SSIR Live!
Catalytic Philanthropy

Presented by Mark Kramer, Managing Director, FSG Social Impact Advisors

In Conversation with
Tom Siebel, Chairman of the Meth Project Foundation, Siebel Foundation, and First Virtual Group
Diana Aviv, President and CEO, Independent Sector

Moderated by Regina Starr Ridley, Publishing Director, Stanford Social Innovation Review.

January 26, 2010, 2-3pm EST
Agenda

2:00 – 2:05  Welcome & Introductions
             Regina Ridley, Stanford Social Innovation Review

2:05 – 2:15  The Principles of Catalytic Philanthropy
             Mark Kramer, FSG Social Impact Advisors

2:15 – 2:40  A Conversation with Tom Siebel and Diana Aviv
             With Mark Kramer

2:40 – 3:00  Q & A from Webinar Attendees
             Moderated by Regina Ridley
The Opportunity

- Our nonprofit sector has considerable resources
  - 1.3 million hard-working nonprofit organizations
  - More than $300 billion in generous annual contributions

- Donors work hard deciding which organizations to support in order to solve the social problems they care about most

- Most of these organizations help hundreds or thousands of people in critical ways, but cannot achieve lasting change on large scale issues

- How can donors overcome the limitations that hold nonprofits back:
  - **Fragmentation**: 90% have revenues of less than $500,000
  - **Lack of coordination**: Each works independently, competing with their peers
  - **Inadequate infrastructure**: Underpaid management and poor technology
  - **Weak influence**: Most have little clout to influence government or business
  - **Minimal accountability**: Few measure their impact or effectiveness

**Catalytic Philanthropists move beyond “giving away money” to actually solving social problems**
Catalytic Philanthropists consistently follow four practices:

1. They **take responsibility for achieving results**, focusing on clear, measurable and attainable goals, and taking ownership of issues.

2. They **mobilize a campaign for change**, engaging others in concerted action to assemble the elements of a solution.

3. They **use all available tools**, including commercial enterprises, government advocacy, fundraising, convening, and mission investing.

4. They **build actionable knowledge** to improve their own effectiveness and influence the behavior of others.
Take Responsibility for Results

- Focus on how to solve a specific problem, not which organization to support
- Become (or hire) an expert on the issue
- Be realistic about the resources needed to make a difference
- Formulate clear goals and a plan for achieving them
- Use your personal clout and connections
- Measure your results constantly and revise your plans as necessary

Work with and learn from other funders and nonprofit organizations. Hold them accountable for results, but don’t depend on them for the solution.
Mobilize a Campaign

- Take a systemic approach to change rather than searching for a single “silver bullet”
- Heighten awareness and engage allies by focusing attention on the issue among funders, governments, nonprofits and the public
- Mount a sustained campaign to increase the capacity, coordination, and effectiveness of the entire set of actors involved in the issue

Focus on creating the conditions for solutions to emerge,
Rather than finding and funding a single approach –
There is no one answer, and no single organization can solve a major social problem alone
Don’t limit yourself to the nonprofit sector – Be entrepreneurial by using:

- Public corporations
  - Tap into the company’s product donations, skilled employees, management talent, R&D, advertising, and lobbying capacity
  - Influence company policy through shareholder advocacy and regulation
- Investment capital
  - Invest in for-profit companies that help solve the problem
  - Use financial instruments to fund change
- Advocacy and litigation
  - Mobilize public opinion
  - Educate policymakers
  - Fund litigation
- Lobbying
  - Use personal funds, corporate resources, and public charities to lobby for legislative changes when foundations cannot

Catalytic Philanthropists do whatever it takes: They are relentless in their desire to achieve change
Create Actionable Knowledge

- Use information to inform your own actions and to motivate others
  - What information will change peoples’ behavior?
  - What information will tell you if you are making progress?

- Information must be timely, compelling and actionable
  - Is it relevant?
  - Does it carry emotional appeal?
  - Does it meet your audience where they are?
  - Are there realistic recommendations for immediate action?

*Information can be a powerful tool for change*
### How Does Catalytic Philanthropy Differ from Other Approaches?

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<th>Conventional Philanthropy</th>
<th>Venture Philanthropy</th>
<th>Catalytic Philanthropy</th>
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<td><strong>What is the key question?</strong></td>
<td>Which organizations should be supported and how much money should I give them?</td>
<td>How can I help to scale up effective nonprofit organizations?</td>
<td>How can I mobilize a campaign that achieves measurable impact on a specific problem?</td>
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<td><strong>Who is responsible for success?</strong></td>
<td>Nonprofits</td>
<td>Nonprofits</td>
<td>Funders</td>
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<td><strong>What gets funded?</strong></td>
<td>Individual nonprofits</td>
<td>Capacity building at individual nonprofits</td>
<td>Multi-sector campaigns</td>
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<td><strong>What tools are used?</strong></td>
<td>Nonprofit programs</td>
<td>Nonprofit programs</td>
<td>All possible tools and donor resources</td>
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<td><strong>How is information used?</strong></td>
<td>To compare grant requests</td>
<td>To increase organizational effectiveness</td>
<td>To support the campaign and motivate change</td>
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A Conversation With Tom Siebel and Diana Aviv
With Mark Kramer
Questions?

Moderated by Regina Starr Ridley, Publishing Director, Stanford Social Innovation Review

Tom Siebel

Mark Kramer

Diana Aviv

Regina Starr Ridley
Thank you for attending our webinar series, *SSIR Live!* A brief survey will appear when you exit this presentation. Thank you in advance for completing this survey -- we’ll use your feedback for future *SSIR* webinars.

Access this webinar as many times as you want for the next 12 months by clicking on the same link as you did today. To read “Catalytic Philanthropy,” go to [www.ssireview.org](http://www.ssireview.org) and search for the article title.

To find out about upcoming *SSIR Live!* webinars, sign up for *SSIR*’s free email newsletter at [www.ssireview.org](http://www.ssireview.org).

Warm wishes for the new year from the staff of the *Stanford Social Innovation Review*. 