

# Generosity coming of age.

Observations on philanthropy as part of estate planning.

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# Three basic messages.

- The emerging ability to give.
- Realising the need to give.
- Solving the problem of “how to give”.

**Means generosity is coming of age.**

# The emerging ability to give.

- More have more.
- Boomers are the most successful generation materially.
- Many can provide generously for family.
- Many are looking to personal legacy.

# Realising the need to give.

- Government institutions (local and national) cannot solve every problem.
- Every great city builds social capital outside tax and spend.
- Compelling stories can overwhelm.
- “Effective social investment” is more than throwing money at a problem.

# Solving “How to give?”

- Crowded landscape leads to charity “noise”.
- Donor fatigue and disillusionment.
- My money is “too small”.
- How do I give effectively?

# The “Possum” Philanthropist.

- Caught in the headlights.
- Leads to expedient decisions both giving and not.
- Can’t justify structure; don’t know how to test effectiveness.
- Opportunity lost, results unclear; “feel good” transient.



# My money is “too small” .

- Wants to give.
- Everyone says “every bit helps”, but how?
- The value conundrum.
- It all gets too hard.

# Giving effectively.

- Community Foundation model is one answer.
- Structure, discipline, protection, guidance.
- The idea of permanent legacy - \$100 per annum now and forever better than \$1,000 now.



## Strengths of the model.

- Donor designs the brief.
- Simply plug in to ready-made structure.
- Retain personal branding if you want that.
- Suite of “control” options.
- Solid funds management.
- Generosity leverage.

## Other options to consider.

- Personal giving – 55% of all giving, includes bequests.
- Cause-related Trust and Foundation giving – 42% of all giving, accounting for \$1.2bn in 2014.
- Business giving – for every \$1 given, a further \$1.34 is sponsored and \$3.27 donated in-kind.

## Observations on these options.

- Biggest risk is that giving becomes part of the charitable churn – a dollar given today will need to be replaced tomorrow.
- Need to fit the option to your client – are they happy simply to give and go?
- Business giving can be good if it develops a broader philanthropic sense and understanding.