

## A model of engaged philanthropy

*Della Bradshaw*



A few years ago Jan Tallis, chief executive of the charity School-Home Support, knew little about strategy or marketing. Now she is something of an expert. "Don't forget to put the hyphen in 'School-Home Support'," she cheerfully instructs. "It's all about branding."

The transformation came at the hands of the mentors from the Private Equity Foundation, a venture philanthropy fund. Volunteers from McKinsey taught her about strategy and branding and specialists at Deloitte helped with accounting and information technology support. She is also receiving leadership training from professors at Insead.

School-Home Support, which works with teachers and families to ensure children get the most out of their schooling, is one of more than a dozen charities that the Private Equity Foundation has opted to fund. The aim is to help young people not in education and training, and covers three categories: literacy and numeracy, disruptive teenagers, and unemployed teenagers aged 16 plus, says Shaks Ghosh, chief executive of the Private Equity Foundation.

"Young people are leaving the world of education without having the skills to enter the world of work," says Ms Ghosh.

It was for this reason that the Private Equity Foundation was formed in 2006, in "a time of plenty". Although fundraising is now much tougher, the foundation has raised £11m and more than £7m in pro bono support.

"Over time, I think that [the pro bono support] will be the really substantial piece," says Ms Ghosh. "These relationships are like gold dust."

As well as money and professional mentoring, the foundation provides leadership training, the theory being that combining the three elements will create a virtuous circle.

"This is a model of very engaged philanthropy," says Ms Ghosh. "We are trying to show the way for the business world to give intelligently and to support with more than just money."

The nine-month leadership programme, which began in January and was designed by the leadership consultant AMG, involves a week-long programme at Insead in the autumn. At €2,800 (£2,400), the programme costs less than a third of a traditional Insead course. Richard Thackray, chief executive of AMG, describes the leadership programme as "extraordinary value".

But Insead is getting something out of the programme too, says Hans Wahl, executive director of the Insead Social entrepreneurship Initiative.

"We're interested in the long-term viability of these ventures. We see this as a long-term investment in a relationship because we want the research. There's a great deal of learning ... You don't see the drive and the passion you see in these organisations in many companies in the private sector."

All the 14 charities supported by the Private Equity Foundation are involved in different elements of the programme and a core group is participating in every section. The programme started with intensive leadership assessments.

"For me, the leadership piece is about making sure the organisation can grow and maintain its ethos and quality," says Ms Tallis. She has big plans for the charity, which has almost doubled in size in the past two to three years and which she expects to double in size again.

"One of the things I want to get out of this is other people's input into how we might grow. It [the Private Equity Foundation] is enabling us to scale up and help more children and young people."

Charities learn lesson from corporate sector

"Most charities try to use short-term funding to finance long-term problems," explains Dwight Poler, managing director and head of Europe for Bain Capital. As a founding member and trustee of the Private Equity Foundation, he sees one of the critical roles of the organisation as providing stable funding, for a minimum of three years, to enable the selected charities to experience predictable growth.

Equally he feels the foundation's role is to help charities become more efficient and teach them corporate skills, such as mission clarity or optimising the conversion of donations into action.

"We hope to take what skills and learning we can from the corporate sector."

He acknowledges that such support, while helping the efficient charities expand, will result in the less effective ones going to the wall. "Everyone in the charity sector has such good hearts. It's difficult," he says.

Difficult too, these days, is fundraising. But Mr Poler believes that raising money on behalf of charities that are efficient – and that have been carefully vetted by the private equity community – can be convincing.

"The case we're making is that there is just as much need out there, if not more," he says.

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