

International Prospects and Changing Canadian Demographics



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SESSION DATE: October 13, 2016

SESSION TIME: 3:30 – 4:45 PM

CHANGE IS

- HARD AT THE BEGINNING
- MESSY IN THE MIDDLE
- GORGEOUS AT THE END



Perspectives

- Trends:
 - Globalization, Shifts in wealth, Pluralism in Canada
- Key strategies
- How to engage and fundraise “globally”?
- Personal Case studies (and ones that inspire)
- How can we build a globalized major gift strategy?



Trends - Globalization

*“... society has gone global and many people’s lives and interests no longer stop at national borders, it is now natural that philanthropic giving has become a **global proposition**. In recent years, international, cross-border philanthropy has mushroomed. In an age where any news item, including major natural and manmade disasters, protest movements and the violation of human rights, spreads around the globe in almost real time, more and more citizens have first-hand experience of travelling and even living outside their own country. Empathy and compassion, followed by **the urge to do something, no longer remains restricted to the local community**. Voluntary action has become a common feature and indeed a decisive force in shaping social change, policy, and governance to an extent unheard of even a generation ago.”*

Source: Dr. Rupert Graft Strachwitz from the Maecenata Institute for Philanthropy and Civil Society, Germany

http://usacan.globalphilanthropic.com/blog/2016/01/international_giving_europe/



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Trends - Shifts in wealth

“Strong economic and equity market performance helped create 920,000 new millionaires globally in 2014, as High Net Worth Individuals (HNWIs) grew in both number and wealth to 14.6 million and US\$56.4 trillion, respectively. Asia-Pacific expanded its HNWI population at the fastest rate globally which pushed it past North America as the region with the most HNWIs.”

Source: Capgemini – RBC Wealth Management,
World Wealth Report, 2015



Trends – Pluralism in Canada

- Canada is home to one of the world's most pluralistic societies:
 - In 2014, 260,404 permanent residents arrived from 192 countries - the UN comprises of 193 member states
 - In 2011 6.8 m Canadian residents were born outside of Canada or 20.6% of the total population - highest among G8 countries. This number is higher now.

Sources:

Government of Canada. Facts and figures (2014) – Immigration overview: Permanent residents. <http://www.cic.gc.ca/english/resources/statistics/facts2014/permanent/10.asp>

United Nations. Overview. <http://www.un.org/en/sections/about-un/overview/index.html>

Canadian Broadcasting Corporation. StatsCan's 2011 National Household Survey. <http://www.cbc.ca/news/canada/canada-s-foreign-born-population-soars-to-6-8-million-1.1308179>



Key Strategies

- Multi-year investment
 - nuanced program of engagement that maps seamlessly into institution's development campaign
- Diversity and Inclusion
 - international and diverse audiences will occur when prospects see themselves as part of the "inner circle"
- Cultural Proficiency
 - understand and embrace diverse cultures
- Market Intelligence
 - Intermediaries
- Partnerships between global institutions



Cultural Proficiency

- Culture is defined as: “A people’s way of life”
- No longer an obstacle to be overcome, but a critical lever for competitive advantage
- Defining cultural variables*:
 - Relationships (deal or relationship focused)
 - Communications (concise or details)
 - Time (punctual or flexible)
 - Space (relative proximity)



* Source: Edward T. Hall: “Silent Language”, Harvard Business Review (1960)

How to engage “globally”

High Context v Low Context Cultures

High Context Cultures

- The meaning of behaviour and speech is understanding of the situation or context
- Non-verbal messages are important and carry significant meaning
- When words are spoken, “reading between the lines” is important



Source: Edward T. Hall (1976), *Beyond Culture*

Low Context Cultures

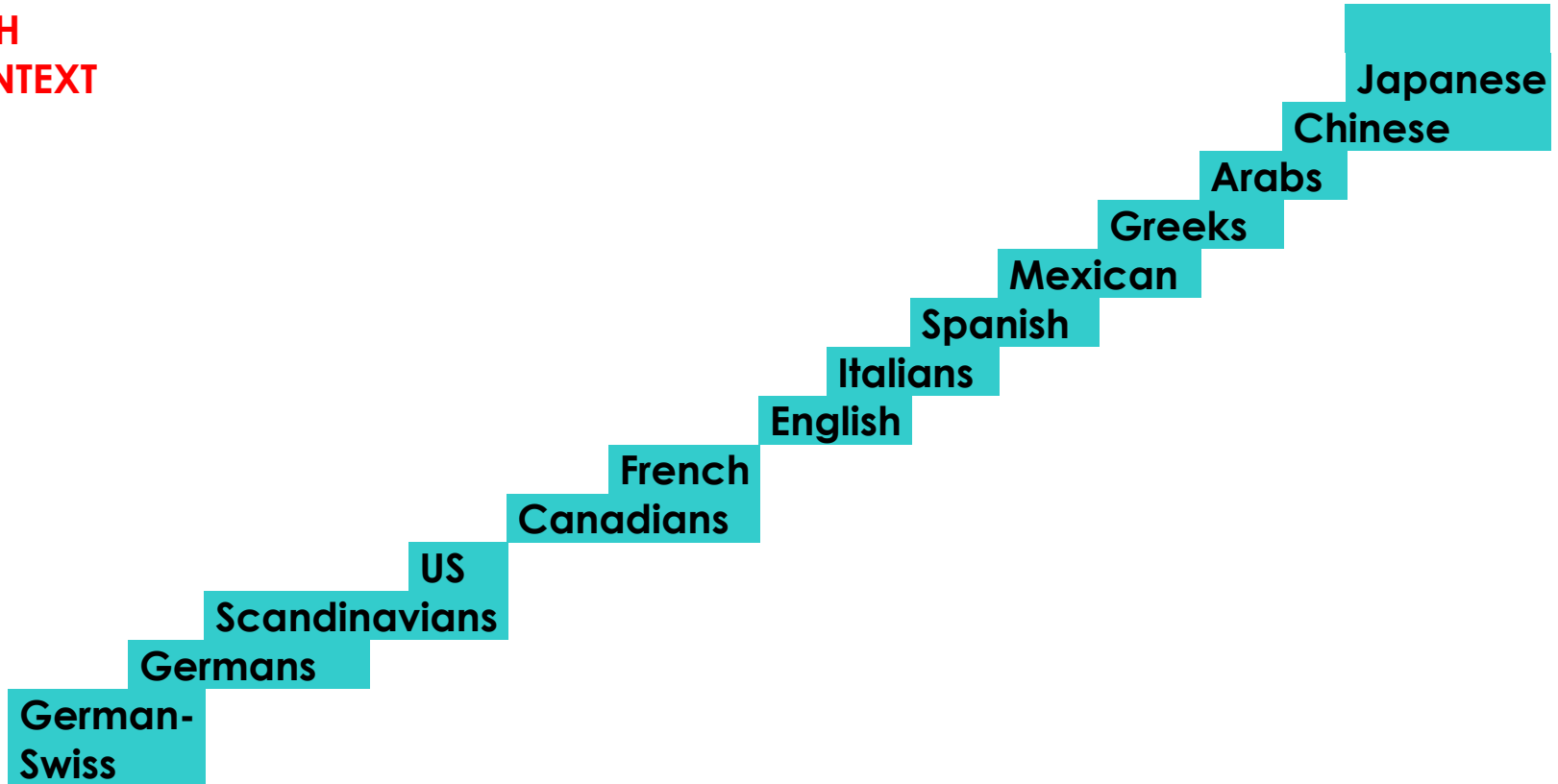
Meaning is more explicitly stated; not implied or inferred



How to engage “globally”

**HIGH
CONTEXT**

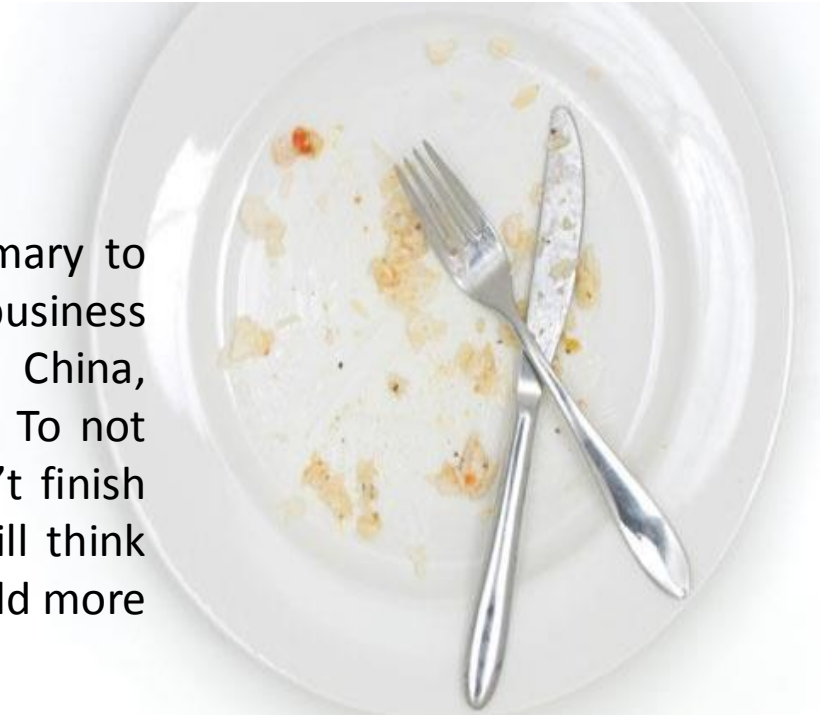
**LOW
CONTEXT**



Not just etiquette

Talking Business

'In Canada and in China it's customary to wait for the host to initiate business conversation after a meal. And, in China, make sure to compliment the food. To not do so is considered rude. Also, don't finish all your food, because your host will think you're still hungry and continue to add more to your plate.'



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Source: www.inc.com/ss/dos-and-donts-foreign-business-etiquette

Not just etiquette

Giving a Gift

“Offering a gift to a business associate in China can be tricky. The gift must be given in a group setting not in private where it can be misconstrued as a bribe. You should never use yellow wrapping with black writing because it is a symbol for death. Stay away from white, black or blue wrapping also. And never give a gift of scissors or knives, which are symbolic for severing ties, or clocks or handkerchiefs, which symbolize funerals or death.”



Source: www.inc.com/ss/dos-and-donts-foreign-business-etiquette

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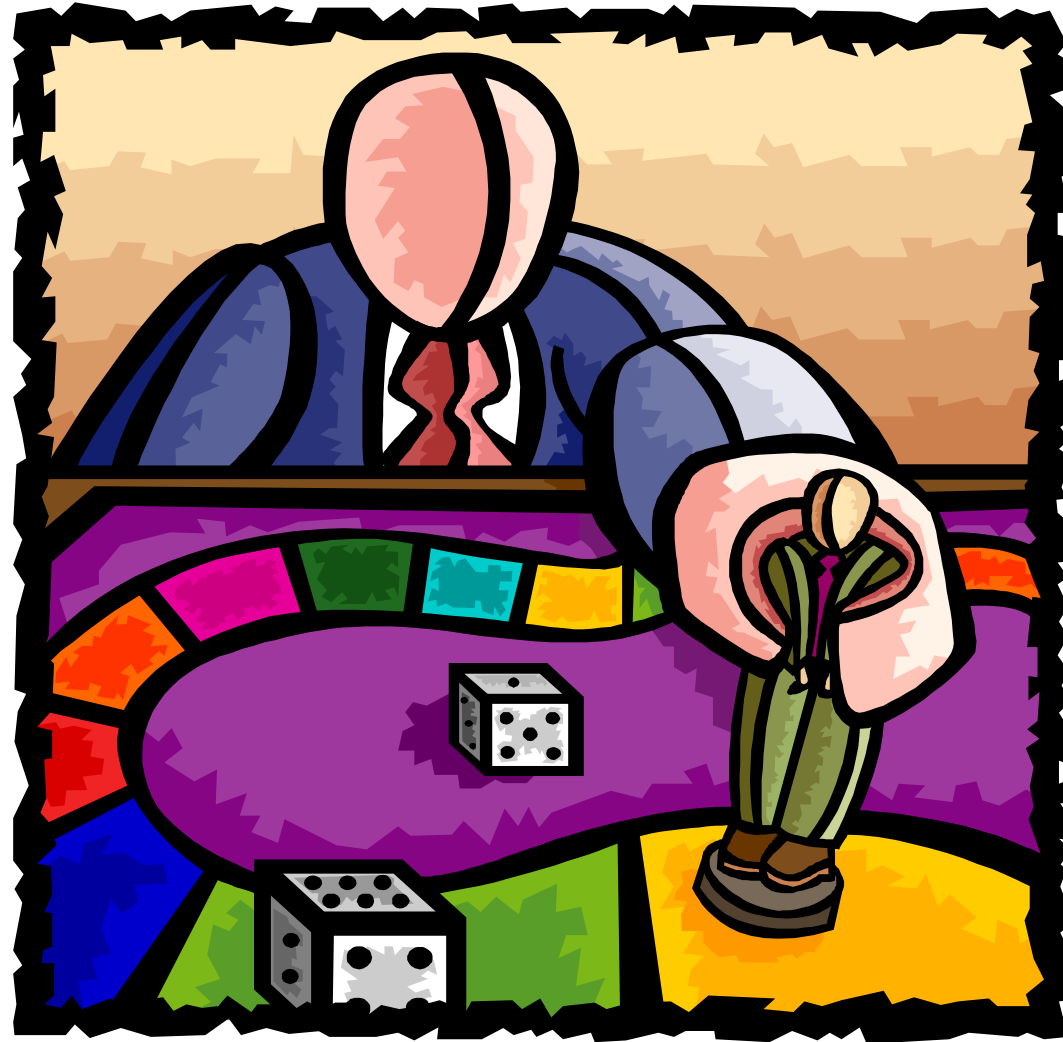
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How to engage “globally”

- Very different country-by-country
- Face and status
- Relationship – don't start if you are not committed to carry on
- Very hospitable and welcoming
- Beware philanthropy tourism
- Seek advice
- Huge potential returns
- You are playing chess!



Concept of a “Chess Master”



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How to engage “globally”

- Leverage partners e.g. MOU
- Plan special institutional wide international events
- Seek the engagement of your program staff
- Establish an international program
- Use distance learning

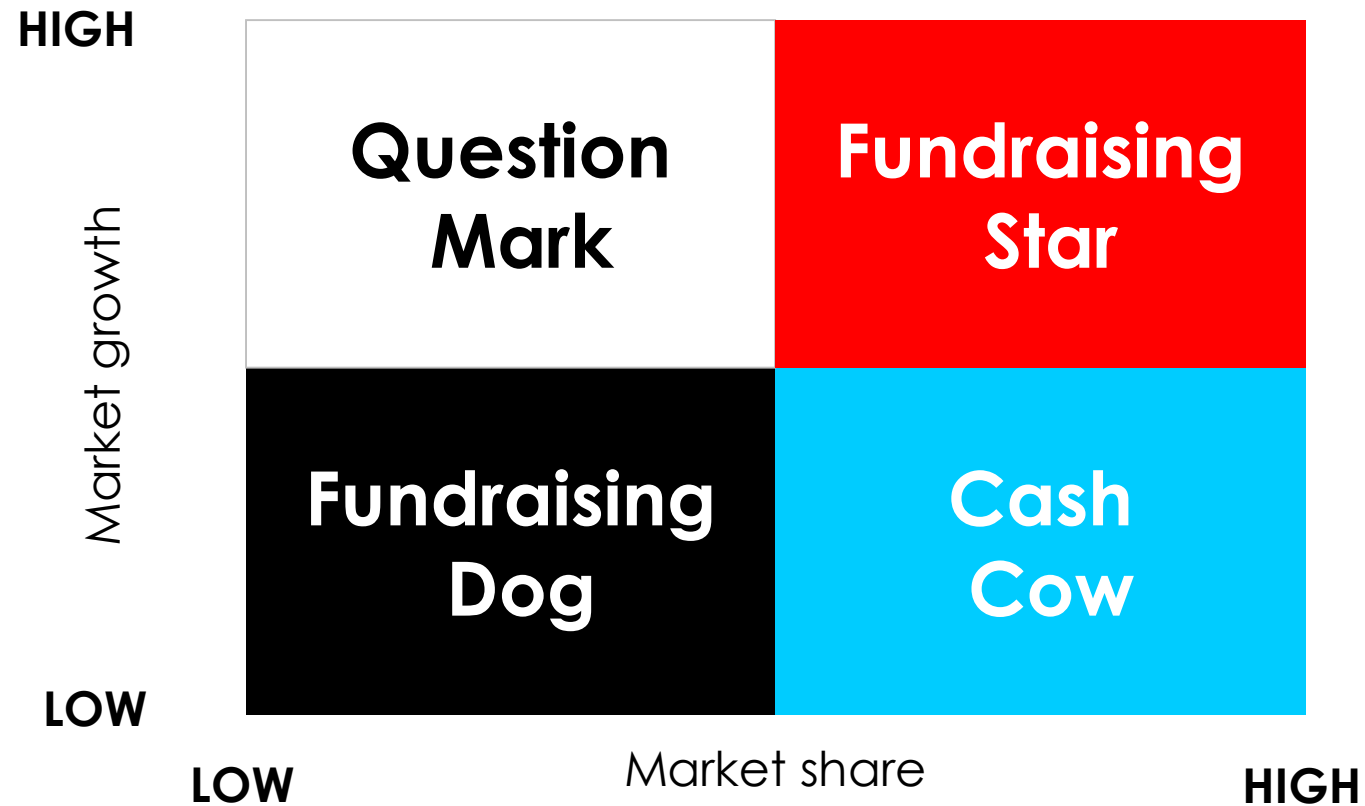


How to engage “globally”

- Use your donors/friends as a base for opening doors
- Develop a twin-track friend/fundraising approach
- Don’t devalue your most important assets (reputation)
- Focus activity (ask: what is in it for them?)
- Clarify what you expect and how group can help
- Have an institutional wide strategy/story
- Develop a “diversity” case for support and know your “PR” matrix quadrant!



The Prospect Researcher matrix



Focusing effort to give the greatest returns

Inspired by: the Boston matrix, Boston Consulting Group



Market share

Mainstream Canada	New immigrants / International
✓ School	✓ Your Charity
✓ Church	✓ Other charities who adopt key strategies
✓ Hospital	
✓ Arts	
✓ University	
✓ Environment	
✓ Other NGO	



Understanding philanthropy in diverse cultures

Traditions

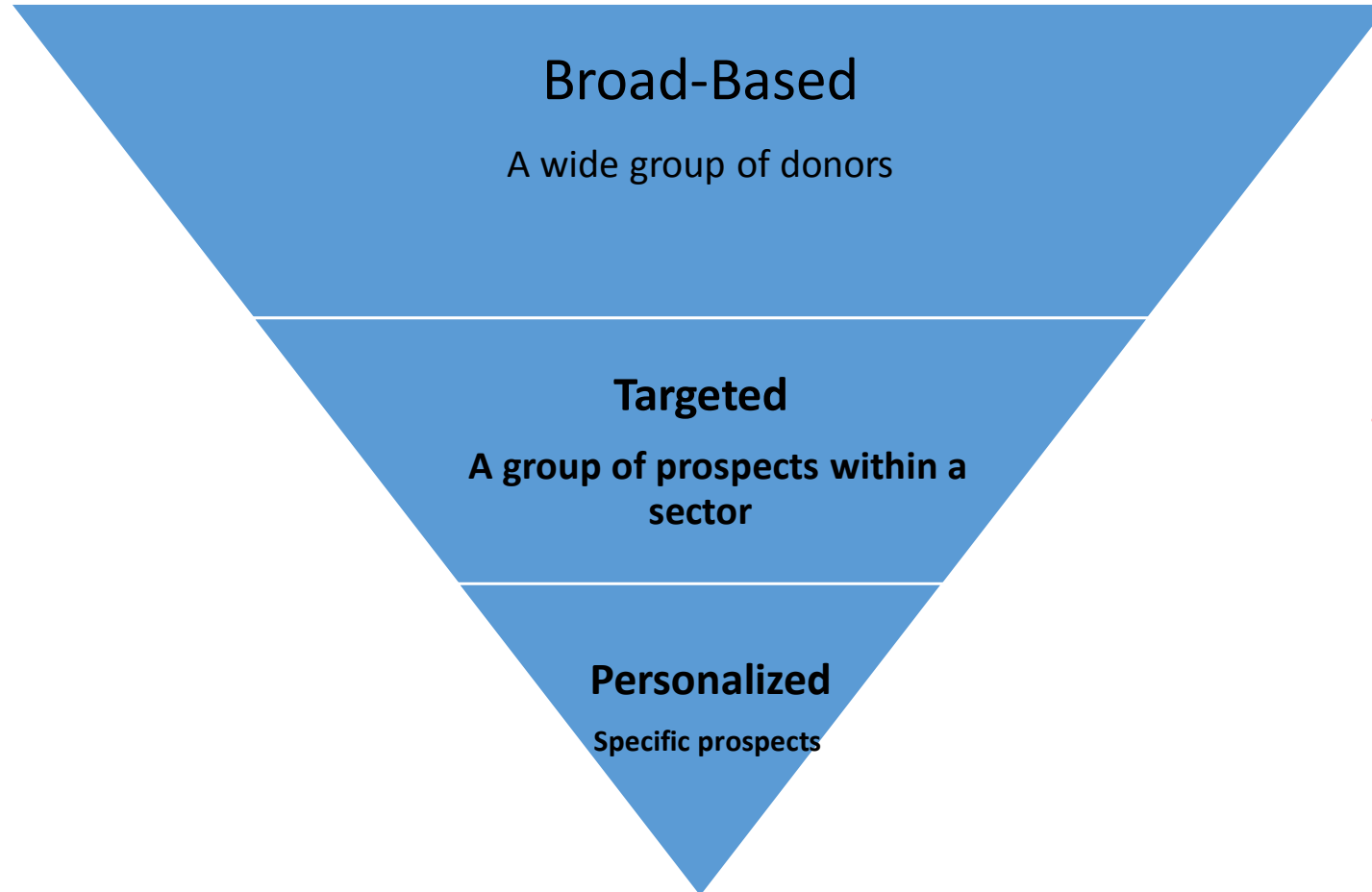
Status

Face



Understanding philanthropy in diverse cultures

Does the traditional pyramid work?



“Does one-size fits all?”






Nuanced, strategic and sustained approach will be needed to reach goal

Traditions - Continuum of Philanthropy

“Opening Doors: Pathways to Diverse Donors”, Diana S. Newman

The Immigrant Experience

	Survive	Help	Invest
Living Stages	Highly personal sharing Known recipients Informal, direct, immediate response	Personal giving and involvement Ethnic-specific Responsive, compassionate	Ethnic-specific Pan-ethnic and mainstream Formal, proactive, long term, planned
	Increasing, cultural, social and financial stability		
			
Giving Stages	Motivation Sharing among social and economic peers	Giving to less fortunate Desire to give back] Identifying with need Supporting projects	Empowering vision Building the ideal community Producing programs
	Vehicles Family Volunteer associations Faith-based organizations Mutual aid societies	Family and voluntary associations Ethnic organizations Community causes Non-profit organizations	Ethnic and pan-ethnic organizations Non-community causes Mainstream organizations Private and community foundations
	Causes Family or friends in need Children and elderly Remittances	Family and friends Education Cultural heritage Civil rights or social justice Health Remittances	Colleges and universities Cultural institutions Civil rights or economic development Hospitals and medical research



Traditions - Circles of Care

“Opening Doors: Pathways to Diverse Donors”, Diana S. Newman
The “Aboriginal” Experience



Traditions – the Asian experience

“More wealthy Asians turn to philanthropy - but on the quiet”

Strait Times (Singapore) 15 December 2015

“Family values play a large role in family succession planning and this has an impact on the mandate of the Asian philanthropists’ socially conscious activities. Family philanthropy is seen as a way to increase the communication between family members and to foster bonding, harmony and meaningful engagement of the young generation in a family’s wider enterprise.”

Susan Sy, UBS philanthropy head for South Asia, Singapore

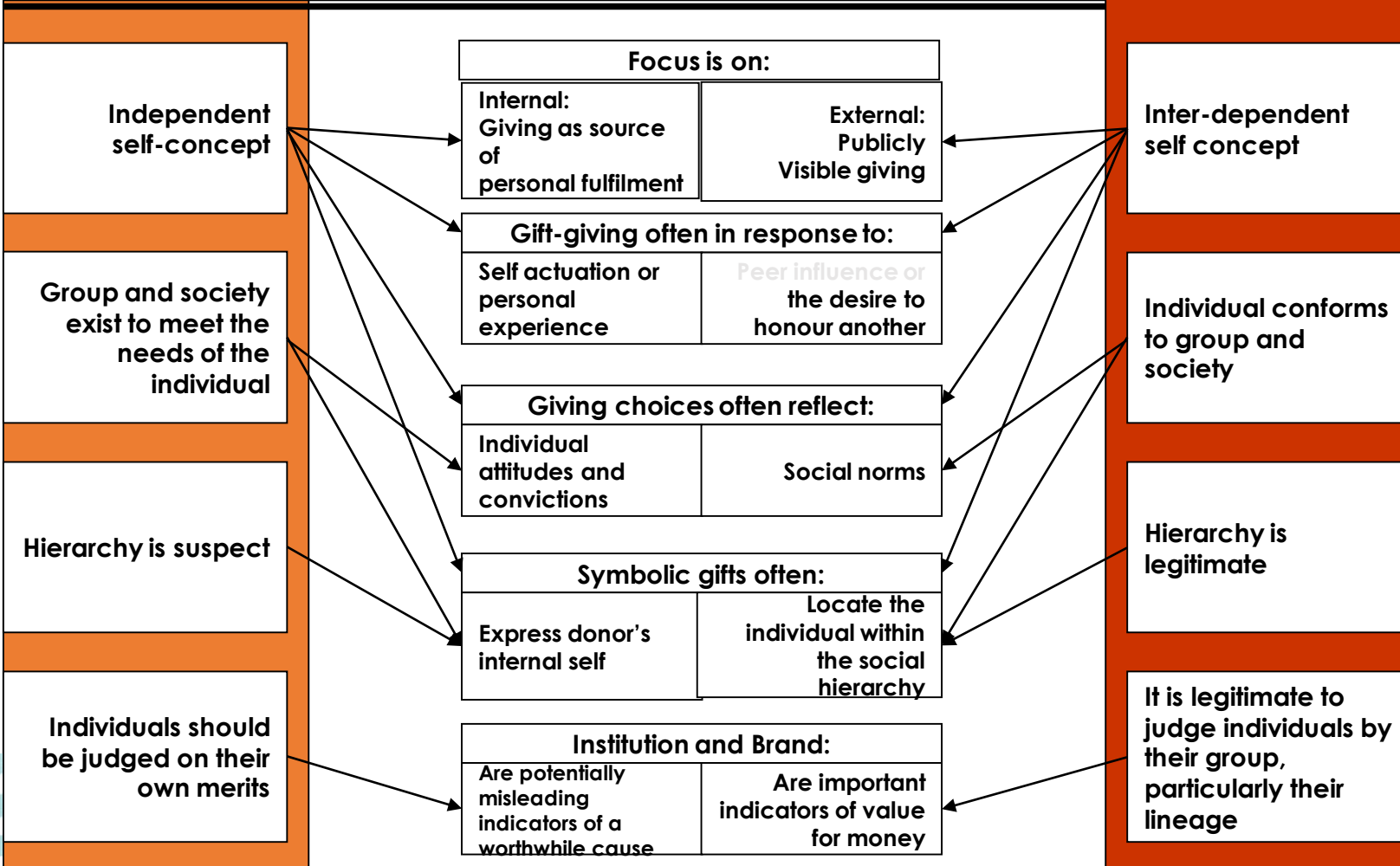




Western individualist tradition

Giving Implications

Eastern Confucian / collectivist tradition



How to fundraise “*globally*”

- Understand what motivates major gifts
- Work out the hierarchy and then work from the top down
- Never confront or risk loss of face: no face-to-face asking at major gift level – use intermediaries
- Build relationships first and make the investment - fundraising is longer term



How to fundraise “*globally*”

- Don't use volunteer Board - use staff!
- Structure your activity so you are meeting face-to-face every three months
- Who are your prospects – everyone who matters!



Today's HNWI philanthropists increasingly:

- ensure their giving makes a difference;
- treat giving as an investment
- use sophisticated financial vehicles and options for giving
- are 'giving while living'
- are shifting charitable-giving away from estate planning and into wealth management



Source: World Wealth Report, 2010, p. 24

International Philanthropy for Canadian institutions

Li Ka Shing

2009 - University of Alberta Institute of Virology (\$28 m)

2005 – U of T / St Michael's Hospital Knowledge Institute (\$25 m)

2013 - McGill U Student and Faculty Exchange Programs (\$6.6 m)

2007 - University of Calgary Endowed Professorship (3 m)

2011 – Univ. of Manitoba Academic Exchange Program (\$1 m)



Philanthropy from Canadian immigrants (1st or 2nd generation)

Michael Lee Chin (immigrant from Jamaica)

2003 - Royal Ontario Museum, Toronto (\$30 million)

2014 – Joseph Brant Hospital, Burlington (\$10 million)

2004 University of Toronto. School of Business (\$10 million)

2001 - McMaster University, School of Business (\$5 million)



Philanthropy from Canadian immigrants (1st or 2nd generation)

2011 – Sardul S. Gill (\$5 m)

- member of the Sikh community

University of Victoria, Graduate School of Business

2005 – 2010 Gulshan and Pyarali G. Nanji (\$5 m+)

– member of the Ismaili Muslim community

North York General Hospital Orthopaedic & Plastics Centre and

Ultrasound, CT & Radiography Centre

Sunnybrook Hospital Neurosciences and Trauma & Critical Care Programs



Personal Case Studies

1995-1999 Aga Khan University (affiliated with AKFC)
- Raised \$6 m from 6000 donors in 30 countries

1999- 2002 McMaster University, Hamilton
- Partnership in HSC in Sharjah, UAE and Pakistan

2002 – 2005 Sick Kids Foundation
- Sponsored by the annual Ismaili Run for Charity



Personal Case Studies

2006-2011

University of Waterloo

- Vision 2010 campaign with donors and volunteers in Hong Kong, USA and India
- Launch campus and recruited students for campus in Dubai, UAE from the region

2011 – 2013

University of Victoria

- Secured largest gift from an Indo-Canadian for the Gustavson School of Business
- Secured gifts in China, Japan and East Africa
- Initiated “*Early Career Leaders in China – Governance, Engagement and Innovation*” funded by alumni and friends in China



How can we build a “*globalized*” major gifts strategy?

- Significant structural issues and challenges (charitable status, tax, role of government)
- Skills shortage (issues of status critical)
- Development of global ‘best practice’ (asking and solicitation very different, stewardship and back office similar)
- Growth in use of intermediaries



We found that the successful “global” fundraiser is:

- ***an active listener***, alert to cultural nuances, different viewpoints and the widening and competing contexts within which global donors are operating;
- ***an accomplished broker and negotiator***, operating skilfully between the institution and the donor; this means pursuing the strategic priorities of your organisation but also at times acting as a cultural translator, decoding and translating social constraints that shape donors’ actions;
- ***an energetic learner***, who actively seeks out new knowledge about specific cultures, donor motivation, new trends in philanthropy and the non-profit sector, new directions in education, trends in wealth creation and distribution; shifts in geopolitics;
- ***a reflective practitioner***, who constantly thinks about and adapts the way he or she works. (Mc Loughlin & Park, 2010)



What does the convergence of two trends mean to you as Prospect Researchers?

International Philanthropy



Frontierless Philanthropy

Canadian Pluralism

Shifting usual strategies

Imbibing diversity

Making long term investments

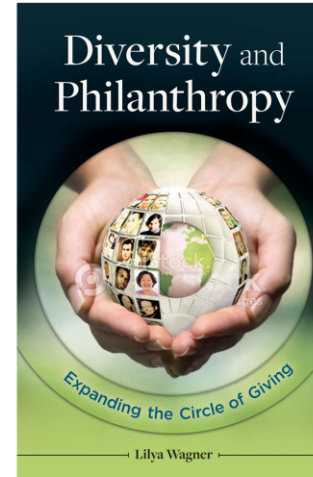


COMING SOON: *Diversity and Philanthropy*

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About the author

Lilya Wagner’s personal and professional experience brings together knowledge of culture, diversity and generosity and places it into practical perspectives. As a frequent speaker, trainer, and educator, she has made culture and philanthropy an area of expertise over time, and has written numerous articles and book chapters on various aspects of the topic. Her network of global professionals, developed through North American and international work, enhances the significance of this volume. Her continuing affiliation with great many nonprofits and educational institutions, plus her consulting role bring a fine balance of sources of information compiled into one practical volume for the culturally-proficient professional.



Also available at [Amazon.com](https://www.amazon.com)

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Perspective for Prospect Researchers

“It makes sense to conduct responsible prospect research that includes not just the basics to which we are accustomed but the additional layers of information that aid our success in cross-cultural communication, management, and fundraising from diverse sources – perhaps sources that either have been ignored previously or not tapped in appropriate ways. Understanding the giving traditions and habits of the diverse populations in North America is not just an add-on, it’s a necessity.”



Thank you

