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Chinese American Philanthropy
in the Bay Area



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Engaging Chinese American Philanthropists

Overview

This document has been developed as a companion to *FOR GENERATIONS TO COME: CHINESE AMERICAN PHILANTHROPY IN THE SAN FRANCISCO BAY AREA*, a report commissioned by Silicon Valley Community Foundation, sponsored by the Chinese American Community Foundation and developed by senior social scientists at LTG Associates. The main report is an exploration of the concept and practice of philanthropy as explained in interviews by a group of Chinese American donors in the San Francisco Bay Area. This document is intended to provide direction for those wishing to successfully engage and work with these donors. Everything in this document, unless otherwise indicated, directly reflects what was described by participants in the study as important to them in planning their philanthropic engagement.

This document is organized into categories that were revealed by the interviews as being of special value and importance to those wishing to work with Chinese American donors. The key disclaimer is that the group interviewed is small and should not be considered representative of Chinese American philanthropists overall. Nevertheless, the participants were clear and direct in their responses to questions, and a number of concrete themes emerged that can provide useful direction for encouraging engagement by this population. Throughout this document, “China” will be used to refer to the geographic region encompassing Mainland China, Hong Kong, Macau and Taiwan. Where an observation or a statement refers to a particular area, it will be identified by name; for example, Mainland China or Taiwan.

Definition of Philanthropy

Participants in this study define philanthropy as giving to do good in order to support the community, benefit society and make the world a better place. Philanthropic giving was defined broadly to include:

- Financial contributions and equivalents;
- Time and energy, through volunteering and board membership; and
- Expertise, such as offering business and fundraising advice.

For the majority of participants, philanthropy was defined as giving without expectation of personal gain that is directed outside of immediate family. As such, it stands in contrast to what many described as an important traditional value of retaining wealth within the family and passing it on to one’s children.

Geography

An initial matter of interest to many people seeking to collaborate with members of this group is whether they prefer to support causes and organizations in the U.S. or in the country of their birth or heritage. For the participants in this study, the answer differed depending on where they were born and how long they had lived there.

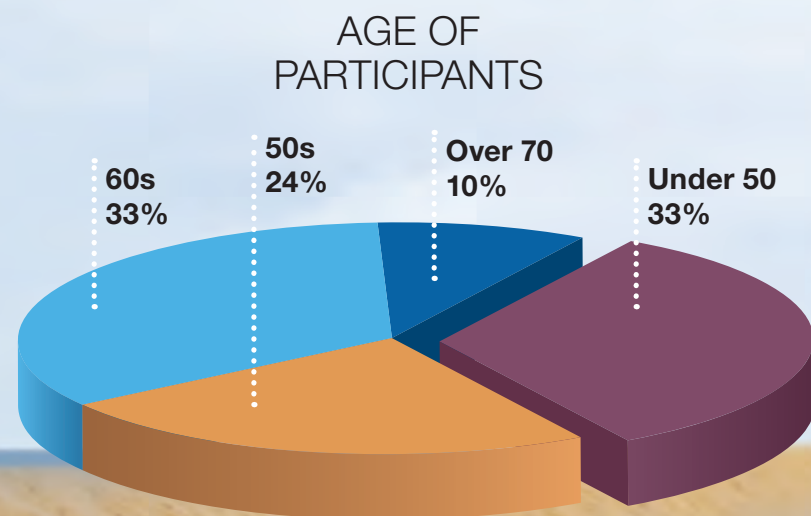
All donors in this study directed at least some portion of their giving to causes in the Bay Area. Donors born in Mainland China also tended to be involved in projects there. They spoke of understanding the many needs that still exist in China, and of the importance of supporting development efforts there. Educational projects were seen as particularly powerful in helping people there to overcome poverty. This, however, did not preclude their giving to projects in the U.S. and elsewhere.

Those born in Taiwan, Hong Kong and Macau tended to focus their giving in the U.S. However, those who spent longer in their birth country tended to share some portion of their giving with their home country. Those who left when younger were likely to direct more of their giving to activities in the U.S. Participants born in the U.S. showed a clear preference for giving in the U.S.

Demographics

Age

The study included a wide range of ages, as shown in the graphic below.



GENDER OF PARTICIPANTS



Few distinctions were noted overall among age groups in their giving other than in the amount of funds that were available to be devoted to philanthropy. Participants noted that they were able to give as they grew older. This increased wealth with age was seen as providing more flexibility with resources and so more potential engagement in philanthropy, as well as the possibility for more significant gifts. Increasing the amount of financial contributions was also noted as a way to make up for the reduced amount of time available for volunteering. This distinction may only be important for those with individually acquired wealth; those who inherited the largest part of their wealth may show a different pattern.

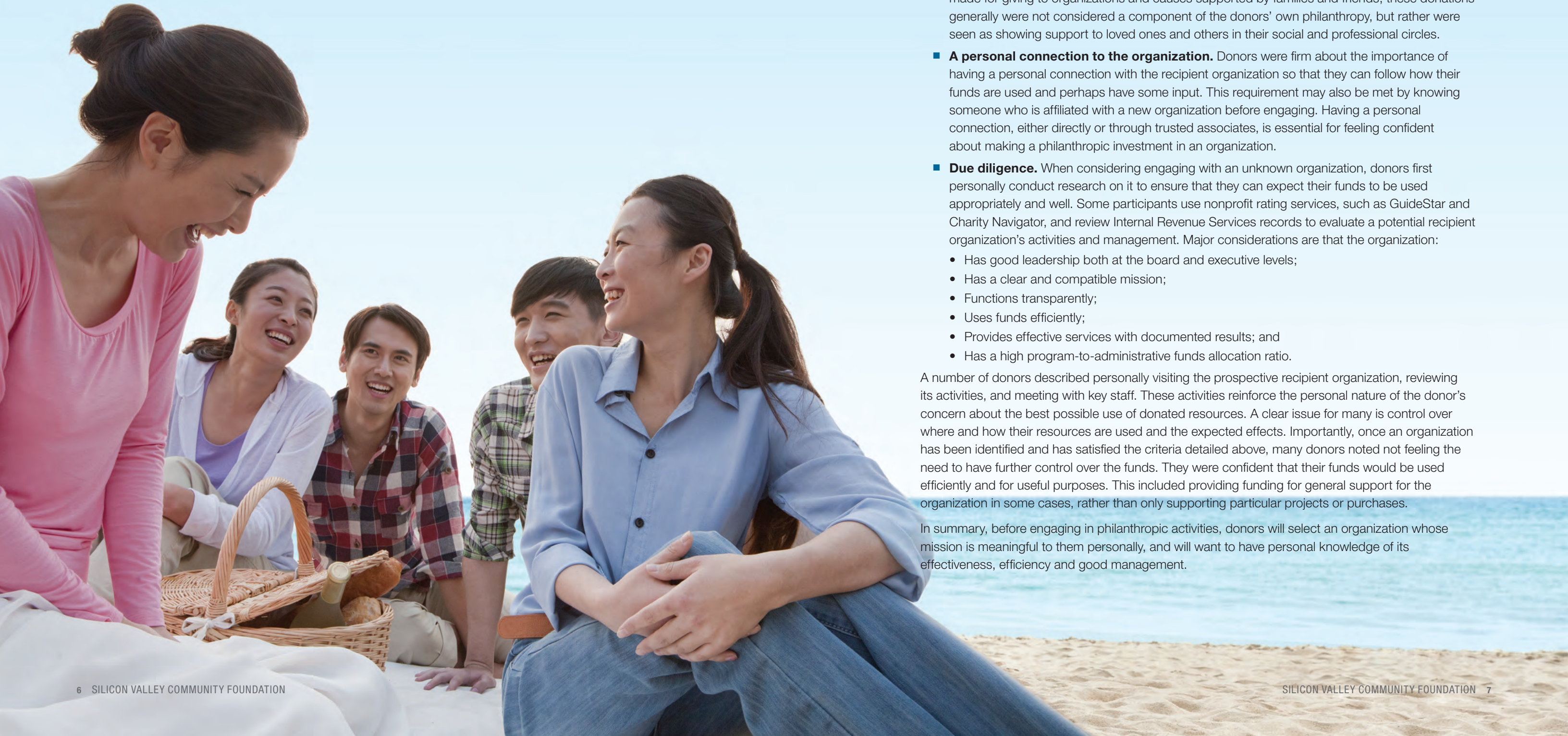
Some donors with children still at home described setting an example by creating a tradition of giving for them early in life, encouraging them to give as appropriate to their means and to volunteer their time. Parents expect that as their children grow older, they will redirect their efforts to issues and organizations of special interest to them.

Gender

Seventy-three percent of the participants were men and twenty-seven percent were women. The sample was generated through personal networks and individuals were invited to participate, so the relative numbers do not necessarily represent the proportions of men and women involved in philanthropy. Women in the study trended a bit older than their male counterparts. The majority of women participants are highly involved donors and were clear and focused about causes, organizations and due diligence. The increasing number of women in business and finance suggests that women may be an important focus for future donor development.



“ Donors will select an organization whose mission is meaningful to them personally...”



Prerequisites

Donors in the study, whether born in China or in the U.S., were clear about their requirements for deciding to provide philanthropic support of an organization or cause; those considerations included the following.

- **Personal affinity with the cause.** Whether it was education, poverty alleviation or a particular arts group, supporting causes that are meaningful to them is fundamental for most donors. All of the donors cited giving to organizations that provide services or conduct activities that are of personal interest and had resonance for them. The specifics of those causes will be discussed below. An exception to the personal connection as a primary consideration may be made for giving to organizations and causes supported by families and friends; these donations generally were not considered a component of the donors' own philanthropy, but rather were seen as showing support to loved ones and others in their social and professional circles.
- **A personal connection to the organization.** Donors were firm about the importance of having a personal connection with the recipient organization so that they can follow how their funds are used and perhaps have some input. This requirement may also be met by knowing someone who is affiliated with a new organization before engaging. Having a personal connection, either directly or through trusted associates, is essential for feeling confident about making a philanthropic investment in an organization.
- **Due diligence.** When considering engaging with an unknown organization, donors first personally conduct research on it to ensure that they can expect their funds to be used appropriately and well. Some participants use nonprofit rating services, such as GuideStar and Charity Navigator, and review Internal Revenue Services records to evaluate a potential recipient organization's activities and management. Major considerations are that the organization:
 - Has good leadership both at the board and executive levels;
 - Has a clear and compatible mission;
 - Functions transparently;
 - Uses funds efficiently;
 - Provides effective services with documented results; and
 - Has a high program-to-administrative funds allocation ratio.

A number of donors described personally visiting the prospective recipient organization, reviewing its activities, and meeting with key staff. These activities reinforce the personal nature of the donor's concern about the best possible use of donated resources. A clear issue for many is control over where and how their resources are used and the expected effects. Importantly, once an organization has been identified and has satisfied the criteria detailed above, many donors noted not feeling the need to have further control over the funds. They were confident that their funds would be used efficiently and for useful purposes. This included providing funding for general support for the organization in some cases, rather than only supporting particular projects or purchases.

In summary, before engaging in philanthropic activities, donors will select an organization whose mission is meaningful to them personally, and will want to have personal knowledge of its effectiveness, efficiency and good management.

Supported Causes

While the participants supported a variety of specific organizations, there were clear trends in the issues and causes which may offer guidance for engaging these donors. Participants shared a strong vision of working to affect the life course and health of future generations. The following are the issues most cited by donors in this study.

- **Education.** Education was by far the most frequently mentioned issue. Across ages, generations and gender, education was seen as foundational for their success, and supporting educational institutions was considered essential for ensuring its availability to others. Most donors supported the college or university they attended, both through active participation in leadership and by providing resources such as scholarships and funding for programs and facilities. Funding business school activities and infrastructure was popular because they are seen as creating the next generations of entrepreneurs, business leaders and, eventually, philanthropists.
- **Cultural Access & Civic Engagement.** Supporting cultural organizations and activities — particularly, but not exclusively, those focused on the Chinese American and Asian American communities — was important to many of the donors. Such contributions are seen as ensuring that Chinese American cultural heritage and history are preserved and made available to both the Chinese and larger community. Popular causes included the Asian Art Museum, the Angel Island Immigration Station Foundation, and Chinese cultural exhibitions and installations. Supporting Bay Area public arts and recreation, such as the ballet, symphony, zoo, museums, local landmarks and national parks, as well as religious entities, environmental groups and civic organizations were important avenues by which donors could affect the quality of life for both the Chinese American and the general population.
- **Workforce and Leadership Development.** Seen as an investment in the future by the donors, these programs offer opportunities to the next generations so they can advance themselves and help others. Philanthropy in this area often involves active engagement on the part of donors, some of whom provide direct leadership training and motivation through established programs. In the process, donors seek to inspire and activate the next generations of philanthropists by acting as role models and by laying the groundwork for the personal and professional networks that can be a foundation for their future engagement. Specific leadership development activities mentioned by participants include women's empowerment initiatives and leadership training for students.
- **Asian American Services.** Many participants cited support for health, housing, community development and other human services specifically benefiting Asian American communities. Supporting social services targeting the community at large was not common. Rather, many cited the continuing need for such services for Chinese American and other Asian American communities and a sense of obligation to support them.

There was a trend in the donors' responses that suggests that Asian American specific causes have continuing resonance for individuals regardless of how long their families have been in the U.S., and that the more recently one has arrived, the more specific and exclusive the focus on those causes may be. Conversely, the longer individuals have been in the U.S., the more likely they are to provide support for both Chinese American community and larger community issues. However, there were individuals who were relatively new to the U.S. who were providing support to both, so while a trend is evident, it is not definitive.



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Encouraging Engagement

Previous sections described donors' thoughts on issues of particular interest and how they view potential organizations. This section presents a brief discussion of donors' suggestions on encouraging engagement in philanthropy.

Education

Information. The key ingredient for encouraging engagement by the Chinese American community is information. Access to information on the role of philanthropy in community development and on ways to get involved would make it easier to become involved. There may be a tendency to think that only people with great wealth or elevated positions in the community are capable of giving in meaningful ways. People may simply not be aware of the many routes that exist for helping others and contributing to society. Ensuring that potential donors are aware of the variety of ways in which they can contribute besides financially is a crucial step towards engaging them. As they become more involved, they will discover the vehicles and activities that work best for them. As mentioned by several donors, educating youth and young adults as to how they can support their communities through giving – both of their time and their resources – will be an important long term strategy.

“ Role models can play an important role in inspiring engagement in philanthropy. ”



Exposure. The ideal source of information is direct, personal experience with a program or an organization, such as that gained during a visit to a project site or by meeting individuals who are the beneficiaries of a program. This has two benefits for potential donors. First, they will be able to see firsthand the operation and effect of the efforts of a given program or organization. Second, they can start the crucial process of getting to know the organization administering the program. For the philanthropists who contributed to this study, a personal connection with an organization is a prerequisite to choosing to support it.

Other important forms of exposure include social and professional networks and the media. Events such as fundraisers or project kickoffs often generate media coverage in the community, which can then be further disseminated through social and professional networks. Something as simple as a posting on a professional networking website has the possibility of exposing thousands of potential donors to a cause or organization.

Resources. Becoming engaged in philanthropy can require substantial amounts of time and research to identify organizations to support and to select appropriate mechanisms for directing funds. Resources that describe options for managing financial contributions, explain the benefits and implications of the different vehicles, and evaluate the organizations providing services would make it easier for new donors to get started. Information resources such as GuideStar and Charity Navigator are helpful, but very broad in coverage. A resource that is focused on the specific needs and opportunities in the Bay Area, perhaps with special attention paid to the needs of the Chinese American and Asian American communities, would be more helpful. Information on opportunities for large and small donors, as well as those who prefer to donate time or expertise, would be especially helpful for new philanthropists.

Visibility

Role models can play an important role in inspiring engagement in philanthropy. Potential donors may be stimulated by seeing others in their peer group giving openly and hearing them talk about the importance of contributing to the community. The tendency mentioned by participants in the study towards giving quietly or anonymously makes it difficult to know whether people are in fact giving. A number of donors suggested creating opportunities for others to learn from active donors about programs or projects of particular interest to them. They were clear that donors would be more likely to respond to another Chinese American donor rather than to an organization that approached them directly. This opportunity for leadership in philanthropy is seen by many as an important function that they could provide, either quietly and privately, or publicly.

Seeing high-profile individuals engage in philanthropy can also be a powerful source of inspiration. Encouraging well-known members of the Chinese American community to give more publicly and to talk about their reasons for doing so would motivate others to consider ways in which they could become more involved. Participants suggested having Chinese American celebrities or prominent families take part in prominent philanthropic activities that would then be picked up and publicized by the media. Younger people in particular may be positively influenced by learning that someone they admire is involved in a cause that they believe in passionately.

Community as Family

Participants suggested that the traditional Chinese value of taking care of one's family could be leveraged to encourage philanthropy by expanding the concept of family outward to include the community, the Chinese American population and eventually society as a whole. Whether community is defined as a geographic location, as an ethnic minority or as a shared heritage, contributing to the betterment of community brings benefits to one's own family as well.

Recommendations

A number of strategies for engaging Chinese American donors were suggested by the data, but not necessarily stated directly by participants.

Gateways to Donor Participation

As noted above, knowing and trusting the recipient of a donation was an imperative highlighted by participants. A willingness to “front” for a trusted organization was heard from a number of participants. This creates an opportunity to draw upon the goodwill and support of those who have committed to bring in new donors. Arming those who might function as matchmakers with information that will be desired and persuasive to new donors is discussed below. However, a note of caution must be sounded here. Many donors spoke of providing limited support when asked by family, friends and associates to support causes and organizations important to them, but which the donor does not see as central to her or his philanthropy. The challenge will be to turn that limited support into core support through timely, appropriate information and outreach.

It was clear from the participants that trust and opportunities for engagement are fundamental to their willingness to be involved with an organization. Determining the kind of evidence that will be acceptable to establish the trustworthiness of the organization is essential. Donors were especially concerned about organizational effectiveness and efficiency, as evidenced by an organization’s ability to:

- Manage its funds and operations effectively;
- Provide good services and produce good outcomes; and Govern effectively.

Developing a package of materials that is shared in the early information stage of forming a relationship may suggest trustworthiness to a potential donor. Remembering that most will be business leaders, materials should be clear about how services are chosen for maximum effectiveness and about the agency’s business practices.

Vehicles

In order to bring Chinese American donors into a relationship with a new organization, there are clear affirmative criteria and barriers detailed above. The vehicles discussed below are ideas for engagement that respond to one or more of the stated criteria as well as cultural traits of the community.

Donor Circles. Donor circles are a well-known means of working with wealthy donors. Focused on a core issue, donor circles bring together donors to magnify their individual ability to effect a change or create something new. Given the suggestion by donors that they trust causes supported by other Chinese American philanthropists, as well as the willingness of some to act as matchmakers between new donors and a recommended organization, the donor circle appears to be an ideal vehicle. A series of Chinese American donor circles that focus on the core causes described earlier would potentially address:

- Creation of trust of the organization;
- Focus on core issues;
- Ability to control the direction and use of donations;
- Ability to have a donation have greater impact through magnification of resources;
- Ability to be recognized or anonymous as desired.

Donor circles would create an opportunity for participants to bring new individuals into the network having already satisfied many of the criteria detailed by donors in the study. This would also allow “novice” donors to become experienced in a safe and supportive setting.

Family Donor Circles. Among the participants there were couples who engage in philanthropy either jointly or separately, adult families that engage in philanthropy sometimes as a coherent group and sometimes as individuals, and parents who use their own philanthropy to educate their children and to start them on the path to engaging. Small Chinese American family donor circles could be developed that would allow families to design and implement a coherent family philanthropy plan that could involve either diversified or highly focused giving and complementary activities depending on a family’s circumstances and preferences.

Moderate Means Circles. There are many people of more modest wealth whose giving could be focused and magnified through donor circles of Chinese American professionals. Just as with the circles described above, these circles could be created around issues of particular interest, and managed to maximize the impact of the group’s giving potential. And, as with the wealthier circles, growing networks and bringing new potential donors into the circles expands their power and can generate momentum.

Youth Circles. Just as with the moderate means circles, donor circles focused on engaging young people have the potential to involve them in issues of concern, while shaping their giving in the future.



“Trust and opportunities for engagement are fundamental to their willingness to be involved with an organization.”

Crowd Funding. Great projects and great ideas may not fit neatly into the focus areas identified by the participants. Providing a vehicle through which they can provide one-time support for a special project or particular need may draw in donors who could then be exposed to new issues, networks and ideas. On-line platforms, such as Kickstarter, that leverage direct support for various causes and projects have been successful in bringing exposure to particular needs and engaging individuals who may not have been previously engaged as donors. Individuals could be selectively engaged in a high-end group to which a project or idea is presented along with the total cost for funding on a private web page. Each donor could then decide whether the project is of interest and how much to commit. The web page would show the amount of total contributions leading to the total, creating additional stimulation to participate. Reporting back on the web page as to what the project achieved could create additional motivation for involvement in future crowd funding.

Matching Grants. Developing matching grants for which a single donor commits to providing a portion of the cost of a project and then asks others to match the amount, or where each dollar is over matched, is an idea suggested by one of the participants. This idea has several features that could be very attractive to the Chinese American donors, based on participant responses. First, there would be a trusted Chinese American donor connected with a trusted organization to which he or she is prepared to provide funding. The matching donor's participation may be as large or as small as desired, allowing people to engage without a large commitment. Participating in such a grant provides the new donor with the opportunity to learn about the organization and its activities, which may then lead to more and larger donations.

“ The ability to give back to the community...
while honoring the past and
shaping the future is both an
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Summary

As seen by the participants in this study, philanthropy is broadly envisioned as the act of giving with engagement and commitment in ways that enhance society, support the community and help prepare the next generations of leaders and responsible citizens. Conscious engagement requires donors to expand their focus beyond the short-term results of their giving to include attention to the sustainability of the programs or organizations they are supporting.

Whether or not participants felt that their Chinese American heritage influenced their own personal giving, they clearly recognized the influence of culture within the larger community. The effect of the deeply ingrained tradition of passing wealth to one's children, especially on first generation Chinese Americans, was noted by most. While nearly everyone supports multiple organizations that serve Chinese populations, both in China and in the Bay Area, or that endeavor to preserve Chinese culture and heritage, a generational expansion in focus appeared in the conversations, looking outward from the immediate social circle to the community, and then to society at large. As succeeding generations become more secure in their situations and therefore have more to give, they are able to do more to make a difference on many levels.

As noted by several participants in this study, the motives and goals of Chinese American donors are probably very similar to those of other ethnic communities, as well as the population in general: a desire to give back in appreciation of opportunities received, a felt obligation to assist others in achieving their own dreams, and a wish to make the world a better place for all. What does vary between groups is the historical and cultural context in which they are engaging in philanthropy. For the participants in this study, the focus on education, leadership development and Chinese American arts and history acknowledges the efforts of multiple generations of immigrants endeavoring to succeed and thrive in a new environment. By supporting activities in these areas, they are helping to pave the way to the same success for both future immigrants and the coming generations.

Participants noted that the process for becoming involved in philanthropy needs to be made transparent. New donors would benefit from resources to guide them in identifying ways to support causes that resonate for them. Determining which organizations are accountable, effective and efficient can be challenging, as can navigating the variety of giving mechanisms and intermediaries through which donations can be channeled.

As the population of Chinese Americans continues to grow, along with the number of those who are in a position to give, increasing their exposure to the many causes with which they might become involved is an important first step in expanding engagement of this group. Awareness of the needs in their communities can be created through education, mentoring or hands-on experience. If high-profile members of the community are willing to set aside their preference for giving anonymously, they could have significant influence as role models. Finally, capitalizing on the strengths of culture and focusing on the clear vision of issues that make a difference will also lead to more engagement.

The participants in this study envision a future in which the opportunity to thrive exists for all members of society, and in which causes and organizations that enrich the community are sustainably supported. Actions such as endowing a scholarship, supporting a museum or funding a school in China help create an environment in which such a future is possible. The example set by the donors in this study has the potential for inspiring others to believe in that vision and do their part to bring it about. The ability to give back to the community, locally and globally, while honoring the past and shaping the future is both an opportunity and a gift.



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