

## Random Thoughts on Canadian Philanthropy

**Let's stop comparing ourselves to Americans when it comes to charitable giving.** It is true that on a per capita basis, Americans are more far generous than we are but the truth is that they are miles ahead of every nationality when it comes to giving back. Let's focus instead on our own philanthropy and how we can keep raising the bar.

Times are tough. If you can't give, **try and find the time to volunteer.** You have no idea how much charities value your time.

Some people in the gift planning community think that a more favourable tax treatment of charitable remainder trusts will result in their widespread use. Their huge popularity in the US, however, stems largely from a tax regime that encourages taxpayers to part with their capital while alive. We don't have a similar regime in Canada.

**Most gift planners spend too much time trying to cultivate professional advisors** (or that dreaded term "allied professionals"). Unfortunately, most gift planning within advisory circles will continue to take place in the absence of gift planners. Cultivating advisors is worth it for some charities but most of the time, it will leave you running in circles.

**Why do most "planned giving committees" fail to succeed?** In my opinion, many gift planners tend to try and use these as advisory committees (rather than fundraising committees). The problem is that most gift planners know more about the technical side of gift planning than advisors. In other words, we're giving our advisory brethren far too much credit. As for the advisors that you meet at CAGP conferences, they are the exception, not the rule.

Despite (or perhaps because of) organizational cutbacks, **staff turnover continues to be a huge problem in the voluntary sector. Sadly, I am not sure how many fundraisers are truly passionate about the organizations for which they work.** As a result, they are all too willing to change hats when the lure of a larger paycheck comes calling. This turnover is not conducive to developing long-term donor relationships.

**Over the next decade, I think that the single biggest development within the charitable sector will be the role that the financial/investment advisor plays in the gift planning equation.** As a result, gift planners working at charities need to do everything possible to educate these professionals on both the technical and psychological aspects of philanthropy.



**What is our ultimate role as gift planners? Frankly, I think it is to ensure that philanthropy enters the mainstream of holistic financial planning.** Imagine this – 100,000 financial planners, advisors and brokers having conversations with millions of clients. We’re talking about a philanthropic watershed. This change is on the horizon but it might be another generation before things really take hold.

**Why are commercial donor advised funds so popular within the advisory world? They allow the financial advisor discuss philanthropy with their clients but not risk erosion of their asset base.** In a world where advisors are largely compensated based on the size of their book of business, this is huge (and this is exacerbated by the fact that many advisors have witnessed a huge reduction in their book due to market conditions). In other words, commercial DAFs allow advisors to discuss philanthropy in the context of their existing practice.

There are well over 80,000 registered charities in Canada. I know that many of these are largely defunct or extremely small but it seems to me that this number is still too high. What does this mean? **There are probably many opportunities for some well-placed charitable mergers.**

**This is a good time for charities to rethink their approach to special events.** Over the last year, golf tournaments and galas have been among the biggest casualties when it comes to dollars raised. Why? Well, quite simply, most of them have been postponed or cancelled completely. Will they return in the same numbers? Likely not, as charities turn to more efficient forms of fundraising.

Over the last few years, I have spoken to dozens of individuals who are considering the transition from the corporate world to the charitable sector (a transfer that I myself made almost a decade ago although I have since made the journey back to corporate Canada, albeit in a philanthropic role). This is great news. **There are a number of highly talented people out there whose skills would be welcomed by charities.** I would only encourage leaders in the charitable sector to look beyond a lack of “non-profit experience” and focus on how the wonderful skill sets of these individuals can enrich your organization.

**Start talking to your children about giving back when they are five or six.** Please feel free to email me for a free copy of *The Charity Glove*, a children’s book about giving back. It’s not a bad place to start.

**I’m so impressed by so many young Canadians and their thoughtful approach to giving and volunteering.** I think the next generation will usher in a new era of philanthropy in Canada. Don’t mock their text messaging, Facebook-loving ways. These teens know how to spread the good word....fast.

