Entrepreneurial philanthropy on the rise

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Charitable giving more than trebled to $692m in 2011 from $206m in 2001: report

ENTREPRENEURIAL philanthropy is on the rise in Asia, riding on a wave of social entrepreneurship and an emergent generation of philanthropists.

This is according to a working paper by the National University of Singapore (NUS) Business School's Asia Centre for Social Entrepreneurship and Philanthropy (ACSEP), whose findings are based on interviews with 27 organisations in the region.

Entrepreneurial philanthropy differs from the more traditional form of "cheque-book" philanthropy in that philanthropists are more actively involved as investors rather than donors in the act of giving.

"The globalisation of social entrepreneurship over the last 25 years has resulted in a significant shift in the way philanthropy operates," said Rob John, visiting senior fellow of ACSEP and one of the authors of the paper. "It has been a shift away from grants to project costs, to investing in good organisations with the aim of making them great organisations."

This shift is evident among local organisations, such as the Lien Foundation.

Said its chief executive, Lee Poh Wah: "I was disappointed with the uninspiring monoculture philanthropy landscape in Singapore where publicity for philanthropy revolves around cheque-giving ceremonies."

Rather, philanthropy "should be more like venture capital", he reckoned.

In adopting a more engaged approach in philanthropy, the Lien Foundation implemented a community-based programme that brought specialist care to children with mild learning needs in
mainstream preschools. Called Mission: I'mPossible, the programme has improved the lot of children who had fallen "through cracks in the education system", according to the paper.

According to ACSEP, charitable giving in Singapore has more than trebled to $692 million in 2011 from $206 million in 2001. And philanthropic activity is likely to continue to rise with the increasing number of high net worth individuals here, the paper said.

That said, ACSEP believes that there is room for more collaboration between philanthropists in Asia, more professional crossover from sectors not traditionally associated with philanthropy, as well as more transparency in the policies and operations of foundations.