



PHILANTHROPY
Australia

Australian Philanthropy

Winter 2008, Issue 69

Doing Philanthropy
Differently



Doing Philanthropy Differently

Contents

From the President	2
<i>Bruce Bonyhady, President</i>	
From my Perspective	3
<i>Gina Anderson, CEO</i>	
Doing Philanthropy Differently	
Getting to the change you want to see: Diana Leat	4
Micro-lending with a difference: Kiva	5
Social entrepreneurs and social innovation: Michael Traill	6
Third Link Growth Fund	8
A wave of change: The Fogarty Foundation	9
Big, hairy, audacious philanthropy: The Caledonia Foundation	10
Making a <i>different</i> difference: Donkey Wheel	12
Wrestling with philanthropy: Karen Loblay	13
Small, simple and successful: StreetSmart	14
Feature interview: Ian Darling	16
Funding the change you want to see: Trudy Wyse	18
Doing philanthropy differently: SMILE Foundation	19
The Scanlon Foundation and its focus on social cohesion: Tony Fry	20
Grantmakers online: philanthropy 2.0	22
Feature interview: Simon Monk	24
Shooting beyond expectations: documentary and philanthropy	26
Addressing the space: creative intermediaries supporting the givers	28
Back to school: HBOS Australia Foundation	29
Vale Patricia Feilman OAM	30
Members of Philanthropy Australia	31

Feature interview: Simon Monk

Simon Monk is a social entrepreneur who embodies a new style of giving. The founder and director of The World Nomads Group, a global travel technology and marketing company, Simon and his team established the Footprints network, an alliance of e-commerce businesses and their customers who fund community projects from donations collected from their customers during online transactions

Footprints collects many small donations from people already shopping online all around the world. The Footprints software application is available free to any company doing e-commerce, providing a ready-made corporate social responsibility (CSR) vehicle. The beauty of it is that it establishes a direct and meaningful connection between the business, the customer and the project they have chosen to donate to.



Is there a symbiotic relationship between travelling and giving?

I grew up in the north of England and my role models were mountaineers. Doug Scott, a mountaineer who runs treks to Nepal, was a key influence on me. The entire profit from his trekking operation goes back to the villages he knows from his travels. Travelling puts your own life in perspective – you can't walk away from some places unaffected.

The initial impetus for Footprints came from me, but many of us in the organisation have travelled widely, and it resonated with all staff that we should be giving something back to the communities we visit. If it resonates with your staff it's likely to resonate with your customers, so it works at a business level too. In fact, there isn't a clear delineation between Footprints and my company World Nomads. We don't fund Footprints or have a budget for it, it just forms part of the mix: we promote it and get partnerships from it, so it's just an integral part of our business, a device that works.

Why does it work?

We're trying to work that one out too! You couldn't invent it up front if you tried. You just have to take the journey and work it out afterwards. We just knew that there is a moral responsibility what when you travel, and you travel in places where somebody's annual salary might be \$200 a year, and you're a wealthy backpacker, you have a responsibility to give. And that works at many levels – just by going there you are contributing to those communities.

How did Footprints come about?

We literally started with an idea; a pencil sketch on the back of an envelope. We had been considering a CSR venture for a while, um-ed and ah-ed for about a year and then the tsunami happened in December 2004. At that point we said 'let's just build something', and so we sketched it up and built it within a week. Four months later we'd raised \$50,000!

We refined Footprints over the course of the next year, and then opened it up to other companies as an e-commerce donation solution. Several asked "how do we know our sales conversion rate won't go down?" so we took one of our travel companies we'd bolted Footprints into and looked at the volume of sales before and after we added Footprints, and discovered that sales had actually gone up by 1.87 per cent, which was worth \$20,000 a month. That was quite unexpected. I would have predicted at best neutral, but in

hindsight the products that we sell have an element of trust about them, and the fact that you're associating yourself with brands in the not-for-profit space such as The Fred Hollows Foundation, for example, probably helps build that trust.

What kind of projects does Footprints focus on?

One of our ideas with Footprints was to make everything quite tangible so each project has an outcome which you can see and feel and touch – like building a well or a school. Footprints focuses on health and water and sanitation and education – the pillars of getting people moving ahead. We use Maslow's hierarchy of need as a basis, which says that if you can get people past needing the essentials of life – water, food, warmth, security, health, shelter – they take care of themselves. So this is where we focus our energies. We think we should offer three or four projects only, in one transaction, for customers to choose from when they donate, and we can change those on offer to fit the project to the transaction the customer is undertaking – for example if you're paying an electricity bill you would be offered the opportunity to support a project to give solar power to a village in Nepal. Keep the list small, and make it easy for the customer to say yes.

We were looking for projects to assist Indigenous people in the Australia, and one Indigenous community came to us and asked for some drums. We were rather surprised, but we needed to

be educated to understand that the purpose wasn't the drums, the purpose was health outcomes. The drums came at the request of the elders at the village because they knew that if they put drums in school and said 'you can't touch them until the end of the day' the kids would go to school and learn about health. I went to the Garma

What's next on your social entrepreneurship agenda?

If there's one thing I dream of it is taking Footprints to scale, turning it into *the* low cost low donation online mechanism. I would like 10,000 of the top e-commerce companies in the world to be using Footprints – it would raise hundreds of millions of dollars if every

“I would like 10,000 of the top e-commerce companies in the world to be using Footprints – it would raise hundreds of millions of dollars if every single time you came to buy something online, from any business, there was a little checkbox that said 'just add 20c or \$1.00 for charity'.”

Festival and one of the key take-outs for me was 'don't pre-judge what works in communities – take advice from the local community and go with the flow'. If they say they need drums you can do your due diligence, measure it and trial it, but as long as it delivers outcomes then do it. The drums were completely left field, but they delivered the desired health outcomes. Again you couldn't have made this up, you need to work and learn as you go. This is the entrepreneurial side, and it's the exciting part of the work.

Are all your grants small?

The benefits of seemingly small projects roll-out and multiply: for example in Nepal we built a well, and because they didn't have to cart water the children could go to school, and because the children were at school the women could go to work and because the women were working and earning there was a power shift in the village. Even the aid agencies have been flabbergasted at the by-products of very small grants. That's the part of the social entrepreneurialism that I find absolutely fascinating, all the rules are being rewritten and there is much more flux than we've seen in the last hundred years.

single time you came to buy something online, from any business, there was a little checkbox that said 'just add 20c or \$1.00 for charity'.

We're not asking for even \$10 – it's just about rounding up a bill to the nearest dollar, or from \$2.50 to \$5. I'll take even 1 cent per transaction, because the cost of the transaction to us is zero.

How do you deal with tax deductibility?

We don't – we don't offer a tax deduction facility. We bypass that, believing that if you can afford to throw a dollar in a charity bucket in the street then you can afford to tick the dollar donation box online, without the tax deduction option. We've had customers asking if they can give us \$150 for one of our projects, and the answer is 'no, you can't'. We'll suggest they go to an organisation like Oxfam which runs projects and donate through their website.

With Footprints, one of the issues we've run into is that, when you raise money, if you're standing on the street corner or holding a raffle in Australia you are physically in Australia, so you need to abide by the fundraising laws in this country.

With the internet, an e-commerce company sells their products everywhere and might take donations from anywhere so you simply can't be compliant with fundraising laws from every nation at the same time.

If you want to choose who you give money to, and take donations from, globally you don't want to be beholden to any specific government as to whether or not that is approved. As an example, we had a couple of doctors travelling and working in Kazakhstan who wanted \$500 to purchase the drugs to fund their clinics. They're not a charity, don't have DGR, but are doing great work and we wanted to give them \$500. They provided acquittal reports and receipts so that grant was transparent, but we can't claim any of it. That doesn't work for us – and as we want to scale up Footprints we need mechanisms where we're not going to have to pay millions of dollars in tax.

To combat that problem what would you like to see the government do?

The trick here is that it's not just 'our' government but all governments around the world. As with internet e-commerce, for global undertakings the rules are still being made up as you go along. In terms of defining our business, World Nomads is a micronational with only 50 people. The internet allows you to do that. The rules are being written as we speak; nobody has yet defined how to be a micronational, or fund venture philanthropy globally, so in this environment innovation and entrepreneurship, business and social, is thriving.

Philanthropy Australia is the national peak body for philanthropy and is a not-for-profit membership organisation. Our Members are trusts and foundations, families and individuals who want to make a difference through their own philanthropy and to encourage others to become philanthropists.

- Our vision:** A giving and caring nation.
- Our mission:** To represent, grow and inspire an effective and robust philanthropic sector for the community.
- Philanthropy:** The planned and structured giving of money, time, information, goods and services, voice and influence to improve the wellbeing of humanity and the community.
- Philanthropic sector:** Trusts, foundations, organisations, families and individuals who engage in philanthropy.

Front cover: Our front cover photograph is of 'The Oasis' documentary film production team – from left Producer and Director Ian Darling, Editor Sally Fryer, and Co-Director and Cinematographer Sascha Ettinger Epstein from Shark Island Productions – with a collection of framed stills from the making of the documentary in the background. We feature an interview with Ian Darling, also Chair of The Caledonia Foundation, on page 16, and explore the potential for documentaries in philanthropy on page 26.

Photo by Anna Thompson, courtesy of The Salvation Army's Pipeline magazine.

Australian Philanthropy, journal of Philanthropy Australia Inc.

Email: info@philanthropy.org.au

Website: www.philanthropy.org.au www.philanthropywiki.org.au

© Philanthropy Australia Inc. June 2008

ISSN: 1449-390X

Editor: Louise Arkles

Assistant Editor: Mary Borsellino

Design and production: MDM Design Associates
Level 3, 121 Flinders Lane, Melbourne Victoria 3000
Telephone: (03) 9639 3399 Email: mdm@mdmdesign.com.au

The articles in *Australian Philanthropy* do not necessarily reflect the views of Philanthropy Australia Inc or of its Members.

Registered by Australia Post as a Print Post Publication – 581/827/0058

Printed on environmentally friendly paper.