



McCARTHY MENTORING

## Philanthropy Australia Conference: wrap up

In September 2014, McCarthy Mentoring attended the Philanthropy Australia Conference at the Melbourne Recital Hall. There was a strong contingent of philanthropists, advisors, foundations as well as not for profits from all sectors.

Here is our wrap up on some of the key insights for arts philanthropy.

### OVERVIEW

- The Government sees its role is to enable philanthropy not replace it. It seeks to offer a sustainable approach eg tax exemptions.
- Philanthropists want to donate more than money. They want to contribute time, experience and provide guidance
- In Australia, 5000 private donors give ½ a billion a year to strengthen our community
- Australia's giving = 0.57% of GDP v 2% in US

### WHAT DO PHILANTHROPISTS LOOK FOR?

**Graham Tuckwell and Andrew 'Twiggy' Forrest discuss their views on philanthropy and the reasons behind the contributions they have made.**

*Most recently, Graham & Louise Tuckwell gave \$50M to ANU for residential undergraduate scholarships and Andrew & Nicola Forrest gave \$50M to fund scholarships and postdoctoral fellowships across all five WA universities as well as \$16M to build Forrest Hall for residential accom.*

- Philanthropists want to give more than a cheque. They want to invest their expertise, time and leadership to causes they believe in. Giving time to get the most out of the capital was EQUALLY as important as giving capital.
- They believe organisations should nurture young philanthropists not just donors that give huge donations.
- Tuckwell said he went public as that was the best way to promote the scholarship and get the best applications. Forrest admitted Tuckwell's donation inspired his.

- Role of philanthropists versus government? To be closer to the problem and greater understanding of what's needed at the ground level. More able to find the gaps. Hard to always see from Canberra.
- Tuckwell doesn't believe in brow beating his peers into philanthropy (eg Gina Rinehart/ Clive Palmer). He feels it's better to leave the gate open and let them give on their own volition as will be greater outcome. Also that successful business people that create jobs are doing a community service in their own right.
- He tells philanthropists to follow their heart and passion when choosing the area they want to support.

## **COLLECTIVE IMPACT**

This is a concept that came up often. It is a framework for achieving large scale change, bringing organisations together on a common agenda. It requires consistent data collection and measurement of results plus a clear plan of action to achieve mutual objectives.

## **CROWD FUNDING**

Yet to gain significant traction in Australia however it is seen as a huge opportunity. Keynote speaker and digital philanthropy expert, Lucy Bernholz from the Stanford University Centre on Philanthropy & Civil Society, cited a recent campaign in China where 582 million people participated.

Crowd funding involves groups of people pooling money, usually small individual contributions to fund a specific goal.

## **GLOBAL PHILANTHROPY TRENDS**

### **Canadian Community Foundations - By President Ian Bird**

- Huge growth of Community Foundations in Canada but it is still emerging in Australia. Research showing Canadians becoming disengaged – 64% of people in Vancouver couldn't identify a neighbour yet highest use of social media in Canada.
- Private giving is dropping
- Crowd funding and online funding has taken over Canadian arts endowment. They are seeing crowd funding programs like Kickstart offering opportunities for all groups, particularly mentioning the opportunities for local indigenous groups to reach huge overseas markets. Is this an important opportunity for Australia's indigenous arts organisations?

### **Lessons from Silicon Valley – by Christine Sherry, Scholar at Stanford Uni Centre on Philanthropy and Civil Society and past founding Executive Director of the Philanthropy Workshop West**

- Philanthropy in Silicon Valley has moved from old established foundations to new, innovative dreamers who like to play with technology and new ideas.
- They are visionary entrepreneurs who are attracted to visionary philanthropy, developing new models and focusing on how technology can upscale initiatives.
- There has been a cultural shift - Gates has made it cool but also stated "its fun yet harder to do than anything he's done before"
- Individual donors now outnumber foundations 12 to 1.

- They've developed new funding business models and combined new and the old eg OMIDYAR where they fund whoever could get the job done in time needed (ie profit and not profit organisations). Other models are hybrid business model or microfinance or social enterprise where they pursue both a social impact and profit
- Entrepreneurial donors want to fund something different, that has impact and is game changing.
- Recipient programs have to be digitally savvy ie across social media. Outcomes have to be clear with a clear timeframe. They want to donate more than money – time and business connections.
- Anything that is a public resource for public benefit is going to be done digitally. Crowd funding, community impact, twitter
- Everything you do ALSO has to be done digitally
- Lots of questions to address – who owns what? how do you donate something and still own it? how do NFP and organisations want 3<sup>rd</sup> parties to treat their information? What do you collect? how do we govern data?

