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Strategic Philanthropy Panel Discussion

## Effective Philanthropy: Strategies for Sustained Impact

Tuesday, 29<sup>th</sup> November 2022, NYU Abu Dhabi

In collaboration with the Strategic Philanthropy Initiative (SPI) at NYU Abu Dhabi

### Summary:

This interactive panel discussion was held at the New York University Abu Dhabi campus in Abu Dhabi on Tuesday 29<sup>th</sup> November 2022. The panel featured prominent philanthropic leaders from the Gulf region and South Asia, including H.E. Huda I. Alkhamis-Kanoo, *Founder*, Abu Dhabi Music & Arts Foundation; Badr Jafar, *Founder*, Pearl Initiative, & *CEO*, Crescent Enterprises; John McCaffrey, *President*, Galileo Foundation; Mariët Westermann, *Vice Chancellor*, NYU Abu Dhabi; Nandan Nilekani, *Co-founder and Chairman*, Infosys; Rohini Nilekani, *Chairperson*, Rohini Nilekani Philanthropies; and Shoshana Stewart, *President*, Turquoise Mountain.

The panel discussion explored the importance of strategic philanthropy and optimising philanthropic funds for social impact. Panellists discussed the benefits of approaching philanthropic capital as risk capital and social investments, the strategies and approaches in philanthropy that can best pave the way to sustainable and scalable impact and delved into how collaborative and trust-based philanthropy has sustained many thriving industries, including that of the Arts.

### Key Takeaways:

- The term ‘philanthropy’ in Greek means the love of man, of fellow human beings, which has come to mean the sharing of resources. One of the most fundamental things we do as human beings is to share.
- Philanthropy must be used to create change on a systemic level.
- Strengthening of infrastructure to better support existing philanthropic activity is a critical step moving forwards.
  - This can include strengthening programmes, initiatives, and research that cater to organisations working on the ground.
- The right application of digital technology can play a significant role in scaling the impact of philanthropic capital. An example of this is the use of Digital Public Goods (DPGs) to leverage Digital Public Infrastructure (DPI).
  - When governed accountably, DPGs and DPI can help democratise access to information systems, enable global collaboration, and help organisations and governments efficiently develop tailored solutions to large-scale issues.
  - Technology can help transform societies if used with the right intent. Programmes should be tech-enabled instead of tech-led where the mission of society is at the forefront and is supported by technology. ‘Societal thinking’ is an infrastructure for collaboration – where social sector organisations, faith-based organisations, and philanthropists can all come together to work towards the same goal.



- There is a dire need to be able to distribute the ability to solve issues and challenges (using technology) because no single person or group of people can do anything alone on a global level because every context is so different.
- Technology can act as a unified interface without necessarily demanding a uniform way to solve issues. This is important because we need diversity and need to think about what would work on scale not just what works in one context.
- Context is very important - the attempt to scale often beats out context and specificity which ruins impact, it is all about complexity which is significant especially in culture and the arts.
- Scale can sometimes be overrated; the small amounts of impact being made should not be overlooked.
- Businesses play a fundamental role in being change agents for the sustainable development goals (SDGs).
  - They must align their business model and business case with the sustainable development agenda.
  - The idea that there is some trade-off between profit (monetary returns) and purpose (social impact) is being challenged because it is not necessarily true anymore.
  - The use of private philanthropic funds, although used as risk capital, should still be a calculated risk.
  - Philanthropy is risk capital so can be used to initially push the needle for change. On a large scale, philanthropy cannot be used as a cookie cutter model. Philanthropy can be used to demonstrate what can be – which can then bring other stakeholders on board.
  - The mission of any organisation is what must be scaled, even if the organisation itself does not. The mission should be able to spread to various organisations or collaboratives.
  - Private philanthropy is early-stage risk capital – it helps move things along in a way that even big aid agencies cannot often afford to do.
- We must treat philanthropy the same as venture capital and allow for risk – even if 1 out of 10 programme outcomes reap a successful result, it should be considered a success.
  - Civil society does not discuss failure enough so when judging one’s risk appetite, we need to first know what the failure appetite is. We must acknowledge the occurrence of failure because there is so much complexity on the ground. It is important not to glamourise failure like in the investment world, but it must be openly discussed.
  - Potential failure is not a reason not to try, measurement is key, but it shouldn’t be used as a reason to not take action, especially for smaller organisations who are often too busy doing the actual work to be able to measure impact.
  - We cannot apply business metrics to non-profits because they are two different worlds. They are driven by passion and heart, not the balance sheet – funders must approach grantees with humility, patience, and trust.
- The institutionalisation of philanthropy is important and can exist alongside a healthy taxation scheme because the amount of giving is significant, especially in this region, but it is not necessarily strategic.
- Social enterprises, which do good and make money too, could be another form of giving for the new generation who care about making a difference.



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- Many young people are coming into unexpected wealth and are not as attached to it. They want to give forward from the get-go, and they want to make a lasting impact that leads to systemic change.
- Philanthropy can address the issue of equal distribution, which in turn can address the challenge of scale. Innovation is not specific to the business sector. Boosting small philanthropies led by young social innovators with the same support and benefit as business entrepreneurs, is a great way to encourage this.
  - In terms of supporting SME's, a big impactful system must have both – business and no return. It is important to invest in both - things that create a return and that do not.