

## *Media Release*

### **Report highlights advice gap for wealthy donors**

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Wealthy philanthropists are frustrated by the difficulty in getting good advice on how to give their money away, according to a new research study by Scorpio Partnership, the wealth management consultancy.

The research, commissioned by New Philanthropy Capital (NPC), Wise and the Bertelsmann Foundation, was based on in-depth interviews with 34 ultra high net worth individuals and family offices in the UK, Switzerland and Germany. Respondents had a net worth ranging from \$90m to \$2.5bn and on average give away around 5% of their net worth each year.

The study found that many wealthy individuals or families have a clear idea of what they want to achieve. But they find it hard to find qualified independent advisors who can help them launch a philanthropic programme and select suitable charitable projects. *"More people would get involved if they knew how to do it"*, said one participant.

Existing wealth management advisors are not currently meeting clients' needs, according to the study. *"Lawyers and private bankers are very good at providing technical advice, but they are not interested in the psychic income. They cannot tell you if a philanthropy project will provide you with value for money"*, said another participant. And yet those surveyed indicated their willingness to pay for advice and support tailored to their needs, indicating a great opportunity for advisors.

"It is clear from this report that the lack of suitable advice, particularly at the start of the philanthropic process, is acting as a serious barrier to many potential European donors", said Nigel Harris, Chief Executive of NPC. "In our experience, donors want an array of different advice – some donors want support from start to finish, while others simply want help finding a suitable charity", said Harris.

According to the study, wealthy philanthropists are project impact orientated, they want to see "tangible outcomes to their philanthropic endeavours" and "quantitative metrics as a measure for success". Many expressed frustration at the lack of



feedback from charities and a wariness about general funding for large charities. However, there is also an awareness amongst philanthropists of the dangers of over-burdening charities with reporting requirements. The study also highlighted the desire for more networking opportunities with like-minded donors.

The report found a number of differences between the three countries. British and Swiss-based philanthropists tend to be more internationally-minded whereas Germany donors tend to focus heavily on local issues. And German donors are far more publicity shy than their UK and Swiss peers – 89% of those approached to take part in the research refused, compared to almost complete co-operation in the UK.

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For further information about NPC, its research reports and charity recommendations, or to arrange an interview please contact:

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### **Notes to Editors**

1. New Philanthropy Capital advises all types of donors on how to give more effectively. It identifies examples of charities with highly effective approaches to tackling problems in the sector. By recommending these charities to potential donors, NPC aims to increase the quantity and quality of resources available to the charitable sector.
2. NPC focuses on human welfare, including problems in communities and families, education, and health and disability in the UK. NPC has published research on sectors ranging from cancer to older people, and domestic violence to special educational needs.
3. NPC uses its research and experience to help donors ensure they have high impact and a rewarding experience. This can involve developing a tailored giving strategy to meet specific goals, selecting which charities to support and reporting on impact. Donors can also access NPC's research and some of its recommendations at no cost on NPC's website.  
[www.philanthropycapital.org](http://www.philanthropycapital.org)
4. Wise is an organisation, based in Switzerland, that accompanies donors and their families in fulfilling their philanthropic aspirations. Wise advises donors seeking to create new opportunities for social change and connects them with those acting with insight, expertise and leadership in the social field.  
[www.wise.net](http://www.wise.net)
5. The Bertelsmann Foundation, based in Germany, is dedicated to promoting the public good. It focuses on the fields of education, economic and social affairs, health and international relations. It also promotes the concept of philanthropy and wants to bring fresh momentum to civic engagement.  
[www.bertelsmann-stiftung.de](http://www.bertelsmann-stiftung.de)
6. Scorpio Partnership is a strategy consultancy to the wealth management industry and is based in London. The firm works with private banks, global private client investment managers and industry suppliers, plus HNW/UHNW individuals.  
[www.scorpiopartnership.com](http://www.scorpiopartnership.com)