

The business of giving

The charity sector is maturing, with the advent of philanthropy advisory services and consultancies for NPOs, reports

CHEAH UI-HOON

GIVEN the bearish economy, one expects it to be all quiet on the charity front.

But it seems that the downturn has brought about new business opportunities for some: a philanthropy advisory which is providing end-to-end service for philanthropists, and a consultancy that wants to up the performance of non-profit organisations.

Former banker Vivian Claire Liu, who set up PhilanthropyWorks last year to provide end-to-end service to philanthropists, says that there are high net worth individuals and companies out there who still have the means of giving to charity – companies with corporate foundations, for instance, and monied families which continue to set up funds and entrust them to the younger generation to manage.

"The key thing is that there are still well-to-do people out there who have causes they're passionate about and who want to be involved in a hands-on manner, who do care about making sure their money makes an impact," says Ms Liu.

"The aim of the company is to actively facilitate high-impact philanthropy," says the 32-year-old Singaporean. She has 10 years of experience spanning world-class organisations in the private, public and non-profit spheres with Goldman Sachs M&A, The World Bank, Medecins sans Frontieres (MSF) and UBS.

Tailored donor advisory services are new in Singapore and Asia, she says, although they are an established concept in Europe and the United States. "It's the missing link in the value chain."

Her pipeline comprises personal contacts and referrals who see the need for this strategic bespoke service as it is challenging giving money away wisely. "For example, foundations might have spent millions over the years, but they may not have had coherent strategies, or found ways to measure the results," she says.

Ms Liu leverages on her experience as global board director of MSF, and her access to international best practices and thinking. She elaborates: "If you make an investment and want to do it in a tax-efficient way, it'll have far higher risk-adjusted returns. So, similarly, if you work with the right partners in the right way, and focus on issues at the tipping point where your intervention can have optimal results, then it'll reap far higher social returns."

Advisory services like hers look like they'll pick up in the future as donors are getting more savvy about their charity dollars these days.