

# Philanthropic Lives

The unique experiences  
of eight UK philanthropists

*R. Morgan*



I am delighted to introduce *Philanthropic Lives*, a publication that looks at eight outstanding UK philanthropists' lives in the hope of inspiring you to articulate your own vision and to help spark, or fine tune, your own philanthropic endeavours.

At J.P. Morgan Private Bank, we bring together all the disciplines of wealth management to advance our clients' goals. As charitable giving in the UK rebounds from the shock of the 2008 financial crisis, our aim is to help our clients not only to give but to give effectively.

What this paper shows is that giving, done well, can form a critical and rewarding part of one's identity – as it does ours. Starting with John Pierpont Morgan himself, our firm has been dedicated to effective philanthropy. In 2010, our foundation made grants of US\$150million and we are committed to making these funds work hard for the greater good.

Turning a philanthropic vision into a reality is challenging. Whether you would like advice in shaping your giving, or support in implementing it, we are committed to helping you as you seek to help others.



**Olivier de Givenchy**

Head of J.P. Morgan Private Bank, UK & Ireland

*“ I resolved to stop accumulating and begin  
the infinitely more serious and difficult  
task of wise distribution. ”*

ANDREW CARNEGIE,  
SCOTTISH-AMERICAN INDUSTRIALIST, BUSINESSMAN,  
ENTREPRENEUR AND A MAJOR PHILANTHROPIST (1835-1919)

# Introduction

We at J.P. Morgan are privileged to work with philanthropists at every stage of their giving journeys. Our clients consistently tell us that one of the most valued services we offer is the opportunity for both aspiring and experienced philanthropists to engage with and learn from each other.

Inspired by their desire to learn from fellow philanthropists, our team in the UK reached out to hear the stories of eight locally based individuals who created their wealth in a variety of ways – from entrepreneurial businesses to financial services – and now are actively engaged in effective and thoughtful philanthropy, in Europe and beyond.<sup>1</sup>

One of the most consistent messages the eight delivered is that giving does not have to begin or end with signing a cheque. Philanthropy is fulfilling to these donors because it is a personal gift of effort and resources that makes a real difference in other people's lives.

Many of the themes that emerged in the eight case studies, featured in the first part of the booklet, are also evident in the results of a recent survey of our UK-based clients about their philanthropic efforts.<sup>2</sup> Our clients told us:

- They want to give more than they do – in fact, only 7% of respondents were happy with the amount they give.
- Connecting to a cause led them to give in the first place.
- Caring about a cause would lead them to give more.

- Receiving more information about how their donations are spent would lead them to give more.

An excellent first response to these desires was delivered by Melinda Gates, co-chair and trustee of the world's largest private foundation<sup>3</sup> at the 2010 J.P. Morgan Summit on Global Health in New York.<sup>4</sup> "Start with what is closest to your heart, what moves you," Melinda told attendees. "Lead from where you're passionate and start to ask questions. Find experts and partners, people whose knowledge you can tap into... people in academia and in non-governmental organisations," she said. "The more you learn, the more you'll figure out specifically what you want to do."

We hope that the stories of these eight philanthropists and the tentative conclusions that we draw from them in the second part of the booklet, will help you find or fine tune your own connection to philanthropy. It is part of J.P. Morgan's ongoing mission to assist clients in effective philanthropy. That is why the firm's UK office regularly hosts events at which our clients have the opportunity to learn from other successful donors.<sup>5</sup>

Our ultimate goal at J.P. Morgan is to help our clients express their vision in the world. Here we hope to provide some practical examples close to home to begin to demonstrate how rewarding philanthropy can be when it is done well and how one might go about doing it well.

1 We commissioned New Philanthropy Capital, a UK-based charity, think tank and consultancy, to conduct these interviews with an eye toward uncovering general attitudes to charitable giving amongst our ultra-high-net worth clients. We wanted to gain some insights into the reasons why individuals become philanthropists as well as some of the issues they find can make philanthropy challenging.

2 The survey was conducted by NPC in the autumn of 2010 and was sent to 200 randomly selected J.P. Morgan Private Bank clients and completed by 78 individuals.

3 The Bill & Melinda Gates Foundation, based in Seattle, Washington, U.S.

4 The 2010 Summit's attendees hailed from 14 countries and represented \$100 billion in total giving capacity.

5 For more information, please contact your usual representative at the Private Bank.

# Sometimes we learn by example

KAVITA OBEROI



## KAVITA OBEROI

### FOUNDER AND MANAGING DIRECTOR OF OBEROI CONSULTING

Kavita is an entrepreneur and the founder and Managing Director of the IT and Business Healthcare Consultancy, Oberoi Consulting. She is also co-owner of the global security company, Octavian. Kavita appeared on the Channel 4 show, The Secret Millionaire, in August 2008.

For Kavita Oberoi, one of the UK's most successful female entrepreneurs, charity began in her traditional Indian home. Her father arrived in the UK in the 1960s with nothing, then built a business and worked extremely hard at it.

Yet he was very generous with his time as well as his money, says Kavita, "always helping people." Kavita noticed that it was not her father's entrepreneurialism or his business success that lives on in community memory but his philanthropy and acts of generosity.

*"I know what it's like to have to battle through culture and taboos."*

Kavita also supports a carefully selected group of charities. Her overriding passion is to empower women. Her mother encouraged her to go to university and Kavita was the first woman in her family to get a university degree and be allowed to work.

"I know what it's like to have to battle through culture and taboos," says Kavita.

"I thought if I can do this for somebody else that would be great."

Unsurprisingly, Kavita not only donates her money but also a great deal of her time: serving the International Girl Guiding and Girl Scouting movement as Chair of the Global Girls' Fund and acting as director of the charity Martha's Oasis, which runs a project to boost the self-esteem of girls aged 13 to 17.

It was also the example set by a concerned mother that led Kavita to get heavily involved in philanthropy. While on a trade delegation to Mumbai, Kavita met a woman who, perturbed by the lack of educational opportunities available to her disabled daughter, had set up the Spastics Society across India. The woman gave a presentation about her organisation's work. Then, says Kavita, "We met the children and it was really inspiring. It was a turning point for me, I thought, 'I've got to get into something apart from building my business'."

But where to start? A few years previously, the makers of the Channel 4 television show *The Secret Millionaire* had contacted Kavita, but she did not feel ready for such a commitment. Each show follows a millionaire as she or he goes undercover in a deprived area of the UK for a week to ten days. They work and volunteer alongside individuals, searching for people or projects to which they might devote some portion of their fortune.

On Kavita's return from India, she found herself wishing the show would contact her again and just two weeks later she got an email from the producers.

Kavita went to Ladywood, Birmingham, to work with "Sister and Voices," a mentoring programme set up by Martha's Oasis. She began donating to Martha's Oasis.

*"You can't do everything, so this is where my sole focus is now."*

Kavita also searched for other long-term projects that could be scaled up for greatest impact. So she saw as "an amazing opportunity" an email she received asking if she'd be interested in chairing the Global Girls Fund, which is looking to raise £10m over the next five years for the Girl Guides. "To have this level of impact is really rewarding," says Kavita. "I'm quite privileged to be able to do this."

The geographical region Kavita supports is not that important to her. "I'm more interested in the cause, the people I've met within the organisation and the impact it's potentially going to have." But she has found it helpful to choose a strict focus for the causes she supports. "You can't do everything, so this is where my sole focus is now."

Kavita recommends that donors go and see the work of a charity. "I've met young girls through the Girl Guides and seen some of the skills they've developed and you can just see the impact your work has had." She believes that people would be inspired to give more if they saw the work charities do. "It's hard to do this via marketing messages; I think you've got to get hands-on."

That is why Kavita involves her family in her charity work, bringing her two girls to volunteering sessions and helping them fundraise at their school for the causes they now support as a family.

In other words, Kavita is setting an example for her own next generation of philanthropists.

# Sometimes our own experiences lead us to our cause

ROD ALDRIDGE



**ROD ALDRIDGE**

FOUNDER OF THE CAPITA GROUP

Rod is an entrepreneur with over 40 years' experience of working in the public and private sectors. He is the founder of the Capita Group, retiring in July 2006 as Chairman. He established The Aldridge Foundation to continue his charitable activities.

Rod Aldridge knows first-hand the effect that poor education can have. He also knows the value of entrepreneurship: "My life has been shaped by my ability to take the right kind of risks and be confident in doing so."

After what he describes as a "disastrous education", Rod left school at 16 with few qualifications. He did manage to get a job in local government and work his way to qualifying as an accountant by the time he was 23 years-old. At 37, Rod started his own business and for the next 20 years built Capita into a market leader providing support and professional services to both the government and private sector in the UK, with a value of over £4bn.

*"My life has been shaped by my ability to take the right kind of risks and be confident in doing so."*

Rod also began donating his time to young people 15 years ago, first as a trustee, then as a patron of The Prince's Trust. He is a member of the group that oversees all of the Prince's charities.

When he retired from Capita in 2006, he established his own foundation, The Aldridge Foundation, because, he says: "Entrepreneurship changed me and also what I could do for my family and for others. I've always wanted my foundation to use entrepreneurship as a catalyst for social change and to drive up quality in education, as I believe that education opens doors."

*"You need to unlock aspiration and encourage people that they can do something - that was the journey I myself went through."*

As a result, the Foundation sponsors non-selective academies in areas of long-term deprivation or underachievement. While still at Capita, Rod set up his first academy in Darwen, Lancashire. His second academy is in Brighton, where he was born. "We work in very disadvantaged communities where you need to unlock aspiration and encourage people that they can do something – that was the journey I myself went through." As a result, Rod says, the academies look to "foster the traits of entrepreneurship in young people, like team-working, taking risks and ambition."



The process of getting the academies up and running was not easy, Rod notes, but they are proving successful. In 2010, 49% of pupils got A\*-C grades at GCSEs, up from 23% in 2009, and the first five of its students went to university.

Rod also hopes the academies will be a resource for the whole community. So they have offices, where students and local residents can learn about business and even set up their own.

*“You always evaluate in business,  
why not in charities?”*

Ever the entrepreneur, Rod works to secure match funding for his projects. “I’m keen to apply commercial principles to my giving,” he explains. “The academies programme is an incredible way of leveraging funding. An investment of £4m on my part has led to an investment of £70m from the Department of Education.”

Rod also insists that all his grants and projects have measures built into the process. “You always evaluate in business, why not in charities?” he asks. “I think donors should insist on evaluation when giving grants. It’s not huge or complicated but it’s just about getting feedback and knowing how the money has been spent.”

His advice to other donors: “Be brave, take a risk and be specific in what you want to achieve.”

The effort, he adds, is more than worth it. While building Capita was “incredible”, Rod says he believes philanthropy is the best thing he has ever done. “It’s so engaging and real... hugely rewarding. I’m in it for the long-term.”

# If not now, when?

DIANA BARRAN



**DIANA BARRAN**

**FOUNDER AND DIRECTOR OF CAADA (CO-ORDINATED ACTION AGAINST DOMESTIC ABUSE)**

Diana moved from a career in fund management, where she set up one of the first European hedge funds, to found and run CAADA (Co-ordinated Action Against Domestic Abuse), a charity that improves the safety of victims of domestic violence. She was awarded the Beacon Prize for England in November 2007 for her work addressing domestic violence.

After success as a fund manager, Diana Barran's answer to "what next?" was as simple as it was profound: Philanthropy. How did she get there? One step at a time – and with a little help from her friends.

After graduating from King's College, Cambridge in 1980, Diana Barran went into the City as an investment banker. In 1993, she founded one of the first European hedge funds. Along the way, she married and had four children.

*"It's all been through personal connections that I have got involved with charities."*

But her mother had been a refugee fleeing Nazism during the war and her father, while living in South Africa in the early 1950s, set up one of the first night schools to teach black women to read. So she was raised with a sense that those who are privileged have a duty to uphold the rights of the less fortunate.

So, when she had the opportunity, she became a founding trustee of the international emergency relief charity Merlin, which was set up by a friend. And she became a trustee of The Henry Smith Charity, which distributes over £25m each year across the UK. And she started working with New Philanthropy Capital, a charity that advises donors on how to give more effectively.

"It's all been through personal connections that I have got involved with [these particular] charities," Diana explains, adding that these were start-up organisations where she felt she could help most at that time. A lot of her motivation in philanthropy, says Diana, is "about solving problems, or at least trying to... finding new ways to do things." This is the constant thread in both her business and her philanthropic work.

By 1999, Diana was ready to take a bit of a leap. She sold her stake in the hedge fund and joined New Philanthropy Capital. There, she researched and issued grants to children's charities – and came to the conclusion that more focus was needed on families suffering domestic violence.

At first, her CAADA (Co-ordinated Action Against Domestic Abuse) was merely a website set up to share best practices and information. Today, she runs this charity that is revolutionising the support given to high-risk victims of domestic abuse.

The charity brings together specially trained Independent Domestic Violence Advisors with the police, health service and social services to address the cases of the highest-risk victims of abuse. Now, women and children are not automatically expected to go to a refuge for safety but rather helped to live in safety in their own homes. Last year alone, more than 45,000 victims and 60,000 children were helped by this approach.

Recently, Diana was asked to become a trustee and to chair the UK grants committee of Comic Relief.

*“You could put a toe in the water via a trusteeship or become a mentor.”*

How might others see if the philanthropy path is right for them? “If you’re not in the charity world you might not understand how you can help,” Diana says. “You could put a toe in the water via a trusteeship or become a mentor.”

As for charities looking to involve potential philanthropists: “If you ask people for advice or help in their area of expertise it gives them a way in and they see quickly the difference they have made. Then they’ll find it easier to see how and if they might play a bigger role, and my experience is that people then quickly get hooked.”

Of course, the timing has to be right.

“If I had the choice of doing it all again, I’d definitely have still done hedge funds,” Diana says. “I couldn’t have done my first few years unpaid without having earned what I did before and without the contacts I had.”

# Charity may begin right where you are

JAMES TIMPSON



**JAMES TIMPSON**

MANAGING DIRECTOR OF TIMPSON

James is Managing Director of the family firm Timpson, the UK's largest shoe repairer, key cutter, engraver and watch repairer, established by his great-great-grandfather in 1865. As well as raising £2m for ChildLine, Timpson has received praise for its award-winning people management, and its policy of recruiting ex-prisoners.

James Timpson hasn't left his family business to go off and become a philanthropist. He combines both, using the tools available to him through the business to create social change.

First, James has helped his company become the second largest fundraiser for ChildLine, the UK's free confidential lifeline for children and young people. Timpson recently celebrated raising, over the last decade, £2m for ChildLine. A full £887,300 of which was raised through its 'free jobs' scheme: "A customer comes into the shop, wants a quick job, say a hole in a belt, and in the old days you'd charge them a couple of quid. But now, instead of charging, we ask them to put a pound in a box for ChildLine." The scheme has gone down incredibly well with customers and staff. "Our customers think that's great service and the charity benefits."

Second, James actively recruits ex-offenders for Timpson. However, turning ex-offenders into loyal, productive employees is a bit more complicated.

*"The Timpson family business aspires to repair not only shoes and watches but also people."*

It all began when James was visiting a young offenders institution: "The lad showing me around was a really good guy, so I slipped him a business card and said: 'When you get out, give me a ring and I'll give you a job.' Now he manages one of our shops in Warrington." Timpson subsequently took on more ex-offenders: over 120 have worked for the company, with 60 currently employed.

Inmates are taught the skills they'll need for work in the outside world whilst still in prison. "I've got training workshops in Liverpool and Wandsworth, so when the guys come out they're ready to go. Before we offer someone training, we interview them to suss out their personality. I'll only have someone if they're an eight, nine, or ten out of ten."

James reports that 50% of participants stay with his company and do not reoffend.

He is quick to admit that there are frustrations involved in running such a scheme, particularly one so involved with the public sector, which he describes as “a nightmare: overly bureaucratic, too slow, not commercial.” His solution is “to be pretty bossy. You’ve got to say exactly what you want.”

He’s also taken some knocks in the eight years the ex-offender programme has been in effect. “We’ve learnt from our mistakes – people who’ve run off with a load of money, or been selling drugs in the shop. We’re more selective in the people we get now.”

Getting people out of prison on ROTL (Released on Temporary Licence) to work for Timpson during the day while still serving their sentence has made a big difference to the scheme’s success. “We’ve had 100% success with this approach. They already understand how to work, and have confidence. Every time someone’s come out on ROTL they’ve stayed with us.”

*“If you want to do it because it really interests you then that’s the best way to get the most out of it.”*

Apparently doing some charity work begets more. For the past two years, James also has supported the charity After Adoption, a voluntary adoption agency that is one of the largest providers of adoption support in the UK.

It is a cause close to his heart – James has two adopted brothers, and his parents Alex and John fostered more than 80 children in 29 years. His parents were recently awarded the Family Business Philanthropist Beacon Award for their efforts.

Indeed, you could say that the Timpson family business aspires to repair not only shoes and watches but also people.

Still, there is nothing moralistic about James’ approach to philanthropy. “If you want to do it because it’s the right thing to do, that’s boring,” he says. “If you want to do it because it really interests you then that’s the best way to get the most out of it.”

# Many paths are possible

HERTA VON STIEGEL



## HERTA VON STIEGEL

### FOUNDER OF THE PRINCE'S TRUST WOMEN'S LEADERSHIP GROUP

After working in investment banking and law, Herta set up Ariya Capital Group in 2008, a private equity firm based in Botswana, UK and Jersey, which focuses on sustainable investments in frontier markets. In 2006 she founded the Prince's Trust Women's Leadership Group, and she sits on the board of Opportunity International, the microfinance organisation.

Herta von Stiegel believes that philanthropy is about more than just wealth: "Everyone should be a philanthropist. It's an attitude to giving; it doesn't matter whether you have a lot or a little." She is careful to select organisations that make a real difference. "I don't believe in giving for the sake of giving – the way to hell is paved with good intentions!" And, like James Timpson, she is hoping to combine her commercial work with her desire to have a positive impact where help is needed.

*"Everyone should be a philanthropist.  
It's an attitude to giving."*

Growing up behind the iron curtain in Transylvania, Herta and her family were allowed to leave when she was 18 years-old, paying to relinquish their citizenship. She moved to the United States, trained as a lawyer, then made a career in investment banking. Herta relocated to London 20 years ago.

In 2008, she founded Ariya Capital Group, a private equity firm focusing on sustainable investments in Africa, which has offices in the UK, Jersey and Botswana.

*"I decided to focus on economic empowerment  
because that's what I understand the most."*

Herta's background and ongoing involvement in finance clearly influences her philanthropy. "I decided to focus on economic empowerment because that's what I understand the most – particularly the economic empowerment of women. I think it's very important that women have choices and that's difficult if you don't have financial resources." She aims to provide all those that she supports with the tools that will help them to break the cycle of poverty.

Herta has worked particularly with two organisations: in 2006 she founded the Prince's Trust Women's Leadership Group, a committee of influential women raising funds to give young disadvantaged women the support they need to move into work, education or training. Her other passion is Opportunity International, the world's second largest microfinance organisation. This organisation promotes sustainable, lasting economic development by providing small capital loans to people in developing countries in order to help them work their own way out of poverty.

Opportunity International serves more than 1.8 million clients worldwide, 84% of whom are women.

Like many philanthropists, Herta is adamant that the causes she supports must be something in which she personally believes. “You need to educate yourself. In this country alone there are over 180,000 charities. Anybody who has a little bit of money is inundated with requests and most of us don’t have the time to filter through that.” That is why, Herta notes, it is so important to have advice on how to “give thoughtfully” and to “help tease out what you’re passionate about.”

Herta herself researches organisations so as to avoid funding corrupt projects. “There’s no substitute for actually checking things out.” Before getting involved with Opportunity International, for example, she was sceptical about how microfinance would work on the ground, and travelled throughout Africa and India to observe the organisation’s work. The result of her travels: “I became convinced that microfinance is very important. It’s not enough, but it is important in breaking the cycle of poverty.”

*“It is when we think holistically that we get the maximum impact.”*

Like many successful people, Herta finds that time is the major limiting factor in her life. “I’ve had to let things go when I knew that I couldn’t give as much as I wanted to. I’ve had to make tough choices in terms of investing my time.”

One solution was to try to combine her professional life with her hopes to effect positive change.

Herta founded Ariya Capital with the view that, particularly in frontier markets: “We need to work to have a proper sustainable private equity industry that really invests the maximum return for quantifiable social and environmental benefit.”

Philanthropy alone is not enough, Herta believes. “Its effectiveness is limited because we think in silos – here is my business life, here is my philanthropy life, and never the twain shall meet. It is when we think holistically that we get the maximum impact.”

# What do you do with what you have?

RICHARD ROSS



## RICHARD ROSS

### TRUSTEE AND CHIEF EXECUTIVE OF THE ROSETREES TRUST

Richard is a trustee and Chief Executive of the Rosetrees Trust, a family foundation established in 1987 to fund life-changing medical research. Richard, a chartered accountant, has worked for the family companies Regentsmead/Earlsmead, which fund Rosetrees, since 1967.

“My father came [to the UK] as an immigrant and had no money; his abiding memory was of his parents not being able to pay their food bill,” says Richard Ross. His father worked “incredibly hard” and in 1987, to mark a golden wedding anniversary, established The Teresa Rosenbaum Golden Charitable Trust.

*“I think if you have got a successful business it is your duty to give something back.”*

These days Richard runs the multi-million pound foundation now known as the Rosetrees Trust. He also chairs his father’s business, the Edgware-based Regentsmead Limited, which provides specialist financing services to the property industry. He does both, Richard explains, because: “I think if you have got a successful business it is your duty to give something back.”

Rosetrees is dedicated to supporting the latest developments in medical research in the UK and abroad. The foundation sponsors young researchers as well as clinicians who want to increase their expertise. The trust mainly gives donations of £3,000 to £10,000, with larger grants as researchers show they are close to making important discoveries.

“When we started we gave to all sorts of causes,” Richard recalls. “But one day a professor wrote to me and said he’d like to develop a chemotherapy treatment that only targets the area where the cancer actually is. It made me realise that we should focus on medical research.”

*“I can only get really excited about a project if I can understand what it is about.”*

Richard tries to keep things simple. All researchers applying for grants are asked to fill in just one page explaining their project and what they want to do. “I make them write it in layman’s terms, because I can only get really excited about a project if I can understand what it is about.” This light touch – the one-page forms plus the smaller “starter” grant approach – marks Rosetrees out from many larger charities and funders in the medical research field.



Richard, an accountant, admits: “I don’t know the first thing about medicine.” So he has medical experts peer review the projects. “We initially relied on our own assessments, but I wanted a medical expert to confirm the medical research is of the highest quality and likely to lead to early benefit.” In addition, the trust recently set up an advisory panel in a more official role to advise it on what sort of work it should be doing.

Richard can also be said to be characterised by a desire to involve others and publicise philanthropy. Richard’s name was published in the *Sunday Times Rich List*, an annual list of the wealthiest people or families in the UK. His response: “I went to the author Philip Beresford and told him that I thought he should write next to people’s names how much they give to charity. That didn’t happen but they did put a page on philanthropy in the paper. That later grew to five pages and then the Giving List was born.” He now sits on the panel of *The Ambassador for Philanthropy*. The panel is dedicated to giving philanthropists a voice and discusses ways to promote philanthropy.

*“It is magical to help others;  
one of the greatest experiences that life has to offer.”*

He not only tells people about the benefits of charitable giving, he also tries to make it easier for them to get involved in supporting medical research. Matching funders can contribute either through Rosetrees or directly to a project Rosetrees has vetted.

“There isn’t a lot of glory in supporting medical research. It can take years to see results, which is probably why lots of people don’t fund it. Yet when you give someone support and see results, it is a fantastic feeling.”

The key, though, is to find whatever cause “sets you on fire”, says Richard, adding: “It is magical to help others; one of the greatest experiences that life has to offer.”

# Connecting emotionally is key

THOMAS HUGHES-HALLETT



## THOMAS HUGHES-HALLETT

### CHIEF EXECUTIVE OF THE CHARITY MARIE CURIE CANCER CARE

Tom is Chief Executive of the charity Marie Curie Cancer Care. He joined the charity after a 25-year career in the City. He has also set up his own charitable foundation, the Emily Hughes-Hallett Fund, and is Chairman of the Michael Palin Centre for Stammering Children and a trustee of the Esmée Fairbairn Foundation.

Ten years ago Tom Hughes-Hallett had the choice of heading Barclay's private banking in the UK or becoming Chief Executive of Marie Curie Cancer Care. He asked his wife and children to vote and the majority selected the charity. He now describes his decision to join the charity sector as "the best decision of my life."

*"Today, I can't stop telling my friends how much fun it is."*

Despite now running one of the country's largest charities, Tom says that in the early years, his giving was quite arbitrary. "Like many donors", he says, "I gave just based on who asked me and whether I liked them, and also on whether I felt some sort of personal connection." He also says he gave money to charity out of a sense of duty and because it was tax-efficient. "It would have seemed odd to me then to think that giving could be enjoyable," he says. "Today, I can't stop telling my friends how much fun it is."

Tom was not emotionally connected to philanthropy – even though he grew up with charities. His great aunt was Esmée Fairbairn, whose husband set up the foundation in her name; his family members were trustees of that foundation.

The turning point for Tom came in the 1990s when his youngest son had speech therapy at the Michael Palin Centre for Stammering Children. "The centre is entirely funded by voluntary donations," he says. "It was the first time I had personally seen the difference voluntary giving could make to a child's life." He went on to become chairman of the centre and started making what he describes as "significant donations."

Tom now sits on the board of the Esmée Fairbairn Foundation. He's also become more structured in his own giving. He set up a foundation, the Emily Hughes-Hallett Fund, in memory of his daughter.

Tom sees his foundation as a fantastic way to get his children engaged in philanthropy.

“I’ve been happily married for 31 years and I always think that part of the success of my marriage came from the fact we were totally broke when we started out,” he says. “I want my children to have the benefit of my wealth but also for things not to be too easy for them.”

Each year, one of his three surviving children – all trustees of the fund and now in their twenties – choose a theme for the trust’s annual focus. “This year the theme is Suffolk, where we live.”

The family is donating £100,000 to the Suffolk Community Foundation because they feel it will help them to better understand the impact of their donation. “I definitely care about impact,” Tom says. “I like the fact we can rely on the Suffolk Community Foundation to measure the impact of our donation, more so than if we had just chosen to give it all directly to organisations ourselves.”

*“There should be much more public acknowledgement and celebration of giving.”*

But for Tom, philanthropy is more than giving one’s own money and time: it’s also about encouraging others who have the means to do the same. He recently attended the Suffolk Community Foundation’s AGM to urge other major donors to increase their giving.

He regularly talks to his peers about how enjoyable he finds philanthropy. “We need to stand up and say that giving is fun and that your kids will respect you for it,” he says. “I recently did a magazine spread where I talked about how rewarding giving is. I know that some of my peers won’t like it, they’ll find it glory-seeking or swanky but I want people to read it and say, ‘Oh good for Tom, maybe I should be doing this too.’”

Peer motivation can be significant, he believes. “We have to persuade people that it’s not embarrassing to give,” he says. “There should be much more public acknowledgement and celebration of giving.”

# Focus helps make giving effective

NICK MARPLE & SOPHIE ROBERTS



## NICK MARPLE & SOPHIE ROBERTS

### FOUNDERS OF THE MARPLE CHARITABLE TRUST

Nick and Sophie, from Islington, North London, founded the Marple Charitable Trust. They split their giving 70:30 between international and UK causes. The couple have recently teamed up with Islington-based funder the Cripplegate Foundation to increase the impact of their giving by sharing knowledge with the Foundation.

London-based couple Nick Marple and Sophie Roberts were already giving to charity individually before they met and decided to combine their philanthropy and lives. Nick's philanthropy was focused on overseas development. He had visited Ghana and began sponsoring a child. His giving increased in line with his income. Sophie's giving was UK-centred, with a particular emphasis on London, where she says: "I saw so many problems on my doorstep, and I wanted to help."

Like many donors, they chose causes that tugged at their heartstrings. For instance, they funded a shelter in London after walking past a homeless person, and gave emergency aid following the 2004 Boxing Day tsunami.

*"I saw so many problems on my doorstep, and I wanted to help."*

But Nick and Sophie began to worry that their giving was too ad hoc. And their newly formed charitable trust was inundated with applications for funding from all kinds of charities. "Our initial thinking was to accept unsolicited proposals, read through all of them and determine funding allocations with our trustees," they say. "But we found that due to the sheer number of applications and the range of quality we were receiving it was impossible. We realised we needed a strategy but didn't know where to begin."

Instead of the exciting and rewarding journey they had hoped for, their philanthropy started to seem overwhelming and stressful. Worried that soon they would start choosing charities purely out of exasperation, Nick and Sophie sought professional advice.

Together with New Philanthropy Capital, the charity consultancy and think tank, the couple talked through their priorities to uncover the causes they were most passionate about, finally hitting on a clear theme: helping disadvantaged children to maximise their potential through education in sub-Saharan Africa, the UK and their local London Borough of Islington. The pair would also support innovative projects that increase human potential globally.

Today, the couple's international charities include Actionaid, Save the Children and Merlin. A particular favourite is Camfed International, which helps girls in Africa into education, because research shows that educated girls will earn 25% more than those who are uneducated and are three times less likely to become HIV positive. "Education opens up the world for people, and most of the charities we support reflect this theme," says Sophie.

Nick and Sophie also are committed to helping young people closer to home. They teamed up with Islington-based funder the Cripplegate Foundation to maximise the impact of their giving and share knowledge. Established in 1500, Cripplegate's experience in grant giving made it an ideal partner for Nick and Sophie: they use the foundation's extensive local knowledge to inform their own decisions. They were taken to meet organisations the foundation supports, which improve access to opportunities, address poverty and promote social cohesion in the borough.

*"Education opens up the world for people,  
and most of the charities we support reflect this theme."*

"We had hoped that by setting up a trust and inviting applications we might get some smaller charities as well, but it hasn't ended up that way – the big charities are very professional and easy to deal with. We didn't really realise the time it would take to find smaller charities."

Even so, they do manage to be hands on. Sophie says the couple wants to be: "The people who are the icing on the cake – to be able to ask charities, 'What would you really like to do if we gave you £10,000 – what can we do that you otherwise just couldn't afford?'"

When the couple visited Islington-based Urban Hope with Cripplegate's trustees, nobody at the charity knew they were potential funders. "I happened to talk to one of the workers who told me that they were closing down their cooking group, because they couldn't afford the £50 per week for ingredients anymore," says Sophie. "But I thought that £50 per week teaching 12 kids to cook was great value for money, so we said we'd give it to them. We ended up funding something that would have stopped otherwise."

Today, Nick and Sophie's giving is focused and informed. They also are developing deeper relationships with the charities they fund. They see their decision to seek advice as central to the trust's success: "People starting out might be reluctant to spend money on external advice because they think it takes it away from giving to the needy; but we found that getting somebody experienced to help us has been absolutely invaluable. There are over 180,000 charities in the UK, how do you decide who to give to?"

*"Don't expect it all to happen immediately;  
you have to think about the long term."*

Still, challenges do remain. "We were very keen when we started, but amazingly we haven't given away as much money as we'd hoped," Sophie said. But probably the biggest lesson they've learned from their experience so far is: "Don't expect it all to happen immediately; you have to think about the long term. You're in this for the next 30/40 years. You might not get all your charities immediately, but you've just got to keep yourself open to opportunities and suggestions."

“ How you give your money away is just as  
important as how you invest it. ”

JOHN D. ROCKEFELLER,  
AMERICAN INDUSTRIALIST, BUSINESSMAN  
AND A MAJOR PHILANTHROPIST (1839-1937)

# Conclusion

As individual as the stories of our eight UK interviewees are, they have much in common with each other and with other successful philanthropists across the globe.

For example, this group amply demonstrates a much-discussed trend among today's philanthropists to move away from giving primarily through bequests and to embrace "giving while living"<sup>6</sup> so that they can address problems of their time and see the positive change they have had a hand in creating.

The most successful philanthropists also seem to be those who align their giving with their passion. As James Timpson put it: "If you want to do it because it really interests you... then that's the best way to get the most out of it."

The fact that passion for a cause is what drives successful donors is reflected in many studies, including one conducted in 2010 by Beth Breeze,<sup>7</sup> researcher at the Centre of Charitable Giving and Philanthropy,<sup>8</sup> based at the University of Kent. Breeze's study of 60 committed philanthropists, "How donors choose charities: findings of a study of donor perceptions of the nature and distribution of charitable benefit", found they consistently said they chose their cause according to what was close to their hearts.<sup>9</sup>

Often, what is close to donors' hearts arises from, and makes use of, their own experiences. Kavita Oberoi was the first woman in her family to achieve a higher education and now dedicates her philanthropy to empowering women. Herta von Steigel believes that philanthropy is most effective when we draw on all of our life experience: "[Philanthropy's] effectiveness is limited because we think in silos – here is my business life, here is my philanthropy life... It is when we think holistically that we get the maximum impact."

*"The philanthropists profiled here all started small and (...) this approach seems to have helped them find a giving 'sweet spot'."*

The philanthropists profiled here all started small – dipping a toe to test various causes and approaches before settling on one or two issues about which they feel really passionate. The fact that they have focused on a few issues that they are passionate about seems to have helped them find a giving 'sweet spot': that is to say where the resources they have to give (time, money and skills) intersects with their interests and passion, in an area where help is sorely needed.

6 "The Power of Now: Spend Out Trusts and Foundations in the UK" Institute for Philanthropy (February 2010), available at [www.instituteforphilanthropy.org](http://www.instituteforphilanthropy.org). "Turning Passion Into Action: Giving While Living," Atlantic Reports, The Atlantic Philanthropies, (June 2010). The Atlantic Philanthropies describes itself as "an international foundation dedicated to making lasting changes in the lives of disadvantaged and vulnerable people. Its founding chairman is Charles F. "Chuck" Feeney, cofounder of the Duty Free Shoppers Group. The foundation says it is spending all of its remaining assets and will close its door by 2020.

7 All of Beth Breeze's publications can be found at [www.kent.ac.uk/sspsr/cphsj/publications.html](http://www.kent.ac.uk/sspsr/cphsj/publications.html)

8 The Centre for Charitable Giving and Philanthropy is funded by the ESRC, the Office of the Third Sector, the Scottish Executive and the Carnegie UK Trust.

9 Available at: [www.kent.ac.uk/sspsr/cphsj/documents/How%20Donors%20Choose%20Charities%2018%20June%202010.pdf](http://www.kent.ac.uk/sspsr/cphsj/documents/How%20Donors%20Choose%20Charities%2018%20June%202010.pdf)



They are creative about using what is available to achieve their goals – for instance, James Timpson leverages the family business, Herta von Steigel uses her skills as a business investor. This desire to leverage means that our interviewees, without exception, work in partnership with others to achieve more. For instance, the Marples co-fund with the Cripplegate Foundation, Thomas Hughes-Hallett works with and through a Community Foundation in Suffolk, Richard Ross works closely with medical experts and James Timpson has built partnerships with prisons.

*“Our interviewees, without exception, work in partnership with others to achieve more.”*

Our interviewees describe giving as one of the most enjoyable aspects of their lives. Perhaps Richard Ross put it most succinctly: “When you give someone support and then see the results it is a fantastic feeling.”

Many of our interviewees mentioned a commitment to understanding the success or otherwise of their philanthropy. Rod Aldridge, an entrepreneur, could not understand why someone from a business background would not evaluate their giving (“you always evaluate in business, why not in charities?”) and believes all donors should agree benchmarks from the start of a relationship that will help measure what success will look like and will help both partners to refine and adapt as they learn what is working and what isn’t.

One of the most consistent messages these eight interviewees delivered is that money alone is seldom the answer. Giving does not have to begin or end with simply signing a cheque. For these donors, philanthropy is fulfilling because it is a personal gift of effort and resources that makes a real difference in other people’s lives.

*“Giving does not have to begin or end with simply signing a cheque.”*

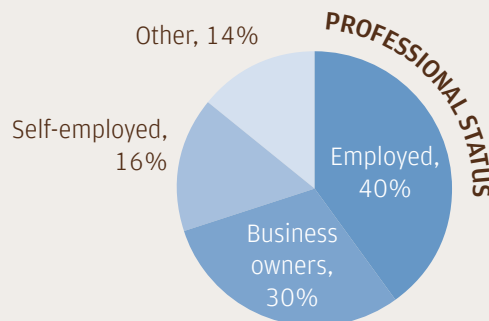
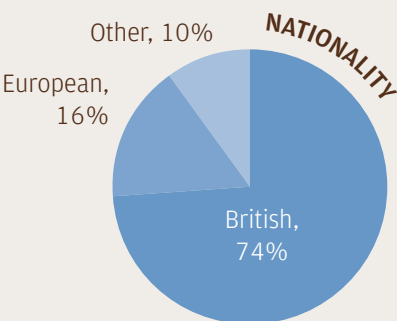
It is part of J.P. Morgan’s ongoing mission to assist clients in effective philanthropy. Having a continuing dialogue with experts, leading charities and other philanthropists is an important part of keeping your giving effective on an ongoing basis. That is why we host regular events focusing on different areas of philanthropy, both in Europe and globally, so that our clients can meet and hear ‘lessons learned’ from some of the world’s leading philanthropists. During the past six years, we have been able to bring our clients together with such leading philanthropists as Philip Berber, Sir Ronald Cohen, Lloyd Dorfman, Dame Vivian Duffield, Bill and Melinda Gates, Ben Goldsmith, Thomas Hughes-Hallett and Sir Peter Lampl.

For information about our future programmes, please contact your J.P. Morgan representative.

# Who's giving - and why?

Highlights of a recent client survey\*

**78** respondents representing  
more than **£6 billion** in estimated net wealth



## How regularly do you give to charity?

### GIVE REGULARLY TO CHARITY

78%

### GIVE IRREGULARLY TO CHARITY

21%

### DO NOT CURRENTLY GIVE TO CHARITY

1%

## What percentage of your wealth is used for charitable purposes?

### GIVE MORE THAN 10%

9%

### GIVE BETWEEN 5-10%

45%

### GIVE BETWEEN 1-5%

12%

### GIVE LESS THAN 1%

27%

### DO NOT KNOW

7%

\* The survey was conducted by NPC in the autumn of 2010 and was sent to 200 randomly selected J.P. Morgan Private Bank clients and completed by 78 individuals.

## The reasons I get involved in a cause are:\*\*

I CARE DEEPLY ABOUT THE CAUSE

54%

I AM IMPRESSED BY THE ORGANISATION'S EFFECTIVENESS

32%

I WISH TO GIVE SOMETHING BACK TO MY COMMUNITY

29%

I WAS ASKED BY A FRIEND/FAMILY MEMBER/BUSINESS ASSOCIATE

23%

I AM ABLE TO INVOLVE MY FAMILY/CHILDREN

18%

I CAN MAKE A VISIBLE DIFFERENCE

16%

OTHER

14%

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## I would be encouraged to give more if...:\*\*

I FOUND A CAUSE I FELT PASSIONATE ABOUT

48%

I INCREASED MY WEALTH

44%

I HAD A BETTER KNOWLEDGE OF HOW MY DONATION WAS SPENT

30%

THERE WERE BETTER TAX INCENTIVES

30%

I HAD MORE TIME TO FOCUS ON MY PHILANTHROPY

17%

I HAD MORE INFORMATION ON THE CHARITY'S IMPACT

14%

WE FOUND A COMMON INTEREST TO ENABLE US TO GIVE TOGETHER AS A FAMILY

14%

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\*\* Responses do not add up to 100 since respondents were able to select multiple answers.

# Creating your own framework for effective giving

The case studies in this document give an insight into each profiled individual's philanthropic journey but they cannot quantify the effectiveness of the work they have done. The six steps below provide a brief summary of the basic approach that our philanthropy advisory team take to working with clients in the UK who want to use the money, energy and time they have set aside for philanthropy as effectively as possible.

## Stage 1: Set goals

What do you really care about? What do you want to change? What will the long-term success of your charitable work look like? An effective, written, mission statement reflects your values, sets a course for your work and gives you a way of communicating your plans to others.

## Stage 2: Build an effective framework

Your giving framework should maximise the amount you can give, create clear decision-making structures and ensure that administration is streamlined and effective for the future.

1. make sure that you have created an appropriate and tax-efficient vehicle for giving.
2. set out a flexible governance system that defines the roles and responsibilities of those involved and consider how this might change over time.
3. create a financial framework that gives a clear picture of the amount to be given each year and the investment strategy that will support that giving.

## Stage 3: Do the groundwork

Consider engaging an expert to gather information and assess the landscape with you. Develop a learning plan: visit charities and talk to subject experts and other funders. Follow up with the most effective. The philanthropists we interviewed have, without exception, focused on a few issues they are passionate about.

## Stage 4: Create a balanced portfolio

Create a focused strategy for each of the areas you plan to fund, and to build your first portfolio of grants. Consider diversification – to reduce risk and ensure an overall 'return' on the philanthropic investments made.

## Stage 5: The people dimension – learn from and work with the best

Use whatever leverage you can to maximise your chances of success. Talk to other funders and avoid their mistakes. Use other people's money – co-fund on areas of shared concern. Work with excellent organisations who will deliver effectively on the ground. Creating the right partnerships from the outset will certainly help you achieve your goals faster and smarter. Consider creating a due diligence framework that will help you to easily pull out the strengths and weaknesses of potential delivery partners in areas such as governance, leadership, finance and results.

## Stage 6: Make your grants work hard

Agree clear benchmarks that will help you and your delivery partner measure what success will look like. Include both quantitative and qualitative measures and ensure that the quantitative measures don't simply measure activity (eg number of vaccines administered) but also measure success (per cent reduction in illnesses). Evaluation is a tool to help you refine and adapt your grant making as you learn what is working and what isn't. It's not an end in itself. And, as each of the philanthropists we interviewed has done, put your talents and resources as well as your money, to work.

# J.P. Morgan Private Bank's Philanthropic Services in the UK

The Philanthropic Services team of J.P. Morgan Private Bank helps clients achieve their philanthropic goals. In our work with families and private foundations, we tailor our expertise in investing, structuring, grant making and governance – to solve each client's unique needs.

We are able to help clients link their giving to their overall family wealth and investment management plans. We do that by:

- Designing customised philanthropic strategies
- Ensuring that your giving is optimally tax-efficient and that you have the structures in place that will support your philanthropy in the medium and long-term
- Designing an investment portfolio that supports your giving requirements and your timeframe for your foundation's lifetime
- Working with trusted third parties to commission research on areas of interest
- Helping you to find the right service providers to provide your grant making and administrative services
- Acting as a philanthropic networking resource

For more information about our Philanthropic Services in the UK, please contact Rebecca Eastmond at [rebecca.a.eastmond@jpmorgan.com](mailto:rebecca.a.eastmond@jpmorgan.com) or on +44 (0)20 7742 7824.

**Rebecca Eastmond** is a Wealth Advisor and Head of Philanthropic Services UK at J.P. Morgan's Private Bank. Her background is as a private client lawyer. She worked at Allen & Overy for six years, advising high-net-worth individuals and large grant-making charities. In 2002, Rebecca left Allen & Overy to develop the pilot of The Prince's Foundation for Children & the Arts. In 2005, she was appointed by HRH The Prince of Wales as CEO of the new charity, and worked with a core group of donors to grow the charity – which in 2008/09 helped over 33,000 children across the UK. She currently serves as trustee of The House of Illustration and of grant-making trust, the David Cock Foundation. She is a National Advisory Council member for Teach First and serves on the board of the Philanthropy Review. Rebecca read law at Oxford University and is admitted as a solicitor in England and Wales.

## NEW PHILANTHROPY CAPITAL

New Philanthropy Capital (NPC) is a charity consultancy and think tank dedicated to helping funders and charities to achieve a greater impact. It has an ambitious vision: to create a world in which charities and their funders are as effective as possible in improving people's lives and creating lasting change for the better.

For charities, this means focusing on activities that achieve a real difference, using evidence of results to improve performance, making good use of resources and being ambitious to solve problems. This requires high-quality leadership and staff as well as good financial management.

For funders, it means understanding what makes charities effective and supporting their endeavours to become effective. It includes using evidence of charities' results to make funding decisions and to measure impact.

NPC provides independent research and advice for donors and charities. It encourages debate about what makes a charity effective. The NPC also builds knowledge and tools to support effectiveness.

For more information about New Philanthropy Capital and its services, please contact Plum Lomax at [plomax@philanthropycapital.org](mailto:plomax@philanthropycapital.org) or on 0207 620 4877.

*Acknowledgements: we would like to thank Ms Caroline Fiennes for her insightful review of this document.*

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