

Story 1: Making a start with effective giving

Otto¹, a client of Be-Work is a successful and wealthy entrepreneur. He wants to share some of his wealth with those who are less privileged in this world and do good. In the past 5 years he has been supporting some smaller NGOs who came on this path via relatives and friends. But according to him these organisations have little impact and form a drop on a hot plate. “Annet, it seems more difficult to give away money than to earn it” he confided.

The world of Development Aid is changing. We see a growing number of entrepreneurs starting an NGO, wanting to make a difference with evidence based interventions, cost effective and scalable programmes and influencing government policies. Research and impact evaluations by independent institutes become more and more common practice and investing in the execution power of implementing organisation is no longer seen as hanging on the bow, but crucial for success. The “Effective Giving” movement, emphasising to give with your head and not only your heart, has a growing attention.

After we told Otto we can help to donate money with impact and manage the performance of his “portfolio of donation money” he became enthusiastic. He even doubled his donation money upfront. How do we work? We helped him:

1. discover and identify important values and preconditions as a philanthropist
2. identify cause areas for his donation money. Which topics are Important, Neglected and Tractable?
3. select within a cause area; what are evidence based interventions?
4. discuss where and how he wants to give: invest in one of the listed “top charities” or rather in catalytic opportunities? Or fund research or a platform for philanthropy?
5. identify which organisations run programmes with these evidence based interventions well and have execution power? Where do they have a funding gap?

In our next story we will give an example of a “donation money portfolio” with a performance management model. It is seen as a new element to “wealth management” of family offices and banks.

1. Otto is fictitious name.

¹Fictitious name