

Here's how we can be both smart and good

Margaret Wentz, *Globe & Mail*, Saturday, Oct. 29, 2011

The other night, I went to a fundraising event. The cause was worthy, and the patrons were well-heeled. We chowed down on filet mignon as the charming head of the worthy cause made his pitch. I noticed they'd sold the naming rights to every part of the building except the toilets. I wondered how much it might cost to get my name on a stall. They had a silent auction and a live auction, which began once the patrons were suitably lubricated. I guess it was fun. And there'll be another one tomorrow.

A lot of us are suffering from charity fatigue. The pitches from people who want our money are relentless. On the street, I'm accosted by earnest young people who want to sign me up for Plan Canada or Amnesty International. At the grocery checkout, I'm asked to cough up an extra toonie for a good cause. My mailbox is stuffed with solicitations. I have a steady stream of calls from people who want me to contribute to every hospital I was ever in; I know that, if I say yes, they'll be on my case forever. Friends and colleagues bombard me with e-mails asking me to sponsor them for walks, runs and rides. I don't want them to think I'm cheap, so I usually say yes.

I only have a dim idea how much I give away, or what good it does. I have no idea whether it makes a difference. "As donors, it's time for us not just to give more but to give better – to make sure our giving is going where we think it's going," says Kate Bahen, managing director of Charity Intelligence Canada, a Toronto-based organization that advises donors.

The competition for money has created a sort of charity arms race, which pushes charities to spend more and more money in order to raise their profile and attract donations. "Something has changed in the past decade," Ms. Bahen says. "There are more galas and more glitz. It feels to me as if it's become about the donor experience – the donors feeling good, the donor having a good time. Maybe I'm old-fashioned, but I thought charity and giving were supposed to be about something else."

She's found that the best places to give money are often in your own backyard. Charity Intelligence's recommended list includes a number of small grassroots groups that help high-risk adolescents, run food banks or serve the homeless. None of them are glitzy. Their administrative and fundraising costs are low. They do a lot with a little, and they're focused on results.

Most of us give money because it feels good. It seems rude to ask about results. But stupendous amounts of donor money are squandered through inefficiency and incompetence. The world's a sucker for humanitarian disasters. When the next tsunami hits, millions of us will open our wallets and our hearts – and millions will be wasted. "Humanitarian emergencies have a way of bringing out the worst excesses of charity marketers," says Avril Benoît, the former CBC Radio personality who now works with *Médecins sans frontières*. "Organizations with poor track records for effectiveness in crises can, paradoxically, be masterful at convincing the public that they are relevant on the ground – when they are not."

She's also down on voluntourism, the fashionable trend that encourages unskilled rich people to travel overseas to build schools and houses for poor people – usually in countries that have a surplus of unemployed skilled labourers. Voluntourism makes people feel good. Whether it does good is another matter.

If you're serious about giving – and you should be – a hard head is important. Think of your money as an investment. That's what the Bill and Melinda Gates Foundation does. Its emphasis on results has turned the world of giving upside down.

This approach requires some work. You'll have to find out what really happens to your money. You may be in for a surprise. Some charities pay more than half the money they receive from donors to outside fundraisers. Some spend more money on administration than on actual charitable work. The magazine MoneySense publishes an analysis of Canada's hundred biggest charities; it won't tell you everything you need to know, but it's a good place to start.

The barrage of charitable appeals has made a lot of people cynical. But the good news is, you can do a lot of good. "You don't have to be a Warren Buffett or Bill Gates," Ms. Bahen says. "A donation of \$25,000 to the right charity at the right time can make an incredible difference." A few years ago, someone gave that amount to Wish, a small Vancouver agency that works with street prostitutes. Wish used the money to advocate for the many women who'd gone missing. If it weren't for that, Robert Pickton might still be on the loose.

"If there's one message to convey, it is that our giving does matter, and our giving is worth it," Ms. Bahen says. "It's not how loud your trumpet is. It's not who knows who, or who's on the board." Her aim is to create a level playing field for charities that may not have the best connections but have the best results – whether it's helping a kid to graduate from school or getting a homeless person off the streets.

So here's my memo to myself: Start giving twice as much, and do it twice as well. Work on it. It matters.