philanthropy in 2009/10. Her philanthropy of £68m to-date has included £15m to her professional discipline of IT and over £50m to her late son's disorder of autism. Her recently revised memoir, Let IT Go, is being made into a film.*

Millennials are seeking professional advisers who understand their values

Charles Peacock and Charlotte Filsell *www.sandaire.com*

Charles Peacock

Charlotte Filsell

Given the potential effect on financial advisers' businesses, there is great interest in the trends of philanthropy and social and impact investment and how different generations approach them. Differences certainly exist, but what unites the generations is the motivation to make the world a better place.

In this, family values and ethics provide a continuum and, as has always been the case, personal life experiences contribute new energy to philanthropists' efforts. The shifts between philanthropy and investment reflect the exploration of how best to effect the changes sought.

We recently discussed philanthropy and investment trends among the next generation and millennials and the essential requirements when looking for advisers, with Natasha Mueller, an active impact investor, and Kydd Boyle, co-founder of Horizons (a social enterprise for future leaders).

Choosing causes

Both emphasised that millennials wanted to go beyond a simple financial transaction or donation to worthy causes. Natasha states, "Next generations want to deploy more than their financial assets and to put their emotional, social and political capital to work as well. Next generations want to be a part of something and to join the movement of whatever focal cause they feel passionately about, so whereas previously wealth holders would write a cheque or transfer the funds, the trend I see most obviously in next generations is the deeper engagement and passion they direct to their philanthropy.

The choice of cause(s) to support goes beyond a gender divide and tends to be focussed on those problems that have had a personal impact or global problems that are difficult to solve, such as climate change. There has been a recognition that philanthropy alone will not cure the world's ills and that some of these global problems will require interventions and cooperation on an international basis. There has also been a growing sense that capitalism has lost its conscience and disquiet about income inequality, which is leading to a cultural and political shift. At the same time, the tools which philanthropists can use to focus their energy and passion have changed.

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Technology and the emergence of social media have provided a more accessible platform to promote causes and influence or pressure policymakers and legislators. Kydd observes, "Millennials, who have been lucky enough to earn or inherit significant wealth, have been impacted by campaigns such as the ALS Ice Bucket Challenge (raising awareness and money for motor neurone disease) and inherently understand the power of social media. Harnessing this power means that it costs less to launch and maintain a campaign now than it would have done in, say, the 1980s. It is therefore unsurprising that we have seen the rise of a range of campaigns such as #1millionchildren initiative or Unite for Mental Health."

When it comes to using their wealth, millennials are concerned about making their money go further and are interested in finding sustainable interventions and solutions. In philanthropy, we see this reflected in a desire to learn about a topic and understand the issues in order to direct effort and resources as effectively as possible. The arrival of the internet and the mass of information now available online has undoubtedly made research more accessible. In the management of their wealth, we see a growing wish for personal values to be expressed in their investment portfolios.

At one level, this has led to the sustainable and responsible investing movement and the integration of ESG (environment social and governance) criteria. The development of social and impact investment is offering the prospect of achieving returns measured in more than merely financial terms. As Natasha says, "Most next gens don't see a trade-off between financial and social/environmental returns and believe they can go hand in hand – a massive deviation from the previous generation's thinking and one of the reasons that impact investing has become more of the norm."

While many businesses may long have been delivering more than financial returns, social and impact investing is bringing intention to the fore in investment selection and outcome measurement to the evaluation of success.

What are the implications for advisers?

Millennials are looking for advisers who understand their values and can support their engagement. Natasha observes that "value alignment with my advisers is essential to me. They need to understand my motivation for doing impact investments and philanthropy and be able to guide and support me so that both financial and social returns are achieved. At the same time, it is also important that my advisers challenge my thinking and make me think outside the box."

Kydd adds, "The best advisers will be able to be part of a client's wealth ownership journey – they will be a rudder rather than an anchor. They will use their in-depth knowledge of financial opportunities, risks and restrictions to find a realistic solution for client goals."

Given millennials' wariness of banks and financial institutions, the building of relationships and trust may take longer than in the past and require a more holistic approach than one based simply on financial competence. The investment of time and effort will mean that not all millennial clients will be profitable from the outset, certainly based on a traditional fee model, but it does offer financial advisers the potential for a closer enduring relationship with their clients.

Conclusion

Leaving the final words to Natasha, she nonetheless offers hope for financial advisers to maintain their role as wealth passes from one generation to the next, "Another aspect that is important for me is the notion of continuity. Although my motivations and approaches to investing and philanthropy differ to a large degree from those of my parents, the values that I hold are a result of my upbringing and it is important to me that they continue to be reflected in my activities. Family offices such as Sandaire and family advisers are therefore essential in enabling that value system and 'more to wealth' attitude to be passed down the generations."

Charles Peacock *is a client relationship director at Sandaire, which he joined in 2010. He has 35 years of financial services experience, 30 of which have been spent providing advice to businesses and individuals. He has been a trustee of a number of grant-making charitable trusts since 1990 and was a trustee of Fairbridge, a national youth charity, for four years before its merger with The Prince's Trust.*

Charlotte Filsell *is head of client relationship management at Sandaire. Charlotte has principal responsibility for leading client relationships and delivering excellent client service. Before joining Sandaire, her wealth of investment experience was gained through her career at HSBC Asset Management, UBS and latterly HSBC Private Bank, where she held the position of Head of Investment Counsellors for the UK and Channel Islands and was a member of its London Investment Committee.*

The relationship between football, philanthropy and millennials' approaches to giving

James Maloney *www.farrer.co.uk*

James Maloney

Following this summer's football World Cup, the young French footballer Kylian Mbappé won plaudits[1] for donating his World Cup earnings to charity. In the euphoria surrounding the England national football team's recent run to the semi-finals, it is also worthy of note that since 2007 England players have donated their wages for international games to the England Footballers Foundation in 2007, raising over £5 million for charitable causes.

These recent feel-good stories about footballing philanthropists contrast sharply with the popular view of football as a sport of greed and excess. In 2005, the Financial Times claimed[2] that: "Greed is threatening the beautiful game". More recently the New Statesman asked:[3] "Why is there so much greed in English football?". Conventional wisdom holds that modern players are motivated more by money than by success.

…the New Statesman asked:[3] "Why is there so much greed in English football?". Conventional wisdom holds that modern players are motivated more by money than by success.

This is neither fair nor the full story. Many football clubs have long supported charitable projects. In 2014, Charity Financials found[4] that charities set up and funded by Premier League clubs had a combined expenditure of £24.7m; not an enormous sum in the context of the wages paid to top players, of course (combined wages payments by the 20 Premier League clubs added up to £2.5bn in the 2016–2017 season[5]), but not an insignificant contribution to charitable causes either.

Many individual football players have also given philanthropically. Some of these initiatives have been supported quietly; others with greater fanfare. Some start with good intentions that then go wrong (often for reasons outside their control), as the Charity Commission's December 2016 case report on its investigation into the Didier Drogba Foundation[6] and the alleged shortcomings in the administration of Craig Bellamy's charity in Sierra Leone[7] have showed.

The Common Goal initiative

The widespread view that top-level footballers are greedy was given a significant setback last August, however, when the Manchester United and Spain midfielder Juan Mata pledged to donate 1% of his salary to a collective fund known as Common Goal. He called for others to join him.

Common Goal[8] is an initiative of the Berlin-based NGO Streetfootballworld. It is an international network of 127 charities and other community organisations in 80 countries with the purpose of tackling social issues such as education, health and social integration through football.

Days later, at a press conference before Manchester United's UEFA Super Cup final against Real Madrid, journalists asked Mata about Common Goal. It was clear his announcement had made an impact.

A fortnight later, Mata was no longer alone. The Bayern Munich and Germany defender Mats Hummels agreed to join Mata in donating 1% of his salary to Common Goal. Since then more than 50 players and coaches from 20 different countries have joined the initiative, with prominent players including Alex Morgan, Megan Rapinoe and Heather O'Reilly, three of the most prominent members of the USA women's national team. Most recently on 1 August, the Icelandic international player, Frederik Schram,

signed up to the initiative. Five British players have joined to date, including the England women's goalkeeper, Siobhan Chamberlain.

The Common Goal initiative is interesting for a number of reasons.

The first is the profile of the players who have joined the initiative to date. Those who joined first were at the peak of their careers (aged between 29 and 34) and notably all had been World Cup winners. They are role models beyond their own clubs and countries.

But the nature of the donation (one based on a percentage of income rather than absolute sum) makes the gesture inclusive rather than exclusive. Whether a player is at the very top of the profession earning hundreds of thousands of pounds a week, or playing in the lower leagues earning a salary closer to the national average, all are potentially able to make the same commitment. This is reflected in the players joining the initiative more recently, from those as young as 21 to those playing in less remunerative leagues.

Secondly, those players who have joined the call are from the 'millennial' generation that appears to have new ideas about philanthropy. A Forbes piece published in February 2017 argued[9] that "Rather than making random or one-off donations, [millennials] are a generation characterized by integrating the causes they care about into their daily routines."

Here, the Common Goal initiative echoes the Founders Pledge, through which a group of tech entrepreneurs (many themselves from the millennial generation) have committed to donate 2% of their personal proceeds to a social cause of their choice following a business sale. Its CEO David Goldberg has said that: "Founders Pledge is working to move the needle for entrepreneurs as it relates to philanthropy and getting founders to start to think about doing good early on in their careers." Mata's gesture does something similar for professional footballers.

Thirdly, the nature of the giving is through a collective fund. There are many different ways for philanthropists (footballers or otherwise) to give, of which the main options are:

- Making donations directly to support charities (which can be traditional 'chequebook' philanthropy)
- Establishing a foundation, sometimes bearing the founder's name, through which he or she retains a greater degree of control over how the funds are spent and takes on responsibility (with his or her trustees) for running a charity
- Using the services of a donor-advised fund, through which the philanthropist gives up a degree of control but also hands over significant legal responsibility.

Which of these options is most appropriate for an individual will depend on their own priorities and preferences. For some donors, keeping control over how their donations are used will be critical. Others are more concerned about reducing administration and minimising liability.

What is interesting about Mata's explicit call for a "Common Goal XI", the creation of "the biggest football club in the world" and for his gesture to be "shared" was the way this echoed not only football's own sense of the collective but also the preferences and priorities of a new millennial generation of philanthropists. Research by the fundraising platform Give as you Live has found[10] that "millennials seem to express their individuality through practices that resemble sharing, rather than giving."

Mata himself seemed to be aware of this, stating in a blog for the Players' Tribune[11] that his was "a small gesture that if shared can change the world". He added that: "I'm asking my fellow professionals to join me in forming a Common Goal Starting XI. Together we can create a movement based on shared values that can become integral to the whole football industry – forever. I am leading this effort, but I don't want to be alone."

Conclusion

The real value of Mata's donation is the precedent value it creates. The possibility of his generosity being shared by those across the game – and perhaps even being replicated more widely in society by a younger generation of givers – creates the potential for something truly transformative.

James Maloney *is a partner at Farrer & Co and advises charities and philanthropists on the full range of charity law issues. He works particularly closely with philanthropists on the legal aspects of structuring their giving, whether through charities or alternatives, as well as advising on donor tax reliefs, regulatory requirements and cross-border issues. He is a member of the STEP Philanthropy Advisors Global SIG Steering Committee.*

[1] *https://www.forbes.com/sites/jakehayman/2018/07/17/mbappe/#6784802139a2*

[2] *https://www.ft.com/content/7110585c-3a81-11da-b0d3-00000e2511c8*

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[6] *https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/574136/didier_drogba_foundation.pdf*

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[8] *https://www.common-goal.org/*

[9] *https://www.forbes.com/sites/jefffromm/2017/02/25/millennials-are-influencing-the-future-of-philanthropy/#7acf621678f9*

[10] *https://www.giveasyoulive.com/pdf/futurology.pdf*

[11] *https://www.theplayerstribune.com/en-us/articles/juan-mata-manchester-united-common-goal*

The many and changing ways to give

Caroline Dewing and Francesca Griffin *www.thefutureofphilanthropy.org*

Caroline Dewing

Francesca Griffin

Many of those interested in taking their first steps in philanthropy find deciding where and how to give particularly challenging. Who can blame them? We live in a world of accelerating change. This is why in 2017 the Future Agenda team ran a series of nine workshops in seven countries in order to explore the key issues and identify how to make the most of giving. A report, the Future of Philanthropy, was published earlier this year.

It is clear that we are seeing a fundamental shift in who gives, the way we give and how change is created through philanthropy. As the Baby Boomers give way to the next generation, the rationale and focus is shifting. In every workshop, in every location we visited it was clear that millennials are fed up with the profligacy of their elders, recognise the need to do things differently and are looking around for new and innovative ideas to make better things happen. They want not only to make giving part of their daily lives, but also to have a direct influence in the way that their donations are spent.

It is clear that we are seeing a fundamental shift in who gives, the way we give and how change is created through philanthropy. As the Baby Boomers give way to the next generation, the rationale and focus is shifting.

Millennials share the same 'hands on' approach as tech philanthropists (indeed many tech philanthropists are millennials). Often their social mindedness and global outlook is matched with a distrust of existing structures and aptitude for the new tech tools for philanthropy. Armed with these, and a recognition that their future is at stake, their philanthropic impact focuses on pooling individual contributions towards a common goal, speed of delivery, increased transparency of action and ensuring the effective monitoring of results. Many workshop participants also believed that millennials are more interested in the delivery of longer term systemic solutions rather than the immediate relief of distress and difficulty.

At the same time there is growing evidence that women are having greater influence in the field of high-impact giving. Some in our workshops suggest that the reason for this is not just because more women now control more wealth (45% of American millionaires are now women) but because many expect the new threats to gender equity, particularly under the Trump administration, will quicken the pace at which wealthy women choose to take a stand. A direct consequence of this is an increase in the number of women's funding networks. Women Moving Millions, a global community of donors, has more than doubled in size since launching.

At the same time there is growing evidence that women are having greater influence in the field of high-impact giving.

Improved access to data is playing a huge role in shifting donating from being reactive and responsive to becoming more proactive and impact driven. The increased transparency that new technology offers has also helped build trust. Donors are more easily able to follow their money and see change directly linked to the funds they have provided. Crowd-sourcing initiatives, collaborative giving and integrated giving programmes are also now popular. Those who aim for the same efficiency of giving as in their work see venture philanthropy and impact-driven philanthropy as new ways to solve old problems and some of the very big donors, including the Gates Foundation, even run competitions to uncover innovative approaches to philanthropy which are then extended if they have impact.

If you are successful, the most popular way to give is still to set up a foundation that exists in perpetuity and gives out a percentage of the returns each year. However, many younger donors find that this approach limits the potential impact they can have and, keen to make a significant difference in their lifetime, have adopted new ways of giving, for example by engaging in public-private partnerships and impact investing, and leveraging private capital for public good. Some also spoke of the potential emergence of outsourced 'virtual foundations' which are replacing the need and cost of individuals choosing to create their own.

Donor-advised funds

An increasingly popular mechanism for those who are cash-rich, time-poor and keen to make better use of their investment portfolio, is investment in a donor-advised fund or DAF. These act like a client's own foundation or charitable trust, but with none of the headache of set up and ongoing administration.

The main advantage of a DAF is that it allows the separation of the process of tax-efficient giving from the more complex process of identifying charities to give to. Individuals can commit their resources to philanthropy in principle, leave the charitable institution the responsibility of making financial investments and then make decisions on their area of specific interest later. They can also be anonymous, making giving easy for clients who favour keeping their donations private. Their convenience and adaptability make them deeply satisfying vehicles for many donors.

There are sceptics who say it is unclear whether DAFs actually increase the amount of money that reaches the needy. Their lack of transparency causes concern particularly as, unlike foundations, they do not have to make annual donations. But DAFs can only be used for charitable purposes and there are serious repercussions if donors are seen to benefit – not least the stripping of DAF charitable status. Also, lack of transparency can only go so far. Although individuals can remain anonymous, all DAF donations in the UK must be disclosed to the Charity Commission on an annual basis.

Conclusion

From a regulatory perspective DAFs are a useful mechanism to incentivise giving. This is needed. In 2018 the Financial Times quoted research from Beacon Collaborative that shows that the wealthy in the UK often donate very little. The median level of giving among so-called high net worth individuals, those with £1m–£10m in investable assets, is just £450 a year. Among the ultra-wealthy, those with more than £10m, it is just £240. For some, giving money to charity is simply too complicated and ineffective. It is therefore perhaps churlish to criticise those who do give just because they are making the most of sensible tax planning. Rising stock markets and share values create potential capital gains tax liabilities but donating shares results in a reduction to an individual's CGT bill and will potentially make a positive difference to others. What's not to like?

Caroline Dewing *is the co-founder of Future Agenda an open source think tank and strategic advisory and co-author of The Future of High Impact Philanthropy.*

Francesca Griffin *is a final year philosophy, politics & economics student at the University of Oxford, and former Philanthropy Intern at C. Hoare & Co.*

Young Asians form a giving circle: Experimenting with philanthropy by learning from one another

Rob John *https://about.me/robjohn*

Rob John

Over the last several years, I and my colleagues at NUS Business School were curious about how philanthropy in Asia is adapting to new opportunities arising from the growth of social entrepreneurship[1], and the intergenerational flow of family wealth.

Amongst the actors in this region pursuing innovative philanthropy are corporate foundations[2], wealth managers and individuals who give collectively through giving circles. In Asia there is a strong tradition of businesses and wealth passing along family generations. Today's 'next gen' philanthropists in their 20s and 30s are steeped in family-giving traditions while also exposed to contemporary, western practices through education and travel abroad. In this case study[3] we see how a group of young Asians formed their own peer group to experiment with giving models and learn from each other.

In Asia there is a strong tradition of businesses and wealth passing along family generations. Today's 'next gen' philanthropists in their 20s and 30s are steeped in family-giving traditions while also exposed to contemporary, western practices through education and travel abroad.

The 20/20 Social Impact Leaders' Group

Simon Feng Ou grew up in Taiwan, was educated in the US and spent time with his family's sports equipment business in China before pursuing a career in the sustainable energy sector. En Lee is a Singaporean, who having spent over a decade in London and Hong Kong working in finance and law, has spent the last six years pioneering impact investing in Asia. Meeting at the UBS global philanthropy forum in Switzerland, Ou recalls how he and Lee "lamented how few philanthropy events catered for the younger generation". Moreover, very few of them discussed innovative approaches like social entrepreneurship and impact investing. Deciding to change that, Ou and Lee gathered together other like-minded individuals in their 20s and 30s who wanted their giving to create meaningful and sustainable impact. Ou says: "In 2013 we started a group called UBS 20/20 Social Impact Leaders' Group hoping to engage next-generation leaders through peer-to-peer learning for the

purposes of collective action, but also we wanted to have an issue-centric approach to provide an effective solution." After several workshops together, the head of philanthropy for UBS in Asia Pacific, suggested the group form a giving circle in partnership with UBS Optimus Foundation (an independent grant-making foundation set up by the bank in 1999 with a focus on child well-being).

The wider purpose of the 20/20 group is to support and incubate at least 20 new 'social impact leaders' in Asia by 2020, 'empowered by expertise, resources and networks, to create positive, sustainable social impact through action'. The giving circle is the group's first collective action. The group's 20 or so members, living in Hong Kong, Taiwan, Singapore and China, pooled their funds together and committed to attend at least three of the four physical meetings held each year.

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The first project: China

For an international group of busy individuals in early-career, the relationship with UBS Optimus Foundation was valuable in providing focus and structure. "The Foundation has expertise in early childhood development, so working with their advice we narrowed down to a shortlist of three non-profit projects we might support in that field, finally choosing a grassroots organisation in Daliangshan, a mountainous area in Sichuan Province, China. As this was our first Impact Circle project, we decided to start with a philanthropic grant but be proactively involved and seek accountability in outcomes," says Ou. The UBS Optimus Foundation also helped the group by holding workshops on project design, grant management and impact assessment, and has matched project funds raised by the 20/20 group members. The project aims to provide early childhood development to the Yi ethnic minority community in the Daliangshan through a 'public-private philanthropy partnership' involving local government and grassroots organisations with academic and international partners.

Learning together

A site visit to Daliangshan was organised in late 2014 giving the group an authentic on-the-ground experience and understanding what the project aims to achieve. Group members originally intended to be actively engaged as the project progressed, but Ou admits, "it has been difficult to coordinate all the different parties, so we rely more on UBS Optimus Foundation providing us with project updates during our quarterly meetings". Despite the logistical challenges, he feels it has been a more positive, insightful experience than just passive giving alone: "Although it's been time consuming and harder than we originally anticipated, it's been more fun and collaborative, and has given us a detailed analysis of the problem and the solution; we're also much more willing to go on a site visit when part of a group."

The giving circle's lead in supporting a grassroots organisation resulted in other potential donors showing interest in continuing and expanding this partnership with UBS Optimus Foundation. There is also encouraging policy news with the Chinese Government announcing US$370 million investment in early child development in Daliangshan, including a new teacher training college. The local charity supported by the giving circle is now officially registered as an NGO, and all early childhood development centres in the remote mountains now have legal status and are recognised by the government, removing a big threat for both the local charity and the children.

Policy impact

It is early days for the group, but Ou feels some valuable lessons have already been learned: "Despite coordination difficulties, we were able to keep …the members of the group fully engaged and updated on project progress. The positive changes in Government policy mean that more than 30% of Yi children in Daliangshan have access to early childhood development centres or day care. With all these positive outcomes, it has been an amazing journey for all of us. We hope that our next project's timeline will be longer than 12 months so we can see it develop from start to finish."

Nurturing the next philanthropy leaders

Simon Ou's career in renewable energy required a relocation to California and so he passed his responsibilities to another group member, 28-year-old Alvin Li, from Hong Kong. While training to be a physician, the compelling vision of social entrepreneurship led Li to give up medical studies and launch multiple charity financing and social initiatives, including Givo, which uses technology and social media to help charities raise funds from foundations and individuals; the Kommon Goods is a Hong Kong-based lifestyle brand that produces eco-friendly items such as metal straws, bamboo toothbrushes, bamboo utensils and reusable bottles for hotels and as corporate gifts.

Conclusion

I know from my own research in Asia and from studies in Europe and the US, that joining a giving circle has a profoundly positive impact on the giving habits of its members – they become better informed about social issues and philanthropy, they give more generously and do so more strategically. The 20/20 group has similarly benefitted from collective giving, peer learning and a strategic partnership with an established corporate foundation. Their experiences provide one model for engaging the next generation of philanthropists in Asia.

This article is based on a case study written by the author, available at: http://givingcircles.asia/case-studies-details.aspx?cs=12

[1] *Innovating Times for Asian Philanthropy, Rob John, Philanthropy Impact, Issue 9, Autumn 2015, page 22*

[2] *Innovative Corporate Philanthropy in Asia, Rob John, Philanthropy Impact, Issue 17, Autumn 2017, page 6*

[3] *The original version of case study was first published in 'Corporate Philanthropy in Asia: Innovations that unlock the resources of business for the common good.', by Rob John, Audrey Chia and Ken Ito, Asia Centre for Social Entrepreneurship and Philanthropy, NUS Business School, Singapore (2017), page 49.*

Rob John *is an Associate at the Centre for the Study of Philanthropy and Public Good at the University of St. Andrews. You can access Rob's publications and contact him through https://about.me/robjohn*

Why next gen philanthropists are being set up for failure

Jake Hayman *www.tenyearstime.com*

Jake Hayman

Parent after parent are making the same mistake in their philanthropy and setting their children up for failure rather than success. No wonder the Next Gen doesn't want to engage with family philanthropy.

Painting the picture

You can see the moment it happens, over and again. A mother in her 60s walks her bright-eyed 25-year-old son into her office and says, "Son, I am getting old and it is time for you to take over the foundation – our family legacy. I'd like you to meet your team…".

First up is Phillip, the foundation financial adviser. Phillip has managed the family money for the past 25 years and faithfully fulfilled his job description: to grow it. Phillip does not care about philanthropy. He does not care about the impact of the foundation's investment on the world. He does not care that if the family actually spent this money rather than tried to grow it, they might actually make a difference in the world. Phillip is in charge of the money and he is the first enemy of the impact it could have.

Next up is Phillip P, the family lawyer. It's such a coincidence that there are two Phillips but here we are. Phillip P chairs the family foundation. He is not there to make any decisions, just to issue caution. Phillip P knows that the most important thing is managing risk. Phillip P does not like new things, he does not like radical things, he is conservative to his core. He sees risk in everything and, by doing so, has saved the family on numerous occasions over the years. He is a loyal servant. Phillip P does not give any money to charity himself as he views himself as middle class rather than wealthy even though he is in the richest 1% of the population. Phillip P is in charge of the process and he is the second enemy of impact.

Thirdly we have Uncle Andrew and Aunty Matilda. Uncle and Aunty squandered a large part of their share of grandpa's money by not listening well to either of the Phillips. They stay close to the family power by staying involved with the foundation and using its cash to fund their own social status. They are our third enemies of impact.

So here we have it, a financial adviser who wants to increase capital at the expense of society when the job is to give it away to society's benefit, a lawyer who wants to keep things in the family when the board is dying for expertise and two family members who see it as an opportunity to build their social capital.

So here we have it, a financial adviser who wants to increase capital at the expense of society when the job is to give it away to society's benefit, a lawyer who wants to keep things in the family when the board is dying for expertise and two family members who see it as an opportunity to build their social capital.

No wonder our protagonist, so desperate to make his mark on the world, simply shrugs his shoulders rather than shows any gratitude. Just in case anyone feels I'm exaggerating for effect, the data on foundation trustees came out this July and it shows trustees to be two-thirds men, 99% white, and a distinct trend to old and rich. This is the antithesis of the profile that anyone who wants to change the world should be recruiting for.

Breaking the cycle

It is nigh on impossible for people who are distant from communities they wish to serve to make good decisions about how to spend money to benefit those communities. In the hierarchy of what they need in terms of support, new philanthropists need experts in the communities that they exist to serve to bring them a diverse range of views and challenges and access to voices that will allow them to become useful. They want to be around people who are different from them, who can teach them something, show them a new lens on the world and give them a fighting chance of being worthy of this money that randomly fell to them by virtue of bloodline.

The next generation of wealth need to be given space from their financial advisers and lawyers, their families and their random loyalties so that they can build their own expertise and narrative.

The next generation of wealth need to be given space from their financial advisers and lawyers, their families and their random loyalties so that they can build their own expertise and narrative.

If your starting point is to make a difference in the world, your first three appointments are someone with a deep academic, technical understanding of the challenges you are working on, someone from and connected to the communities you exist to serve and a frontline worker who can help you navigate the services that are already in place.

You might follow them up with people with experience of running charities and policy experts who can help you navigate your role alongside that of government.

Instead, you get the Phils. When it comes to philanthropy, lawyers and financial advisers should be paid to serve your greatest ambitions rather than to preserve their own positions of influence.

Conclusion

We have a long way to go but the first step is to look at your family foundation trustee board or the network you are putting around your next generation and ask 'is this the team that'll change the world?'.

As for the advisers, it is not hard to be part of the solution: tell your clients that philanthropic money exists to serve community not client and tell them that they can pay for professional advice any time they need it but community insight needs to sit at the heart of their decision-making. They'll thank you for it.

Jake Hayman *is the CEO of Ten Years' Time. He co-founded the firm, following four years working in New York with the foundation arm of the social-purpose business Peaceworks. Jake speaks regularly on panels and at conferences on the future of philanthropy and the need for more innovative grant-making.*

He is also an UnLtd social enterprise award winner and has a certificate in Global Health from Imperial College, London. In 2014, he was voted one of London's 'Most Influential People' and worked in 2015 as an e-tutor for the University of Cambridge on their Masters in Sustainability.

Jake is involved in a number of start ups and also co-founded the award-winning social enterprise, Future First, which builds alumni networks for over 10% of UK state schools and is expanding globally thanks to support from the Open Society Foundations.

An invisible opportunity: Engaging women of wealth around philanthropy

Leesa Muirhead *www.tsiconsultancy.com*

Leesa Muirhead

One might rightfully ask, how is it possible for an entire industry to overlook the uniqueness of the financial and philanthropic needs of women. As part of a global gender-diversity survey undertaken by eBay, one key finding was 'a pervasive mix of unconscious mind-sets, behaviour, and 'blind spots' that color anyone's perceptions of gender.' In other words, most advisers do not even realise they are overlooking women's needs.

This sentiment may be true for many of your female clients who would like to make a positive impact with their wealth. As their adviser, you have the potential to change the dialogue and provide some much needed guidance. Advisers are the ones who can effect real change through the choices they make each day, from who they target as clients, to how they interact and communicate with them.

…most advisers do not even realise they are overlooking women's needs.

A surprising number of advisers are reluctant to engage their clients in conversations about philanthropy, though many studies show that clients would actually welcome guidance and advice in this area.

87% of women looking for an adviser, say they can't find one they can connect with . The female market may be complex, yet it presents seismic opportunities. Women want a plan that connects to their lives, and they want an adviser who is not afraid to discuss the emotional aspects of life; an adviser who will build a relationship based on asking questions, listening and understanding their personality, values, opinions, attitudes, interests and lifestyles.

Why discuss philanthropy?

1. Deepen your client relationships

Philanthropy is often a personal and meaningful topic for clients. Although many advisers consider philanthropy as a tax-saving vehicle only, many clients are motivated because they believe their gift can make a difference, or for personal satisfaction.

Introducing philanthropy in financial planning discussions can provide opportunities to develop a deeper relationship with your clients. Conversations about taxation or estate planning will remain a large part of the dialogue, though introducing the topic of philanthropy can help you learn about your clients' passions, their history, their guiding morals and how they envision their legacy.

2. Retain family assets

Beyond providing a better service for your client, a discussion about philanthropy provides an opportunity for you to connect with your client's core aspirations and values, and over time, with your client's family (and heirs).

Many philanthropic-inclined clients have a desire to create a legacy. By offering an inclusive experience – which tailors to the emergence of women as a financial force, as well as including younger generations in the conversation – the family can shape philanthropic goals together. In the process, this willingness and confidence-building approach, will engage and educate all family members to be stewards of their family's wealth.

Research has shown that when estates transition to wives or heirs, over 90% of the time, those heirs immediately move assets to their own advisers .

Forging strong, meaningful relationships with your client and the family can mitigate the relationship risk, positioning you as an adviser to the entire family.

3. Obtain referrals by positioning yourself as an expert

In recent studies, 60% of advisers said that discussing philanthropy with their clients helped establish new relationships. This is because so many clients want to include philanthropy in their financial plans, and they need advisers with philanthropy expertise to facilitate strategic and effective giving.

By honing your skills in this area, you're likely to generate referrals from peer clients as a result of listening, providing satisfying advice and a tailored approach.

Starting the philanthropy conversation

1. Start early

Frequently, advisers will introduce philanthropy vehicles as a solution to a tax or estate planning issue raised by the client. However, many clients would prefer that an adviser broach the subject of philanthropy earlier in the relationship. By doing so, you can incorporate philanthropy in your client's financial plan from the start; listen, learn and set a clear vision of the client's goals so you can deepen your relationship.

2. Ask the right questions

Even if you know your clients want to discuss their philanthropy, you might feel awkward initiating a conversation on such a personal matter. Open-ended questions can get the ball rolling and help you understand your client's priorities and concerns.

Conversations that address the deeper, more personal aspects of your client, in tandem with addressing strategic and product needs, provide an opportunity to deepen the relationship and understand more about your client's wishes, aspirations, moral, and philanthropic intentions.

Here are some examples:

- Is there anything you'd like to do for the community?
- What type of legacy do you want to leave?
- What issues or causes are you most passionate about?
- What motivates your philanthropy?
- What values do you want to pass along to your family?
- What are your philanthropic goals?
- Are there personal goals that you've set and not accomplished? How could philanthropy help you achieve them?
- What are your concerns about wealth and your children/family?

Once you have an idea of your client's philanthropic goals, you can begin to address strategic recommendations to determine the effectiveness of a client's philanthropy:

- What are your values and beliefs?
- What is your definition of 'success' and how can it be achieved?
- What are you accountable for?
- What will it take to get the job done? How involved can you be?
- How will you learn and improve on your philanthropic journey?

These questions can measure the impact of your client's philanthropy, to facilitate adjustments as needed and inform a more meaningful wealth management strategy. This enables you to become, and remain, your client's trusted adviser.

3. Develop your expertise

To have meaningful philanthropic conversations with your female clients, it is imperative you develop an expertise in capturing your client's heart and mind, as well as philanthropy. This can be achieved by reading, attending learning events or seminars, and collaborating with specialist philanthropic advisers.

Leesa Muirhead *has 20 years' experience working with purpose-driven organisations and leadership. Leesa is COO of The Social Investment Consultancy, mentors for the Cherie Blair Foundation for Women, sits on the Advisory Board of OneSqin and qualified as an accredited coach in 2016.*

A successful strategy

For many clients with philanthropic intentions, their desire to give is underscored by uncertainty about which causes to support, how their gifts will be put to use and how to effectively give.

Once you have verified that your client has an interest in philanthropy and perhaps even specific goals, you can help your client adjust their wealth management strategy accordingly.

Conclusion

Advisers with strong listening and relationship building skills will be successfully rewarded when working with women. By knowing how to discuss philanthropic goals with your female clients – being clear and simple, and energising confidence in your client's abilities – you offer them a strategic, impactful and meaningful giving strategy, high satisfaction levels and, for the adviser, development of a strong female-friendly brand.

[1] *The Financial Brand, When Marketing to Women, Financial Brands Fall Short, December 4, 2013*

[2] *PriceWaterhouseCoopers Global Private Banking/ Wealth Management Survey in 2011*

[3] *The U.S. Trust Study of the Philanthropic Conversation, June 2018*

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- 20% discount on advertising
- 20% discount on event fees for employees and partners who are non-members
- First priority for hosting, chairing and speaking at events; and for contributing articles for our magazine
- Feature the Philanthropy Impact logo in your marketing material

How to *join us*

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