

N I C K C O O N E Y

HOW TO BE

# GREAT

AT DOING GOOD

Why Results Are What Count *and* How  
Smart Charity Can Change the World



WILEY

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## WHY CHARITY?

### Asking Why

When I was eight, my brother, sister, and I had a little game we liked to play. The goal of this game was simple: to drive my mom crazy.

We had each received as a Christmas present a white magnetic board with a set of brown tiles. By arranging the tiles on the board you could write words or draw blocky, pixelated pictures. By today's standards this sounds like a pretty boring toy, but for us it was a lot of fun. On my brother's whiteboard he would use the tiles to spell out the letter "W." On mine I spelled out the letter "H." My sister spelled out "Y." Then we'd ask my mom a question—something innocent enough, like "What's for dinner?" After she'd reply, we'd each hold up our letters and chant, "Why?" The exchange went a little something like this:

"What's for dinner?"

"Pasta and green beans."

"Why?"

"Because that's what I'm making."

"Why?"

"Because that's what I bought at the store."

"Why?"

"Because that's what was on sale."

"Why?"

"Because that's what the manager made on sale."

"Why?"

"I don't know—now get out of my kitchen!"

“Why?”

“Because I said so!”

“Why?”

I think you get the point.

Obviously, we were just asking “why, why, why” to be annoying; there’s always great fun in aggravating your parents. As adults though, the habit of continually asking ourselves “Why?” is one of the most important habits we can cultivate. As we dig deeper and deeper into things—into ourselves, into our beliefs, into how society operates—we come to greater understanding and a greater ability to live a more intentional life.

What do I want to accomplish before I die? How do I feel about marriage equality? Why do many people who are born into poverty remain in poverty as adults? For every such question there are both surface-level answers and deeper, more penetrating answers. Those latter answers can only be reached by repeatedly asking: “Why?”

Consider, for example, the following question-and-answer session you might have with yourself about poverty:

- “Why do many people remain poor into adulthood?”
- “Because they don’t get high-paying jobs.”
- “Why is that?”
- “Because they don’t stay in school or go to college so they don’t have the qualifications.”
- “Why don’t they stay in school or go to college?”
- “Well, one reason is they get bad grades so they become frustrated with it and drop out.”
- “Why do they get bad grades?”
- “One reason is lack of parental involvement.”
- “Why aren’t parents as involved as they could be?”

Deeper and deeper we go. While there is rarely one single answer at the bottom, each time we ask “Why?” we move a little closer to understanding what’s really going on.

All of us are used to at least occasionally asking: “Why?” Every one of us has had the experience of shifting our opinion on something after we learned or thought more about it. We want to understand the world around us, and we want to have good reasons for doing the things we do. That’s the reason we ask others and ourselves that so very important question: “Why?”

### **The Goal of Charity**

And that brings us to the “Why?” question at hand: Why do we do charitable things? To be more specific, why do we donate our money to non-profits? Why do we volunteer? Why do the founders of non-profits start those organizations? Why do non-profit employees do the work they do?

If someone were to ask us, we would probably all answer the same way: we do charitable things because we want to make the world a better place. We want to do good. Why do I donate or volunteer? I want to stop the spread of HIV, end torture, and support marriage equality. Why do non-profit leaders and employees file into work every day? They want to reduce overpopulation, fight climate change, provide clean drinking water to the poor, promote gender equality, protect animals from cruelty, and so forth. Whatever the specific work we do may be, at the heart of it lies the same noble goal: to make the world a better place.

Society as a whole has defined charity in much the same way. Pop open your Webster’s dictionary and you’ll see charity defined as “generosity and helpfulness, especially toward the needy or suffering,” “aid given to those in need,” and “public provision for the relief of the needy” (Merriam-Webster, 2014).

Boiling that dictionary definition and our common-sense understanding down, we see that charity has two key elements. First, charity is something we do to help others. It's not about satisfying our own desires. Second, the goal of charity is to reduce the suffering of those in need.

Not every action taken under the banner of charity has that exact goal. For example, some charitable work is not meant to help the needy per se, but rather to enrich the lives of those who are doing okay. Theaters, after-school programs, and Girl Scout troops do not exist to solve an acute problem, but rather to improve the lives of those they reach. Of course, improving well-being and helping those in need are two sides of the same coin. So perhaps a better way to define the goal of charity would be this: the goal of charity is to reduce the suffering and increase the well-being of others. To put that a little more simply, the goal of charity is to make the world a better place.

That definition still would not encompass every act that is dubbed "charity" in our society. Some religious congregants may donate to their church, not to make the world a better place, but because donating is what the Bible demands of them to reach heaven. Some environmentalists may donate to protect an old-growth tree, even though that tree can't suffer or experience happiness. Some people donate to non-profits, not because they think doing so will improve the world, but because doing so will help protect their own ability to hunt or own handguns.

While the IRS regards donations like these as charitable giving, they are outside the scope of both the dictionary definition of charity and what most of us consider true charity. When we think deep down about it, the goal of charity is not to benefit ourselves. The goal is to make the world a better place, one with less misery and more well-being.

Of course, a desire to help others isn't the *only* thing that drives the charitable decisions we make. We may have signed up for a charity run both because it raised money for a good cause and

because it helped us get in better shape. We may have bought tickets to a fundraising gala both because we support the cause and because it was an opportunity to socialize with friends. While personal benefits like these can sometimes give us an added incentive to do good, at the end of the day our main goal is still an altruistic one. We really do want to make the world a better place.

### **Barriers to Good**

That is, of course, a phenomenal goal. We should appreciate how wonderful it is that we have an impulse to help those in need. But despite our good intentions, we are not always as effective as we could be at reaching that goal. Blind spots, bad advice, personal biases, and other barriers are all around us, conspiring to prevent us from going very far toward making the world a better place.

Many books, magazine articles, and newspaper columns have been written about ostensibly charitable efforts gone terribly wrong. Sometimes these involve charities carrying out programs that do more harm than good, such as the World Wildlife Fund promoting legislation that could lead hundreds of thousands of animals to be lethally poisoned. Sometimes, charities squander vast sums of money, such as Yele Haiti, the Haitian relief organization founded by musician Wyclef Jean, which spent huge sums on celebrity plane tickets, personal payouts, and unfinished projects. Sometimes, organizations spend exorbitant amounts on overhead, such as the Cancer Fund of America, which spends over 80 percent of its income on fundraising.

Exposing bad apples like these is critically important, and we should tip our hats to anyone who does so. But that's not what this book is about. Because, as incompetent, counterproductive, or even criminal as some charities may be, our biggest barrier to doing good is not that we might be duped by a few bad organizations.

The biggest barrier is the set of mistakes that *all of us* make in our everyday charitable decisions. It is the critical flaws in approach and reasoning that plague even the most highly respected non-profits. It is the biases and lack of rigor that prevent us from accomplishing anything close to the amount of good we have the potential to accomplish.

Those missteps seem to stem from two main causes. The first is the fact that, as with many things in life, our perceived motivations as donors, volunteers, and non-profit workers are often quite different from our actual motivations. Our decisions are mainly driven by the crystal-clear objective embedded into our DNA over millions of years: look out for number one. Even when carrying out charitable work, our primary reward systems and concerns are often centered on ourselves.

The second reason our charitable efforts fall short of their potential is that we are taught charity is a warm, fuzzy thing and that as long as our intentions are good we should be applauded. We are not taught to think rigorously about our approach. We are not taught how to succeed at doing good, or even that success is what matters. So we aren't in the habit of making calculated decisions when it comes to doing good.

Over the course of this book, we'll take a closer look at what's holding us back in our efforts to make the world a better place. We'll learn how we can go around those barriers and make smarter charity decisions.

In Chapter Two we'll look at the difference between doing good and doing great. Instead of simply asking whether a certain charitable effort does good, we'll introduce a second question: How much good does it do?

In Chapter Three we'll examine, in the words of famed business author Jim Collins, the "brutal facts" about the relative impact that different charities and different charitable programs have on the world. Accepting these facts and allowing them to guide our charitable decisions is one of the most potent things we can do to achieve more good.

In Chapter Four we'll discuss how most non-profits—and most of us as individual donors or volunteers—fail to set a “bottom line” for our work. Setting a bottom line can bring increased focus to our charity work and enable us to do more.

In Chapter Five we'll talk about the importance of efficiency, or doing the most good for the least amount of money. For donors and non-profit staffers alike, efficiency is everything if we want to change the world.

In Chapter Six we'll consider why the amount of money a non-profit receives has virtually no relationship to how much good it does. We'll look at how we as donors can incentivize non-profits to become great and the barriers we face in trying to make smart donor decisions.

In Chapter Seven we'll discuss some of the ways in which our brains seem to hardwire us to make poor charity choices. We'll identify the biases that threaten to steer us off course and show how we can outsmart our brains and achieve our charitable goals.

In Chapter Eight we'll put the advice we've been given about charity our whole lives under the microscope. Being able to identify and weed out advice that sounds good but isn't true can help pave the way for intelligent charity decisions.

In Chapter Nine we'll explore our unwillingness to admit what we don't know, and our tendency to let assumptions guide our charity decisions. Testing those assumptions can help non-profits become a lot more successful.

In Chapter Ten, the final chapter, we'll review how to be great at doing good. We'll outline nine steps for making smart charity decisions and empowering ourselves to do far more good with the time, money, and energy that each of us has.

## **The Challenge of “Why?”**

Why donate to this charity and not that one? Why carry out this program and not that one? Why work in this charitable field and not another one?

When it comes to talking about charity, “Why?” is often the elephant in the room. Politeness and hesitancy to critique the seemingly well-intentioned actions of others often prevents the question from even reaching our lips. Asking it seems to go against the spirit of charity. It could lead to hurt feelings. It could also lead to our own charitable actions being called into question, and if that happens, we might find ourselves at a loss for answers. If we are serious about making the world a better place though, there is nothing more important than asking that fundamental question of all charitable decisions: “Why?”

This little book is intended as a challenge. It is a challenge to get serious about charity. The challenge rests on two premises:

1. The first premise is that the goal of charity is to make the world a better place. It is to help those who are suffering and to increase well-being.
2. The second premise is that in whatever capacity you carry out charity—as a donor, a volunteer, or a non-profit worker—you want to succeed as much as possible.

If you disagree—if you think that the goal of charity is to benefit yourself or if you don’t care how much your charity work actually improves the world—then this book won’t be of use to you.

But if you do agree, then the challenge of this book, and the challenge of charity, is simple: keep those two premises in mind at all times, ask “Why?” of all charitable decisions, and follow that path where it leads you. It’s a path that’s sometimes uncomfortable and often surprising, but it’s well worth the effort. The further along the path we go, the more power we’ll have to truly change the world for the better.

NICK COONEY

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