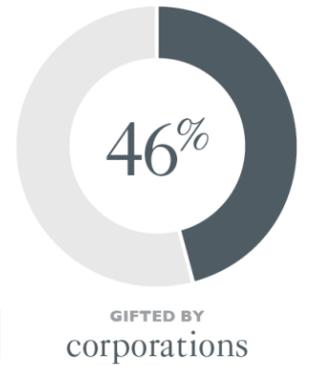
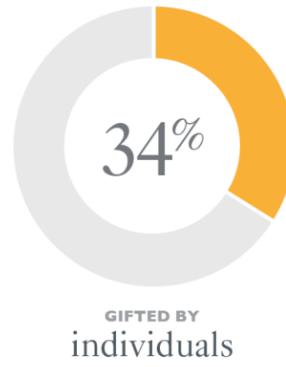


# HONG KONG

*Family philanthropy is a key feature of major donor giving in Hong Kong*



FINDINGS

DISCUSSION

CASE STUDIES

## RONNA CHAO

*Ronna Chao is the Chief Executive Officer of the **Bai Xian Asia Institute**, an initiative founded by her father, Ronald Chao, that aims to nurture future Asian leaders through scholarships and cross-cultural friendships. As well as providing a mega-grant of \$100m, the Institute gathers important social capital, including support from academics, other philanthropic families and organisations, and the private and public sectors in Hong Kong, China and Japan.*



### How did the Bai Xian Asia Institute come about?

The philosophy goes back to the positive personal experiences of my father, Ronald Chao, when he was a student at the University of Tokyo in the late 1950s. He lived, studied and socialised with students from Japan and other Southeast Asian countries, forming meaningful friendships. As he stepped into the business world, he also developed lasting relationships with Japanese partners and banks.

Realising that the two countries shared more similarities than differences, and fuelled by the desire to make some

contribution towards reducing the tension between China and Japan, in 2013 my parents decided to establish the Bai Xian Education Foundation, which in turn supports the Institute.

Reflecting on his own experience and inspired by the Rhodes and Schwarzman Scholars programmes, he believes that it is important to build relationships early on, when people are more open-minded and less concerned with personal interests. Interaction, discourse and shared experiences are not only great learning opportunities that are potentially life-transforming, but they are also excellent tools that could break down barriers and bridge differences. That was the point at which he decided to launch the **Asian Future Leaders Scholarship Programme** (AFLSP).

### **Could you tell us more about the Asian Future Leaders Scholarship Programme?**

With 16 universities in our network, the objective of the AFLSP is to grant at least 100 scholarships each year to Asian students to study abroad in Asia. We are privileged to be in partnership with six Anchor Universities and ten Participating Universities located in China, Japan, Hong Kong, Taiwan and South Korea. The AFLSP supports scholars studying for an undergraduate or a masters degree at a leading university in Asia. Each scholarship is worth US\$25,000 a year, with the possibility of a one- or two-year grant. The Anchor Universities have a fixed number of scholarships and they provide on-campus enrichment programmes to deepen AFLSP Scholars' appreciation of the culture of the host country. AFLSP Scholars are encouraged to maximise their time spent with local students. Where there are Asian Youth Centers – international dormitories built with funding from the Bai Xian Education Foundation – our Scholars often room with other students from the host country. A key feature of the AFLSP is a mandatory three-week residential summer enrichment programme, where all AFLSP scholars are brought together to a single location to foster exchange, sharing and friendship-building.

### **How are decisions made within the Institute? What roles do family members take?**

We have a Board of Governors, an Advisory Council, an Executive Committee and various working committees. We also have an Academic Committee, led by Professor Woo Chia-Wei, to guide the development of the enrichment programmes and select quality participants. We follow a strict set of criteria such as leadership potential, open-mindedness, integrity, intellectual curiosity and interest in inter-cultural or multi-cultural exchanges. Our small team is comprised of individuals with corporate management, legal, finance and accounting experience with a passion for education. Jointly, with the advice and support of our Board and Executive Committee, we have set up the governance system as well as the administration and operations functions. We are focused on delivering on the founding mission and vision, but the Founder, as Honorary Chairman, is hands-off in the decision-making process.



*In addition to financial sustainability, this is also related to the continuity of*

### **How is the Institute funded?**

The Institute was set up in 2014 to implement scholarships and other educational programmes funded by the Foundation. We have an endowment of \$100m set aside for the Institute and the AFLSP. The Foundation's earmarked funds are professionally managed, with an investment objective to generate sufficient returns to perpetually fund 100 scholarships per year. The Institute is a registered charity and we can raise funds from the public. An additional \$10m has already been raised from the five founding members, including myself. We are in the final stages of setting up the Institute's Gift Acceptance Policy to receive contributions from many friends and supporters who have shown tremendous interest and made verbal pledges.

### **Some families in philanthropy tend to avoid raising money from other families. What is the Institute's position on this?**

We welcome donations from other families. This is another reason why we did not include 'Chao' in the naming of the Institute. The people joining our Advisory Council, Board of Governors and committees are dedicating their time to the Institute because they support our philosophy, vision and mission. Not only do they give us immense guidance and advice on strategic and governance matters, but they also generously contribute their time and energy by participating in many activities where they can interact with our Scholars. This is critical and encouraging, as we know what we advocate is not

*by  
people,  
who  
will  
contribute  
  
to  
enhancing  
cultural  
exchanges  
and  
sharing  
ideas.*

is critical and encouraging, as we know what we advocate is not something that only our family regards as important. In addition to financial sustainability, this is also related to the continuity of people, who will contribute to enhancing cultural exchanges and sharing ideas.

#### **How do you evaluate the impact of the Institute?**

We have only just started. The first cohort of Scholars will complete their first year very soon and they will come to the first ever BXAI Summer Programme. We are focused on their current experience as an AFLSP Scholar and that of their summer programme, but the impact is much broader. It is easy to give away money to support students for two or even four years of study. However, the timeline for nurturing people to become future leaders is much more long term. We have to look beyond the couple of years during which they are recipients of our scholarship and find ways to continue to foster their development. The crucial points are exits and alumni networking. That is why we are working on a sub-project called Enterprise Partners. We hope to connect our alumni to corporations, government agencies, NGOs or institutions for further studies, so that they have the platform, opportunity and exposure to emerge as future leaders. We gradually shape the Bai Xian community, keeping track of our alumni, perhaps inviting them back a few years down the road to share their own journey and wisdom with new cohorts. As you may appreciate, it is not how much you can give back to

the alma mater but how connected you feel you are to the school that is important.

#### **Will you involve your children in the Institute? How important is it to have a family member as the Institute progresses?**

My hope is that my children would like to be involved in the Institute. The opportunity is there but you cannot force it. The key thing is to let them know what the Institute is doing. My son will likely attend part of the Summer Programme. One of my daughters is interested in participating in the programme as a student. They may work as interns next summer to experience our work at a normal and grassroots level. Having said that, it is fine if we do not have a family member directing the Institute in the future. If the Institute survives and thrives without a family leader, it may be testament to how well it is run.

#### **What are the challenges you face with this initiative?**

With 16 universities in our network, the recruitment, selection, and tracking of 100 students per year, an annual summer programme with multiple components, financial planning, marketing and promotion of the AFLSP, fundraising and stewardship, community building and event management – among other things – you can imagine the challenges we have to face every day. The amount of work vis a vis the very thin staffing presents a major challenge. We are fortunate to have a group of passionate and hard-working young people on our team, but none of us has experience working in an NGO. There is a lot of trial and error, and learning as we go along.

#### **What would you like to share with other donors who may want to support universities as a popular cause for million dollar donations in Hong Kong and China?**



*We  
are  
fortunate  
to  
have  
a  
group  
of  
passionate  
and  
hard-  
working  
young  
people  
on*

We learnt from working with universities. Each university has its own administrative structure and a few universities may be less progressive and more conservative. We are more used to the Western way; you get someone in agreement with you in the university, and that person will champion the cause for you. But things do not always happen that way. Also, as part of their corporate culture, Japanese universities and other

*our  
team.*

organisations change their top management every few years. You may have things almost settled, but suddenly your point of contact is transferred. When someone new comes in, you have to start the whole discussion all over again. To leave ourselves with some degree of flexibility over changing personnel, we have a three-year contract with our partner universities.

---

[SEE ALL CASE STUDIES](#)

[COUTTS.COM](#)

[ANGELA BURDETT-COUTTS](#)

[ACKNOWLEDGEMENTS](#)

[METHODOLOGY](#)

[CONTACT US](#)

[DISCLAIMER](#)



© Copyright Coutts & Co 2015

