

New Day Asia

Adding value through member engagement

A New Day Dawns

Liza and Chris Green moved to Hong Kong as banking professionals, joining a large community of expatriate professionals who enjoy a comfortable lifestyle. But they were troubled by what Liza describes as the “dark undercurrent of poverty in Asia.” She and Chris “wanted to respond by giving intelligently.” Liza researched the abuse of young women by sex traffickers and made this the focus of what would become New Day Asia (*New Day*), which crystallised as a giving circle when the Greens presented their proposal at an informal dinner with eight friends in 2007. One of the members, a lawyer, helped the initiative become incorporated as a private company with tax-exempt status in Hong Kong.

Earlier, Liza had already contacted the local office of the Asia Foundation, asking them to suggest a project that New Day could support with a US\$10,000 donation. Over 10 years, membership grew organically to around 80 members and international donors through dinner parties, word of mouth, and articles in Hong Kong’s financial press. New Day members are generally expatriate professionals, but several are Hong Kong permanent residents.

Members pledge a modest monthly contribution of HK\$500 (US\$65) although many give far more, especially when they receive their work bonuses. The total pooled funds raised by the middle of 2016 was approximately US\$750,000, supplemented by approximately US\$200,000 in co-funding from corporate businesses, which were donated to projects in Cambodia, India, Vietnam, Sri Lanka, Hong Kong, China and Nepal.

New Day’s projects provide women and girls with

basic needs or assist them to improve their lives through education and economic empowerment. The giving circle aims to have long-term impact on the communities in which their projects are implemented, guided by these funding principles:

- Funding capital goods such as construction and/or equipment for schools, shelters, clinics, vocational training centres, or other sites whose aim is aligned with our charitable focus.
- Funding capital investments in people and/or societal/governmental programmes (such as training courses, educational and legal reform programmes or other ventures) which are aimed at prevention, rehabilitation or reintegration activities for women and girls in crisis.
- Funding variable costs associated with capital investments, where reasonable and required, for agreed and fixed time periods. This will be considered when the related capital investment was made previously or will be made concurrently by New Day or a project partner. (Renewal of such commitments will be decided based on a review of the project progress and availability of funds).

Over the last 10 years New Day has mainly funded the work of nonprofit organisations located outside of Hong Kong. In 2017 the giving circle set aside HK\$100,000 (US\$13,000) annually in one-off grants for Hong Kong based nonprofits (that provide women and girls with basic needs or assist them to improve their lives through education and economic empowerment) serving women and girls in crisis.

Engaged Members

New Day members meet biannually to decide which new projects to support. “If we fund anything new, then a member must take that project on as a champion. Ideally we want to support no more than three or four projects because that’s what we can comfortably manage as volunteers,” said Liza. New Day has always emphasised member involvement as a core value and is reluctant to hire professional staff. This keeps costs as low as possible through volunteerism, but more importantly engages

members in all aspects of the grant management cycle and administration of the circle. Members are involved at all stages of grant management – evaluating potential projects, making site visits and posting site visit videos online.



Matara Girls Home, Sri Lanka

Not all of New Day’s members have as much time as they would like to engage with nonprofits or help organise the circle, but those who do are exposed to a wide range of activities that utilise their professional and life skills and networks. When members work alongside nonprofits and their projects, they use a full spectrum from skilled evaluation and advisory to *unskilled* volunteering that demonstrates empathy and compassion (see the box below).

Liza has seen that an active engagement with nonprofits contributes to the philanthropic journeys of individual members. She cited the example of Shannon Rogers who became a member of New Day Asia in 2011 and was the circle’s volunteer project manager before returning to the United States. While living in Hong Kong, Rogers and her husband were looking for ways to support organisations that addressed sex trafficking in Asia. A meeting with Liza left her in no doubt that by joining the giving circle, she could “learn about the issues and contribute to grassroots initiatives.”

Skilled Project Advisory

APLE is a Cambodian nonprofit that combats child sexual

abuse and exploitation. One New Day member who is an experienced lawyer with extensive connections in legal circles in Hong Kong and abroad met with the APLE director on a visit to Phnom Penh and subsequently made an introduction to an international legal conference looking for speakers. This will provide a platform for APLE to publicise its work and hopefully solicit further funding and useful legal connections outside of Cambodia. The same New Day member has volunteered to mentor the director as APLE transitions through a strategy shift.

Seng Girls’ Home (China). Two members have actively managed this project on behalf of New Day for the past three years. They have visited the Home and provided advice to the founder on hygiene and health as well as advising on improvements to the building’s heating system. In 2016 New Day funded a new heating system in the school dormitories and classrooms after extensive research by the members, based on a cost analysis and their knowledge of the layout of the Home. They helped to source the heaters and insulation. They guided the entire purchase and installation and an exact grant was allocated based on their groundwork. This helped New Day to fund a solution that worked and was exactly what the Home needed with no wastage of funds or purchasing inappropriate equipment.

Matara Girls’ Home (Sri Lanka). Major renovations costing US\$35,000 are currently underway at the Home and entirely funded by New Day. From Chris and Liza Green’s visit in 2015, discussions have continued about roof repairs and other works. Chris has reviewed all plans, quotations and together with the Home’s director, New Day agreed on a specific costing and plan. Each stage of the work is reported to Chris along with photos and updated budget spend. This constant communication has given the director confidence in the choice of contractor and managing the budget. It has been a shared process of decision-making which has built the confidence of the Home’s staff. The Home’s director is grateful that the full amount of budget was disbursed, not based on an arbitrary figure, but on the actual amount needed for the project. The joint budgeting process was transparent for both parties and empowering for the Home’s management.

Unskilled Volunteering

Seng Girls’ Home (China) and **Matara Girls’ Home** (Sri Lanka). New Day members have visited both homes, spent time with the girls and learnt about their needs and circumstances. Several New Day members have visited Matara Girls’ Home with their own families, giving them an opportunity to introduce their children to a New Day

project.

On a visit to Matara in 2016, a New Day member family arranged a day outing for the girls, taking them to lunch and a visit to a nearby park. This was funded by New Day and gave the girls a respite from their routine at the Home.

New Day members have organised collections to gather donated clothes and supplies for both homes – sourcing these from New Day members, their networks and the wider community.

Over time Rogers joined Liza in the day-to-day running of the giving circle – managing grantee relationships, communicating with members, and organising site visits to Cambodia and Nepal. “The beauty of the New Day model is that you are welcomed and encouraged to use skills and efforts on behalf of New Day and its partner projects,” said Rogers.



APLE, Cambodia

She is convinced that the positive experience of being an active member aided her personal philanthropy journey. “Prior to joining New Day we would make a few donations a year to organisations, but contact was restricted to a ‘thank you’ in the form of a tax reporting receipt. At New Day I spent time with nonprofits, reviewing their programmes, listening to their strengths and challenges, going through their financial reports, and learning about the other initiatives in the same field. I can no longer give *blindly*. I now feel I need to do much more research and engage more with the

organisations I consider supporting. I will never give again without looking through the financial statements! I am also much more interested in grassroots NGOs – it has been very exciting to be part of their work,” Rogers added.

Since returning to her native San Francisco, Rogers has founded Change a Path, her own non-profit to fight sex trafficking, which applies the New Day giving circle model.

Leveraging Resources Outside the Circle

The financial and human resources of New Day are naturally constrained no matter how generous members are with their time and donations. New Day has leveraged its own project funding with co-funding from several corporate and family foundations in Hong Kong. Funding for the Tibetan girls’ home was matched by a grant from Silvercrest Foundation, the philanthropic arm of a Hong Kong-based family office. “Silvercrest Foundation was just launching and was looking for some projects,” said Liza.

Liza views their projects as highly relational and while nonprofits must be accountable for all grants, there is a flexibility that comes from being a small and un-bureaucratic grantmaker. “There is often an expectation of extensive reporting from

funders, but once you begin to work with these grassroots NGOs and visit them, you understand the challenges they face from a manpower perspective. The sensitivity of the Tibetan project and the very real communications challenges of its location were factors we had to consider. Because of our longstanding relationship with the home, we could help Silvercrest understand the reporting context. We expect a high level of reporting but when you go there and meet the people and see what they do, you become a lot more patient,” Liza added.

In 2008, ADM Capital Foundation, a Hong Kong-based venture philanthropy fund, seed funded

the launch of Kalki Welfare Society – an initiative to protect street living children in Pondicherry, India. Liza explained that with ADM Capital Foundation taking a lead on the drop-in centre, “it was a perfect match for us to fund a night shelter for the girls who were sleeping on the floor of the centre because they couldn’t go home.”

Additional financial support for the India project came through the Hong Kong office of Linklaters, a multinational law firm. In 2010, New Day organised a visit for nine of the law firm’s staff together with five of New Day’s members. “We spent a day and a half repainting the night shelter and took time to see how our grant was used. We did a lot of activities and games with the girls there. It was a very rewarding experience for the team from Linklaters and New Day,” said Liza who acknowledges that painting is not a core transferrable skill of corporate lawyers. The point was to help them connect very tangibly with the work they had funded.

New Day members have also raised funds from their corporate employers who match the donations made by individuals.

Consolidation

The early years of running Hong Kong’s first giving circle was a steep learning curve for Liza and Chris Green. The giving circle is now in a period of consolidation rather than expansion and experimentation. New Day is less dependent on its founders with the number of members actively involved in managing day-to-day operations increased to three. There is now a new committee of four members formed to manage the Hong Kong

Fund and 23 members who have volunteered time ad hoc for project management, site visits and media development.

But the Greens are concerned that the volunteer nature of the circle can easily lead to it be-

coming overstretched. New Day plans to work with a smaller number of nonprofit organisations and to deepen the engagement with them, making fewer but larger grants, and providing more non-financial advice where possible.

Chris is convinced that engaging with a nonprofit beyond cheque writing brings “a fresh pair of eyes” and a seasoned business perspective to planning. He recalled a conversation with a representative of one of the nonprofits New Day funds who was describing a very ambitious expansion plan. “We didn’t pretend to understand their business, but we did feel able to express caution about the best way to execute an aggressive scaling up,” he said.

Clearly, New Day Asia is evolving into a more classical venture philanthropy model, and has the quality of relationship with its portfolio of nonprofits to offer advice on strategy and execution.

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