

MY PHILANTHROPIC JOURNEY

After more than 30 years working in the fields of philanthropy and international development – including the last decade as CEO of Geneva Global – Doug Balfour reflects on how the landscape has evolved, and shares advice for those embarking on their own philanthropic journeys.



As Geneva Global's CEO for the past ten years, Doug Balfour has seen many changes in how the philanthropic community thinks.

A Transformative Experience

My journey in philanthropy began, of all places, in the Kalahari Desert in South West Africa (what is today Namibia). I was 21 years old and working as a diamond exploration geologist in Bushmanland. A generation earlier, these Bushmen had been living as hunter-gatherers. But when I arrived, the South West African government had resettled the Bushmen in concrete villages, as part of an effort to bring them into the “modern world.” The Bushmen were dying of tuberculosis, and plagued by high rates of suicide, alcoholism, and depression. I witnessed every day, up close, these unintended, but tragic consequences of “development.”

I did what I could to help. I became an advocate for the Bushmen, and I hired them to cut roads for us to empower them financially. But I came away humbled by my inability to truly solve their problems. I was transformed by seeing the human cost of bad development, missed opportunities, and ignorance.

Philanthropy’s Evolution

My journey in philanthropy has since taken me around the world, from Colombia to the United States, from the Netherlands to Liberia. I have worked with drug addicts, children in conflict zones struggling with PTSD, and people who lack access to basic medicine. In 1995, I became General Director of Tearfund, one of the UK’s largest aid agencies, before joining the philanthropic consultancy Geneva Global, which I’ve had the immense privilege of leading for the last decade.

The philanthropic space today is almost unrecognizable from when I started. Up until about 2000, the philanthropic market was largely about “checkbook charity”:

giving without much thought, and without any follow-up. That was followed by what I call “social impact philanthropy”: having an investment mind-set, being results-focused, and taking a business-like approach to what was then a check-writing, input-measuring industry.

Philanthropy Today

Two trends are emerging and increasingly shaping philanthropy today: being data-driven and image-conscious. Data obviously carries enormous potential, and has already improved how we measure what we’re doing, how we implement, and how we adjust and adapt in real time. Focusing on reputation and how we communicate is clearly important, and carries with it similarly exciting potential: our stories and work might reach and resonate with more people than ever before. But for all the exciting transformation these trends promise, they bring with them serious practical challenges for the sector.

Under the first trend, donors are being influenced by organizations that measure and rate philanthropic “effectiveness,” and by algorithms that tell you who to choose and how to prioritise your philanthropy. Increasingly, there is pressure to not listen to your heart, just your head. Does this constitute progress? Taking a “head-only” approach – assuming there is an absolute value that everyone ought to abide by, as opposed to one that accounts for your values and skills as a philanthropist – will almost certainly end in something very sterile.

And data-driven doesn’t always equal smarter – and that’s what we desperately need today, *smarter* philanthropy. And by that, I mean that there has to be a lot of “and,” not “or.” Both the head *and* the heart; philanthropy that is qualitative *and* quantitative, that



Doug Balfour visits a preventable eye-disease program with a key water and sanitation component in Zambia.

measures short-term activity *and* long-term impact, that is both impact investing *and* granting.

Concerned with Public Perceptions

The second trend – becoming increasingly image-conscious – threatens to prioritize style over substance, reputation over results. There are big public personas in philanthropic foundations now. I've heard that one new foundation is pairing one communications officer for every one of their program managers. That is fine, as I believe philanthropy has a lot to do to ensure the message of all the good that we are doing gets through clearly, but if this emphasis on image protection reduces our transparency, by not being able to talk about failure, then that will be a major loss. Charismatic speakers and leaders often get accolades and a lot of attention – but when you actually look at what their organizations are doing, it can be disappointing.

Avoiding Difficult Conversations

Even now, our industry struggles to talk about these disappointments honestly and transparently. We do not talk about failure in a very serious way, partly because we're concerned about our reputations, and partly because NGOs are not encouraged or incentivized to talk about failure – when they do, they get punished, not applauded.

It certainly does not help that real cost data is sparse in the NGO sector. It can be hard to come by analysis that tells you precisely how much certain things will cost, and what your return on your philanthropic investment should be.

Involving Local Partners

And because we shy away from being transparent about our shortcomings, a lot of important issues don't get talked about – and don't get addressed. I think most people would be shocked to realize how few

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resources actually reach local organizations on the ground. In the relief sphere, only about 2% of money in emergencies goes to local organizations.

To me, that’s mind-boggling. Because these local organizations are the ones that provide the first response, who will remain all the way through the recovery phase, and they’re typically the ones who have to prepare the local population for the next emergency. All too often, I have seen money that was meant to help local organizations get disproportionately channelled instead to consultants working on large, government-sponsored projects. It’s a tragic misallocation of resources. In a recent conversation with the Archbishop of Uganda, I thought he encapsulated it poetically: “We look up and we see all these clouds laden with rain, but so little of it ever touches the ground.”

Change Must Come From Leaders

The amount of progress we make in tackling these challenges will depend, to a great extent, on leaders in the industry. Change happens when people who have the decision-making power choose to behave differently. Frankly, the change is not going to come from non-profits, it is going to

have to come from donors. We are kidding ourselves if we think there is no power imbalance between donors and grantees – there always has been, and always will be. Donors have to want to take the initial stance on these issues to catalyze change. And the way they do that, I believe, is by having capital allocators start to say: “We are going to reward good behavior as we see it, and we are going to punish those who don’t collaborate, who aren’t transparent, who aren’t innovative.”

Advice for the Next Generation of Philanthropic Leaders

It’s important for emerging philanthropists today to be aware of the challenges and to not diminish them – but to not be discouraged by them, either. You have to recognize that you’re on a journey, and you’re going to experience highs and lows. But you have to start somewhere – so experiment, make a number of different grants, don’t expect transformation or success overnight. Figure out what you are good at, what you are passionate about, how the market really works, and how it is different from business or what you are used to.

Once you get a handle on things, then start to pick something that you really want to focus on and dig into. Choose the thing you are really good at and can lead in, and put a lot of energy and focus into it. Build deep relationships with others in that sector. But also have a few other projects that you are interested in but do not need to take the lead on. Find opportunities where you can join a coalition and contribute, but do not have to do the heavy lifting.

Successful professionals – especially entrepreneurs – find this part very difficult. The common perception is that charity is simple and business is complicated.

What they learn, eventually, is that a business is a relatively simple organization to manage, and a relatively disciplined marketplace. Philanthropy is much more complicated and harder – Carnegie and Rockefeller both said that giving away money intelligently is more difficult than making it. The people who are willing to persevere will achieve more than they ever dreamed of, but you first have to go through the humbling process of letting go of your perceived experience and expertise.



Doug Balfour
*Chief Executive Officer,
Geneva Global*

Geneva Global is a philanthropic consulting company that works with philanthropists, charitable organizations, and corporations to help them deliver performance philanthropy.

With more than 30 years of experience in philanthropy, international development, leadership, and organizational development, Doug has gained many different perspectives through his various roles in the philanthropic marketplace – from leader of a large charity to philanthropy advisor. Prior to joining Geneva Global's senior leadership team in 2006, Doug served for nine years as General Director of Tearfund, one of the United Kingdom's largest aid agencies, based in London. He is the author of "Doing Good Great: An Insider's Guide to Getting the Most out of Your Philanthropic Journey."

Transforming Systems, Not Just Providing Band-Aid Solutions

I am passionate about seeing true transformation – long-term, even permanent, change. I am sure other veterans of the industry are also sick of applying temporary, Band-Aid solutions. At the individual level, I want to see real transformation at the individual level so the person will never be in the same terrible situation again. On the macro level, what I've really been exploring is how we can change systems.

For example, if we're looking how to eliminate human trafficking, we need to come up with a comprehensive counter system. This includes prevention, rescue, rehabilitation, halfway houses, legal advice, getting people back across the border, into families, and resettled, survivor groups etc. We need to tackle the whole system, and change the direction of the problem instead of just slowly chipping away at it. This is what I've been talking to people most about lately. I've been challenging philanthropists to think bigger, more long-term, and more sustainable – to think in terms of systems. I like to help people break down concretely what that means, and what their role as a funder is.

My final piece of advice is make the effort to go on site visits. When you see a child that has been impacted by your work, or when you talk to an old man in the field about the difference a project has made in his life, everything suddenly makes sense. Hope always transcends the sense of need. If you travel and all you see is need, you can descend into despair. But if you are connected with a sense of transformation, you can see hope even when the situation may seem dire. It is this hope that has kept me going, and which makes all the work that I do, and have done, worthwhile. Allow this hope to inspire you, and to carry you.

DOUG BALFOUR'S EIGHT PILLARS OF PERFORMANCE PHILANTHROPY

In his book, "Doing Good Great: An Insider's Guide to Getting the Most out of Your Philanthropic Journey," Doug outlines eight crucial components of giving wisely. Here they are, in his words.

1. **Investment thinking.** We need to be more businesslike in our approach to doing good, bringing head and heart together. Why be satisfied with less return for what you give to a charity than you would with giving the same amount to a broker?
2. **Methodical measuring.** If you don't count and evaluate what you are doing, you can never know how effective you are or how much more you could achieve. You need to ask hard questions of the people who want to use your money.
3. **Successful failing.** The world is only getting more complex, and we can't solve today's problems with yesterday's answers. That requires innovation and creativity, the willingness to try new things, and the ability to learn from mistakes and adapt.
4. **Local implementing.** With a few exceptions, most effective development work is done by organizations that are rooted and established in the communities they are serving – more so than by even the most willing outsiders.
5. **Strategic planning.** A lot of development work is based on "silo" thinking: looking at situations in single-issue terms. But so many issues are complex and interwoven, and need to be approached from multiple angles to achieve a real tipping point for positive change.
6. **Deliberate multiplying.** Help for today is vital, but what can be done to ensure the same problem doesn't pop up again tomorrow or next door? We must look for ways to further leverage all that we are doing.
7. **Forward looking.** As much as we have developed some firm convictions about how to do good better, we recognize that it is important to remain open to change as cultural and technological shifts impact the world, its needs, and the possible solutions.
8. **Active collaborating.** The combined total can be greater than the sum of the individual parts. By deliberately bringing implementers and donors together in partnership ventures, it is possible to set and achieve bigger goals.