

More Thoughtful

Volume 1

Building a culture of philanthropy





“Building a culture of philanthropy
in the UK is essential – but it’s
the biggest ask of them all.”

Discuss...

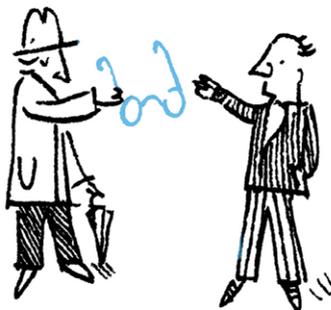
And that’s exactly what they did at **More Thoughtful**, a forum for movers and shakers from the UK charitable sector, one grey winter’s afternoon in London. They came from all kinds of organisations: charities big and small; museums and theatres; schools and universities; learned societies and environmental groups. Even foundations and donors were represented. Together, they lit up the room with intellect, passion and humour.

Why had they come? Well, we’d like to think it’s because they share More Partnership’s philosophy that philanthropy has the potential to create a better world – and that more partnership (with small letters) is the way to harness the power of giving. By bringing this group of influencers together, we hope that we have made a small contribution to building the new culture of philanthropy, as well as a major contribution to the debate. In the interests of broadening that debate and sharing the learning, here are some highlights of the discussion and – at the back of this booklet – a list of all those who attended. We hope that you are inspired by our small gift of dramatised ideas.

“You can’t build a culture of philanthropy, without building a culture of accountability.”

Discuss...

The buzz in the room was that accountability – in all its forms – is essential to a healthy philanthropic culture. The simple human need to hear the words “thank you” is all too easily forgotten in a complex organisational environment. But it’s not just about hearing. It’s also about seeing: seeing the world through the giver’s eyes, rather than through our own distorting fundraising lens. This will not simply enable us to provide donors and potential donors with the information they want but put us in a stronger position to understand our own ethical values too. Here’s the gist of the discussion...



“Building a culture of accountability also means inculcating a culture of stewardship and recognition. That’s hard to achieve in a university like mine. Academics are not the easiest group to engage with. And it’s not enough for the major gift officers to be doing the thanking. Still, I started by educating myself and went to the USA and Canada to learn. It was a great inspiration... I came back thinking that the task was probably impossible! But since then we’ve made a lot of progress. We sent our other senior academics on a course too and the culture of stewardship is building.”

“At one American university, I met a head of department who said that he ended every day in the office asking himself which alumni he needed to thank for their donation. You know you’ve succeeded in building your culture of stewardship when you hear that!”



“But there’s a huge learning curve for the donor too. They need to know what to expect in return. I know of one small theatre where a donor kept asking for free tickets until the cost added up to more than the original donation. There are obligations on both sides.”

“Surely, the joy of giving is seeing the results of what you do, and being appreciated for that.”

“True, but some big charities are doing exceptional work in the field but not passing on this energy to major donors... so those donors leave them.”

“I heard of one big, household-name charity, that sent a letter to a major donor, which started: ‘Thank you from the donor-processing team!’”



“We put an ad in the last issue of the News of the World. Was there an ethical debate? Of course – and it involved our whole board. But in the end, there were 10 million people in Africa who risked dying of malnutrition. The good outweighed the bad.”

“Listening to major donors can be hard for big charities that traditionally rely on gifts of £2 to £10 a month. Last year, we overcame a big cultural and ethical hurdle when we worked with a donor to co-create a service. The deal was the donor’s involvement: take it or leave it.”

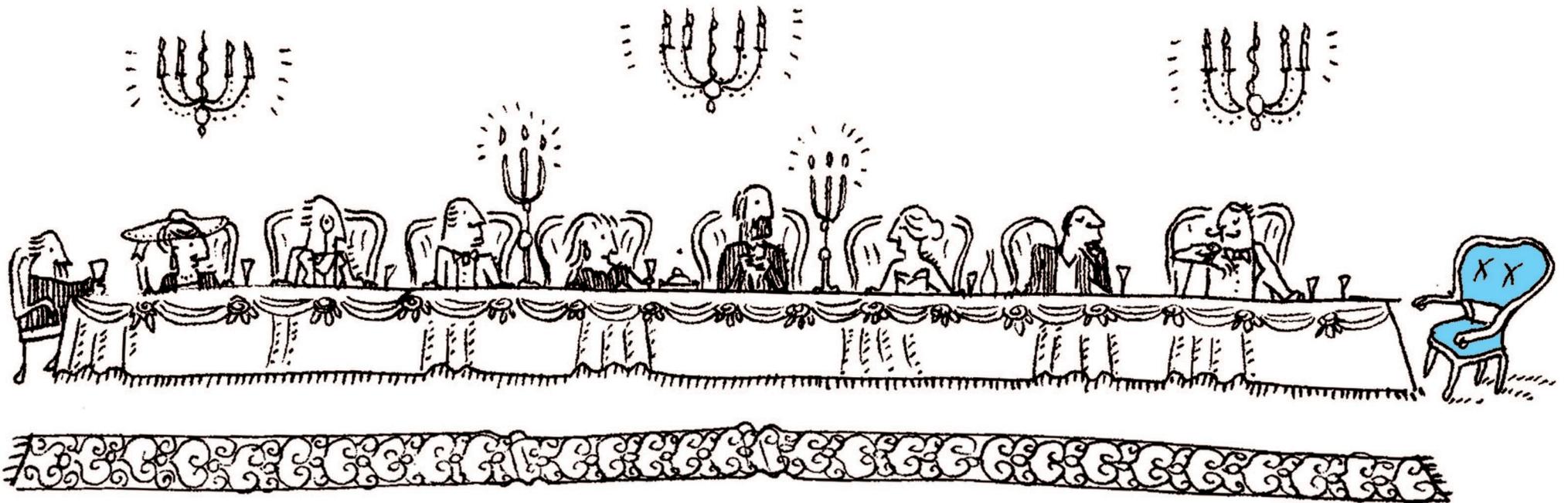
“But who *wouldn’t* you work with?”

“You need to have checks in the system, though. We need to celebrate giving. And you can’t celebrate a dubious gift or one that takes you in the wrong strategic direction.”



“But it’s sometimes hard to know how to say thank you. We had a £5m donor, for whom we wanted to hold a dinner.

He refused. We insisted. He refused again, but this time he asked: ‘How much more do I have to give for you not to hold a dinner to celebrate my gift?’. In the end it’s all about listening. Just like fundraising itself.”



“The most important committee of our board is the accountability committee – they check the money is being spent properly.”

“Ethics is a BIG issue in the accountability question. It’s too simple to say: ‘Don’t take tainted money’ or ‘Take each case on its merits’. You don’t necessarily have all the information at the time you need it. You must have processes and policies in place. And you need to follow them.”

“Yes, but we mustn’t lose our nerve – especially since the LSE-Libya situation – and become too risk-averse. It’s crucial that the key people know the risks they are taking in accepting certain gifts – just as they would when making a decision to invest or borrow money. We carry risk the whole time. And we need to know what level we are prepared to take. It’s not a straightforward call. If we’re not careful, in organisations where fundraising is not sufficiently embedded, it will be seen as an area in which to cut costs.”

So how do we make sure that fundraising is an opportunity to do new things and develop new partnerships, rather than an exhaustible and unsustainable response to cost-cutting? It’s clear that we need the courage to stand up for philanthropy and insist on the good that it can do.

To do that, we have to find a whole new language...

“We need to develop a language of philanthropy that speaks to all ages and all constituencies – including our own organisation.”
But how?

A culture of philanthropy can be learned. It can be inspired. But it probably can't be compelled. At least that was the conclusion of our delegates. They also acknowledged that – to inspire others and help them to learn – fundraisers have to communicate differently.

We have to appeal to new generations of donors as well as our traditional audiences. And in those organisations that haven't always depended on philanthropy, we also need to listen to our colleagues and speak to them in a voice that they understand, instead of imposing our own fundraising vocabulary.

But the truth is, as government funding dwindles, so the urgency of developing this new language becomes all the more acute – as many voices in the room pointed out...

“For many years we didn't need philanthropy. We were able to secure EU and regeneration funding. When we were first introduced to fundraising from trusts and foundations it was the icing on the cake. But times have changed. In 2009, in our 16th year, we held our first fundraising event. In 2010 we depended on statutory funding for 40% of our funding. And in 2011 it was 0%.”

“It's surprising how different applying for philanthropic funding is, compared to applying for public funding. It's no longer enough to let our results speak for themselves. We have to work actively on increasing our visibility – including media training! And our trustees now have a more active role to play. It's not just about turning up at board meetings and passing resolutions. We need people who will get stuck in.”

“As more and more organisations are becoming charities, diversity of boards is becoming an issue too. It's important to maintain a variety of experience among trustees and not just fill boards with people with big rolodexes and deep pockets. What you want is a diverse range of individuals who can bring interesting problems and challenges to the table for funding bodies to consider.”

“Lots of organisations are starting fundraising, but with little idea of how to fundraise!”

“The trouble is, some causes – like prisoner reoffending – are fundamentally less appealing than others. But they’re still hugely important to society... and suffering cuts.”

“For some charities, the cuts are affecting more than one of their sources of funding – and are therefore worse than they appear. So it’s essential to develop not just fundraising skills, but the right fundraising skills.”

“One of the hardest things for us in the university sector is finding fundraisers with the right set of skills. Fundraisers from the charity sector have struggled to make the transition to deal with academics. We’re not often thought of as charities, but in terms of gifts of over £1m, we’re more successful than the household names. On the other hand, not all universities are like Oxbridge, with their billion-pound campaigns. And even in Oxbridge, the culture of support isn’t necessarily embedded.”

“Education has a key role to play in changing attitudes.”

“Yet, in our university, recent graduates are showing a higher propensity to give than alumni from decades gone by.”

“Should we add philanthropy to the school curriculum then? We need to change attitudes in these times of instant gratification and with today’s ‘entitlement generation’.”



“We’re still working on the academics but I’m proud that we’ve created a change in students’ attitude. In 2011 we established a ‘Gradgift’ scheme so that the graduating students are paying for bricks with a £20.11 donation and will be part of the university forever!”

“Sometimes even philanthropists don’t know how or where to give. There’s an alarming amount of money held on trust in this country. Charities have to give off a new buzz!”

“And sometimes we have to develop a way to tell people not to give. We came under pressure to launch an appeal for Japan when the earthquake struck. We had to explain that it was one of the biggest economies in the world, that their national culture was one of pride, that we had no agencies on the ground – ultimately that they weren’t asking for help.”

“There’s a long way to go. We give about £11 bn a year in Britain. It’s not bad. But 44% of adults don’t give money to charity at all.”

**In that case, why and when
do people give?**

For a few moments that afternoon,
we took our own advice.

We stopped being fundraisers,
put ourselves in the donor's shoes
and asked ourselves what makes
people give. Here are some of the
answers we came up with.



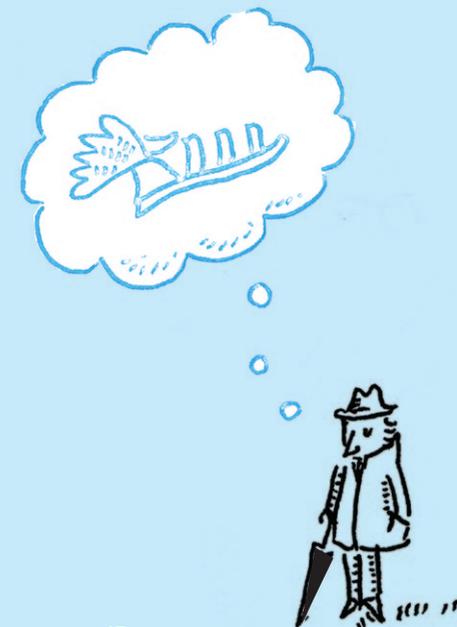
“Reasons to be generous, one, two, three.”
But surely, there are more.

1

“When it’s simple, efficient and transparent. We’ve developed techniques like ‘text to give’ to keep up with changes and partnerships to get publicity for free. But we remain fiercely independent. We will never be seen to be part of the Big Society, whatever that is.”

2

“When there’s matched funding. As the Higher Education Funding Council scheme comes to an end, there’s a risk that universities will lose out. It hasn’t always made people give. But at least it’s encouraged us to ask!”



3

“When there’s peer pressure. This is also much stronger in America. If someone is collecting house to house, they’ll tell you that 6 out of 10 neighbours have signed up. Similarly if only 90% of your fraternity house has signed up for the alumni association, then you’re failing.”

4

“When we get the message right. In the education sector we are often embarrassed about asking for money. But the message, ‘You had a free education’, seems to work for us.”



5

“When the tax and other financial incentives are right. One of the biggest myths in UK philanthropic circles is that US tax relief is better than ours. There’s not a big difference at all. But things like charitable bank accounts and payroll giving would make a huge difference. And the US has mechanisms like living legacies, whereby you hand over your capital but keep the income until you die.”

6

“When fundraisers demonstrate some oomph and say: ‘Here’s the pen. Sign on the dotted line.’ If you don’t ask, you don’t get.”

7

“When charitable organisations work together in the right way. Collaboration strikes a chord with the public.”

But that last point turned out to be controversial...

“To collaborate or not to collaborate?” That is the question...

The facts are staggering. There are currently 180,000 charities in the UK and that number is still rising. Is this evidence of a thriving charitable sector – and the rise of our much-prized culture of philanthropy? Or does it reveal us to be inefficient, fragmented and unfocused – competing among ourselves for slices of an all-too-finite pie? Although there was general agreement that full-blown merger was appropriate to only a small number of charities, opinions were divided on less radical forms of collaboration.



“Grinding our competitors’ faces into the dirt is our preferred way of working, but if that doesn’t work then we are prepared to look at alternatives!”

“I’m an ex-lawyer. I thought law firms were competitive until I joined the NGO sector three years ago.”

“But the majority of charities are very small ‘village hall’ operations. They’re not competing with each other.”

“So shouldn’t these small outfits get together and share back-office functions like admin... and fundraising?”

“We’ve looked at the possibility of merging. But we’re worried about being swallowed up.”

“And charities are often about passion... which could all-too-easily be undermined by efficiency.”

“But when does passion end and ego begin? Charities are often run by powerful and charismatic leaders, who may be an important part of their organisation’s success. But they don’t always work well with other powerful and charismatic leaders. We’ve teamed up when asked to by funders, but it hasn’t been easy.”

“Congratulations, I’ve been trying to collaborate with little success for 20 years!”

“But it can work. We’ve been involved in a collaboration between three universities in the Midlands – even though they are generally competitors. It has created the critical mass and credibility to win funding in a way none of us could have achieved alone. And now it’s sometimes impossible to tell which academics belong to which university.”

“Perhaps academics are more used to collaborating than other people. We’ve been trying to create a triangle, linking university, individual and learned society. The university wants to fundraise from their alumni, the society wants them to become members and both of us want them to engage with their subject. Under the right circumstances, collaboration can be a good thing.”

“But you need the right organisations working together – like a children’s hospital working with a school, for example. Children respond to other children and may have wealthy parents.”

“Collaboration only works between national museums when the government tells them not to collaborate!”

“We’ve looked at the possibility of merging. But we’re worried about being swallowed up.”



“Yet the Disasters Emergencies Committee (DEC) has proved that the biggest charities can be persuaded to work together. In some ways it’s the ultimate collaboration. It does work, it does save money and – as a result – it makes giving money more attractive. It’s certainly the only way to get so much media time for free.”

“So why don’t they work together between disasters too?”

“They are starting to. Sometimes a collaboration doesn’t work immediately. But that doesn’t mean it should end; it’s just a reason to discuss it at a deeper level.”

“So if you can get fierce independence to be the reason for collaborating in the first place, does that mean it will work out?”

“Well, in my experience the key is finding something you can’t do alone. You need to understand what each partner is bringing to the table.”

“And if all the ‘competitors’ are working together, then there’s nowhere else for the donor to go!”

**And so, just as it looked
as if some kind of agreement
had been reached, someone
uttered a four-letter word.**

“D-A-T-A spells trouble.” Or at least it stirs up passions in the charitable sector.

Data was not an agenda item. But it certainly emerged as a major preoccupation. Whatever the topic of discussion, data always seemed to wriggle its way in. But is data really that important? Isn't this the sector of doing good rather than counting beans?



“You can’t underestimate the importance of capturing and sharing data. There was an old Cold War saying that Oxbridge colleges would prefer to share data with the Russians than with each other!”

“Although we collaborate, we don’t make our database available to our partners – even though one-third of donors indicate that they might be interested in giving to them again.”

“Oh dear, I’m always one of those people who ticks the boxes saying ‘leave me alone’ and ‘don’t share my details with anyone else!’”

“I was recently involved in a major report about the state of philanthropy. The more I dug into the data, the more I realised we don’t have a clue!”

“Without data, there is no benchmarking. We need to see patterns of giving more clearly, especially if we’re going to get into debates with the government and the Revenue. The trouble is that the government can’t see patterns itself. The recent White Paper on giving barely mentioned higher education. And the recent White Paper on higher education barely mentioned philanthropy.”

“Here’s one interesting piece of data from the US. The University of Kansas endowment fund has just cracked one billion dollars. But it didn’t make the news, because it’s the 28th American university to get there.”

“And here’s another. The average gift from someone on \$200K or more in the US is \$90. And in the UK it’s £2.”

“We are always asked how much we spend on administration. In fact our administrative costs are only 2 to 3 per cent. But there should be a greater emphasis on data showing *effectiveness*, rather than admin. That can include figures like the number of people in Africa we’ve trained to use wells.”

“Technology will give us the power to handle data. It will also get rid of ‘money’, which makes giving much easier to audit... and in turn gives better data.”

“And however good the data, it’s how you use it that counts. Every year someone comes to us with the *Sunday Times Rich List*. And we have to explain that just because they have money it doesn’t mean they should give it you.”

“And one of the reasons they should give you their money is that you’re providing them with good data about how it’s used.”

**Which brings us neatly back
to where we started: accountability.
But rather than go round again,
let’s draw a few conclusions.**

Conclusion

Philanthropy is potentially a transforming force for our times. But it is up to us in the charitable sector to work towards the creation of an enduring culture of philanthropy that crosses sectors and touches the rich, the squeezed middle and the poor alike. We cannot rely on government, the media or the public – only on ourselves. And this is indeed a big ask.

To add to the challenge, we have to approach our task from two apparently opposing directions. On the one hand, we seek the transformational effect of very large, extraordinary gifts. On the other hand, we need to make giving ordinary, something that everyone does.

Yet, if we can just get a Mexican wave of philanthropy moving from both sides of the stadium at once, everyone within will be swept to their feet many times over. Ultimately, there is much cause for optimism. After all, we are not in a zero-sum game. It is perfectly feasible for any donor to show affinity to a school, a university, an art gallery, an environmental cause, a cancer charity, a local village hall – and still give money to alleviate suffering when a natural disaster strikes on the other side of the world.

Indeed, a rising tide lifts all the boats in the harbour – large or small – which is why coming together to talk, compare notes and exchange figures is so important. Of course, we should still promote our individual causes with accountability and clarity. But it is only by sharing tasks and information with each other that we help to create a culture of philanthropy that will benefit us all – the donor, the beneficiary, the intermediary... and the whole of society besides.

Here at More Partnership we are playing our small part: giving our clients a new language to tell their stories in a more powerful way, collecting persuasive new data, sharing best practice, generating energy, benchmarking, advising, supporting and doing. Bringing the key players in UK philanthropy together in the first More Thoughtful forum is just one of our methods – and is only the beginning. There will be other events (watch this space), but most of all, we are confident that there will be a culture of philanthropy in the UK.

List of Delegates:

Name	Institution	Name	Institution
Jenny Abramsky	Heritage Lottery Fund	Carol Lake	J.P. Morgan
Peter Agar	Papworth Trust	Roger Makanjuola	Medical & Dental Research Council, Nigeria
Clare Algar	Reprieve	Michael Murphy	Royal Botanic Gardens, Kew
Deborah Aydon	Liverpool Theatres	Sandy Nairne	National Portrait Gallery
Tunde Banjoko	LEAP	Andrea Nixon	Tate Liverpool
Vanessa Cameron	Royal College of Psychiatrists	Mark Norbury	Leaders' Quest
Cheryl Chapman	Philanthropy UK	Lisa Nyquist	Nizkor UK
Belinda Coote	AMREF UK	Shirley Pearce	University of Loughborough
Moyra Doyle	Richmond Associates	Jamie Pike	Volunteer Reading Help
Brendan Eley	The Healing Foundation	Alice Prochaska	Somerville College, Oxford
Vernon Ellis	British Council	Susie Sainsbury	Royal Shakespeare Company
David Emerson	Association of Charitable Foundations	Mark Spelman	Accenture Institute for High Performance
Jo Ensor	Charities Aid Foundation (CAF)	Clare Tattersall	Christ's Hospital
Rita Gardner	Royal Geographic Society	Jyri Tawast	Aalto University
Michael Hay	London Business School	Lynda Thomas	Macmillan Cancer Support
Caroline Ingram	Victoria Climbié Charitable Trust	Peter Winter	Latymer Upper School
Tim Johnson	Great Ormond Street Hospital Charity	Michael Wolff	Michael Wolff & Company
Clive Jones	Disasters Emergency Committee	Sue Woodford-	Leaders' Quest
Tricia Kelleher	Stephen Perse Foundation	Hollick	Foundation/AMREF
Rex Knight	UCL	Robin Woodhead	Sotheby's
		Robert Worcester	Ipsos MOR



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