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Hard Truths about Heart Work: An interview with Jennie Chua

Lien Centre for Social Innovation

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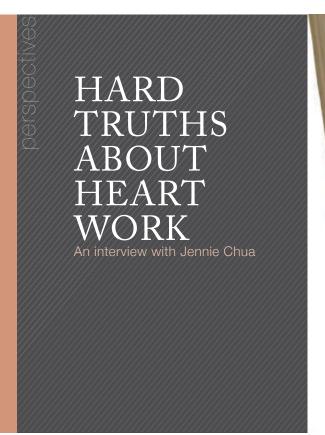
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Jennie Chua is Chief Corporate Officer of CapitaLand Limited and chairman of the Community Chest. She sits on several boards of both corporate and non-profit organisations. She is a board member of CapitaMalls Asia Limited, CapitaLand ILEC Pte. Ltd., The Ascott Limited and Ascott Residence Trust Management Limited. She is also chairman of the Singapore International Chamber of Commerce, Alexandra Health/ Khoo Teck Puat Hospital as well as deputy chairman of Temasek Foundation. She is a Justice of the Peace and Singapore's Non-Resident Ambassador to the Slovak Republic. She has received many awards and accolades, including three Singapore National Day Awards, Outstanding Contribution to Tourism Award 2006, Women's World Excellence Awards 2006, and 25 Stars of Asia Award 2003.

Just as there are calls for leadership to bridge the business and social worlds, there are also calls for new models and inspiration in the non-profit sector. *Social Space* catches up with the inimitable **Jennie Chua**, fundraiser and chairman of the Community Chest, to hear her thoughts on these issues. True to form, Jennie delivers a few hard truths about fundraising and charity in Singapore.

Social Space (SS): You are recognised for your excellence in leadership roles in both the corporate and non-profit sectors. Would you treat both sectors equally in the treatment of say, human talent for instance?

Jennie Chua (JC): I would give more thought to the job profile and role of the individual. A manager's salary should be commensurate with his role and responsibility, regardless of whether he works for a non-profit or a forprofit organisation.

A professional in the non-profit world should not in principle be paid less than what he is capable of making in a similar role in the corporate world. More importantly, he should be rewarded for the skills that he is bringing to the non-profit sector, the responsibilities attached and the results achieved.

SS: What about the belief that non-profit managers should be almost paupers to be credible?

JC: A short answer would be "this belief is without merit." Some benchmarking and comparison is unavoidable and should be

For example, if I am hiring a manager for a non-profit organisation, I might mentally compare his qualities, qualifications and

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job scope with, for instance, a manager's position in the hospitality industry and if I can find a comparable position in the hotel, then I would pay the manager the same as if he had been recruited into the hotel position. That would only be fair.

Of course, cross-industry comparisons and benchmarking have limitations. For instance, you can't pay a non-profit manager the same as an investment manager because the risk level is not the same. Similarly, you may not want to pay the head of a non-profit organisation the same as a senior Administrative Officer in government service because the responsibilities are of a different nature. The administrative officers, for example, have very special roles and are few in number. So there are some limits to the idea of parity between the non-profit world and elsewhere.

SS: But what about a "quality for quality" comparison? Say, a successful administrative officer leaves his job to head a non-profit organisation.

JC: Then, that is his choice. He is going to another job type, no less important in some ways, but the profile of which is relatively smaller than, say, the task of helping define the economic strategies of a country.

To sum up, skill sets, job responsibility and risk factors determine the difference in salaries. In other words, it should be "job for job," "responsibility for responsibility," and "risk for risk." There should not be a discount just because the organisation is a non-profit. If there is a discount, the nonprofit organisation should be prepared to get somebody who is under-qualified for the job.

SS: But what about talented non-profit leaders who head large organisations and have large revenues? Take the example of Mr T.T. Durai who earned a total of \$1.8 million from 2002-2004, but who also raised millions (to the tune of \$262 million in reserves) for the National Kidney Foundation (NKF), not to mention the size and complexity of NKF that he had to manage.

JC: Well, in Mr Durai's case, the starting point was never about his salary but the suit that he filed against Singapore Press Holdings and the revelations that followed. If the starting point was his salary and we took into account the organisation's turnover, his staff strength, his job profile and so on, I don't think it would have become such a talking

The question of excesses was what occupied the public mind. People noted his choice of transport and his perks. Remember, it all started with the story of the gold tap that was alleged to have been installed in the bathroom attached to his private office suite. This appearance of excessiveness led to the eventual spotlight on his salary. And his pay was something which the public found very easy to zero in on. The gold tap may not have been installed and Mr Durai's salary may have been legitimately derived through due process by the NKF board, but the damage was already done.

SS: Let's talk about the role of board members. There is a perception in Singapore, driven largely by the American way of thinking, that in the non-profit world, board members are brought in, not just for their expertise, but also for their ability to contribute funds and fundraise. Is this a fair requirement to be expected of board members just so that they can demonstrate their dedication and commitment?

JC: Yes and no. Yes, because in the US, there are more wealthy people with wider networks. We are talking about seriously wealthy people, those who fly into board meetings on private jets. And many of them choose to serve on nonprofit boards. In the US, it is more common for these people to donate their money and fundraise when they sit on non profit boards.

The scene is different here in Singapore. Non-profit boards, such as that of the Community Chest, comprise civil servants, professionals and heartlanders. They contribute of their experience and skills, rather than money. Most of the time, those sitting on non-profit boards are not wealthy persons. For board meetings in Singapore, rather than private jets, we may have to arrange complimentary parking for them! Circumstances are not the same, hence the ability to contribute funds should not be a criterion for them to be invited to sit on fundraising boards.

The mindset of the serious donor appears to be, "I donate and I trust you to use the donation wisely. But please don't ask me in addition of my time to help raise funds."

Leading members of family foundations, for example, are very generous donors, but they don't chair fundraising nor sit on fundraising committees. The serious donors and fundraisers fall into separate groups and it is rare that the two are the same person.

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SS: What about the promise of venture philanthropy of donors who give large amounts and also invest their time in the building up of a non-profit organisation?

JC: There are a few green shoots in this area. I have a colleague in his fifties who resigned recently to do venture philanthropy, in the area of social enterprise. We are starting to hear more of that sort of thing. People who have built successful careers and accumulated some wealth are taking that route. But it is still in the nascent stage.

SS: Is it more challenging for the Community Chest, of which you are the chairman, to raise money now that there are other fundraisers in the field such as the Community Foundation?

JC: Let me start with the rationale behind the Community Chest. We do not see fundraising as a goal in itself. Rather, fundraising should be pivoted on a need. The Community Chest is clear about its causes and that is to support a group of charities or non-profit organisations by raising funds for them. Many of these organisations are small or don't have the manpower or structure to raise funds. They would rather concentrate their time and energy on delivering services to beneficiaries. We started with clear needs so that it is easier to explain to donors and for donors to make a choice. For instance, the budget of FY11/12 is \$55.7million, to provide for 70 voluntary welfare organisations and 178 programmes.

We give potential donors a "menu" of sorts for them to choose which causes they wish to support. This we can explain to donors and donors can choose to support the Community Chest as the umbrella organisation or to give to the charities and programmes under our care. We don't raise funds just because there is untapped wealth out there, and then subsequently look for causes to channel the funds to

I would find it very difficult to justify fundraising if I were to persuade a person to part with his money just because he is rich and without giving specific details about the need out there and how his donation can fulfil this need. I tend to steer clear of the model of fundraising for a rainy day.

I don't believe in hoarding the resources available after the identified needs are being fulfilled. Instead, when we have raised enough near the end of the financial year, we stop fundraising to allow donors to support other urgent needs as well

SS: Isn't this competition for the Community Chest though?

JC: I don't look at it that way. Let me give you an example of why "more in the business of fundraising" is better.

I go back to my early days in the Singapore Convention Bureau in the 1970s when Singapore was not ranked high in the world as a convention destination. When we went to Europe to talk to associations to ask them to hold their meetings in Singapore, some had no idea where Singapore was and why they should consider such a generally unknown destination.

But when did Singapore start picking up?

It was when Asia started to realise what a lucrative business this was. So countries like Korea and Japan began to show interest in this industry and we all talked about our region. There was then more chatter around Asia and interest started to build up as people talked about Asia as a convention destination. And Singapore rose to become top five as a convention destination, on the world stage.

So we succeeded not because there was less competition but because there was more competition. It is the same thing in the fundraising scene. When there is more competition, there is more chatter about giving back and the fundraising scene becomes vibrant and benefits as a whole.

SS: Do we need to centralise fundraising? Or should the charity sector simply develop its own relationships with the giving public and get on with its own mission without government-organised mediation supervision?

JC: If you must know, I am actually working towards the day when we don't need the Community Chest! But that day has not come vet.

First, the Community Chest exists not just to raise funds to meet needs. We hope to nurture and inculcate giving amongst Singaporeans. On that score, Singapore has come some way. A wide spectrum of Singapore is giving. They range from big donors such as foundations and corporations to individuals who donate their terrace houses, to the 200,000 donors who give from \$5 a month upwards, through our Share programme.

Secondly, a centralised body such as the Community Chest offers prospective donors a first point of contact, where and how to donate and information of where the needs are. The Community Chest need not be the final recipient of donations, but it is at least a starting point for the first-time donor who has the desire to give, but who doesn't know how to go about doing so.

Thirdly, the Community Chest does not fundraise for everybody. It fundraises for organisations that do not have a fundraising mechanism. The National Council for Social Services (NCSS) assesses requests for funding support.

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Currently, over 70 charities amongst those registered under the NCSS are funded by the Community Chest. There are organisations that can fundraise on their own, or choose not to come under the NCSS umbrella because of the administrative requirements. But I also hope to see the day when charities can co-own fundraising efforts with the Community Chest as this cultivates a sense of ownership and pride.

SS: By providing less space for the giving culture to grow organically, isn't the Community Chest inhibiting the development of the sector?

JC: Possibly, but that is what Singapore is like-with independent organisations (akin to private sector business) and, at times, centralised. The Community Chest is part of this ecosystem where all the elements are there and where donors have a choice of how to exercise their giving. There are already organisations that don't come under NCSS and they exercise their option to raise funds on their own. This is fine. It is a dynamic system after all.

SS: Would the public derive a lot of confidence in having a central fundraising body that is driven or endorsed by the government?

JC: Yes, the support of the government is good for us, but, by the way, the Community Chest is an independent fundraising body.

SS: But, isn't your position as chairman of Community Chest a government appointment? And don't your other committee members have to be endorsed by the President of NCSS who is also a Ministerial appointee?

JC: Other than three members nominated by governmentrelated agencies, e.g. one each from the Ministry of Community Development, Youth and Sports and the Public Service Division, the rest of the committee members are from the private sector or serving in their own personal capacity. And, all the money that the Community Chest raises does not have matching grants from the government, unlike say the universities.

We do have support from the Totalisator Board and Singapore Pools that provide funding to underwrite most of our operational costs. This is so that none of our operational costs such as staff salary and cost for space are taken out of our donations. I can then look my donors in the eye and tell I must say that the carrot and stick approach in Singapore is very interesting... Taken together, this approach encourages a culture of philanthropy and social responsibility so that in the long run, it becomes a norm.

them that every cent of their donations is channelled to the intended recipients.

SS: In your view, are Singaporean corporations truly practising Corporate Social Responsibility (CSR)?

JC: The state of CSR in Singapore is not highly developed. There are exceptions especially among larger and multinational companies. To start with, there is not sufficient understanding of what CSR is. There is the perception that CSR takes away from the bottom line. There is also the misperception that it belongs in the domain of big companies. But CSR-like activities such as good governance and environmental standards are practised in general because of laws and regulations.

I must say that the carrot and stick approach in Singapore is very interesting. For the carrot, the government introduced a tax deduction of 2.5 times the amount donated. For the stick, as an example, the Building Construction Authorities imposes minimum codes (environmental) on construction work by companies. Taken together, this approach encourages a culture of philanthropy and social responsibility so that in the long run, it becomes a norm. The government may actually be getting companies to do CSR without us being aware of it.

SS: What kind of CSR practices have you seen or that CapitaLand, where you are the chief corporate officer, has developed that have exceeded the bare minimum of CSR?

JC: At CapitaLand, we do a host of CSR activities. Take the green initiative or sustainability programmes that we implemented before it became the baseline requirement.

CapitaLand's Green for Hope programme, now in its fourth year, is a creative recycling campaign which marries green

efforts with philanthropy. It encourages CapitaLand's tenants, shoppers and serviced residence guests as well as schoolchildren to go "green" by recycling, and in doing so, "earn" donations to benefit underprivileged children.

This annual campaign is run in conjunction with CapitaLand Hope Foundation, CapitaLand's philanthropic arm, and is implemented in two parts: Green for Hope @ CapitaLand which takes place at CapitaLand properties during the first half of every year, and Green for Hope @ Primary Schools which runs in primary schools across Singapore during the second half of every year.

As at end-2010, more than 2,400 tonnes of recyclable waste had been collected since the campaign's launch in 2008. Through the programme, CapitaLand Hope Foundation has donated a total of \$\scrt{3}\scrt{2}\scrt{3}\scrt{2}\sum{1}\limin{subarray}{c} million to children's charities and primary schools in Singapore.

Our CSR efforts are generally channelled towards children under 12 years of age in the areas of education, health and shelter. We basically look for impact in areas that are aligned with our business strategies.

For instance, we built fifteen Hope Schools in China and prepared dormitories that students can live in during school days so that they don't need to take two to three hours to walk to school. There, \$100,000 goes a very long way. The children are schooled and looked after—so they remember CapitaLand and when they grow up, they want to work for us too.

SS: What more can be done to infuse the CSR DNA into companies?

JC: The existing carrot and stick approach is on the right track. This way, the right actions can be internalised in the long term. This is much more effective than campaigns that

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encourage companies to merely practise CSR. Incentives and regulations are more effective and cultivates the understanding that CSR brings long-term benefits.

These efforts should not be too intellectual or too esoteric, or else they risk not being understood. Promotion of CSR needs to appeal also to the pragmatic side of companies and show that they are good for business.

SS: Non-profit organisations in many countries make up for the deficiencies of governments and they advocate for change. Are our non-profits sufficiently aggressive and forward in making their case?

JC: We may not be engaged in aggressive activism but that does not mean the social service sector does not achieve results, including being agents of change. And you are not quite correct if you think that our non profits are passive. "Passive" implies that there is no progress. A lot of issues have been brought to the agencies, government, public and institutions about what is needed. We engage in dialogues and conversations in a guiet and consultative manner. But we are not headline grabbers-we don't need to grab the microphones or newspaper space to make our case.

SS: What if the government is unresponsive due to competing priorities or political reasons?

JC: The government does listen. But they may disagree with you. If they agree, things move very fast. But if they disagree,

I try several more times and if they still disagree, I drop it and move on to other issues with more productive outcomes.

Other social service groups make their case with different styles. Advocacy groups such as Transient Workers Count Too (TWC2) and Humanitarian Organization for Migration Economics (HOME) are helping in making opinions heard. We complement each other and I am appreciative of their presence. Our voices have different levels and pitches but they work towards the same objective, to be here for good.

SS: What is your personal hope for the future of the charity sector in Singapore?

JC: I hope to see the giving community grow in size. We see the same people doing charity work year after year. Hence, my wish is to see younger people contributing in the nonprofit sector. With regeneration, there will be new thinking.

I hope to see a caring society in the general population, going beyond care giving by professionals and volunteers at VWOs. Care giving starts with one's neighbour.

I also look forward to the day when the standard of all care given to young and old, is safe and dignified. In the area of family services, we have moved from problem solving through interventions, to having in place preventive measures. But it seems that these will take more time to happen and I think the Community Chest will be around for a while longer.

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