Chapter 11: The “Good – for Nothing” Club

One thing about disasters: People are aware of them.

Because I ran All Hands Volunteers out of my home for its first eight years, everyone I knew got exposed to it – a lot. We’ve hosted board meetings in the living room and management meetings around the kitchen table and had a lot of All Hands people sleep on our couches and beds and floor. So there’s a strong sense of attachment between my extended family and the All Hands family. (This extended to the point that my daughter and her husband celebrated their 15th wedding anniversary by volunteering for Project Léogane.)

They recognize and identify with the basic goodness of All Hands: that there’s a reason to be affected by and connected with what’s going on in the world. And they recognize the impact All Hands has had on me. The simple thing is, it’s given me a real purpose.

I remember thinking during my days in business that if you can use all of your skills, you’re in the right job. All Hands has called on every skill and capability that I have and some I didn’t know I had, as well as demanding some I didn’t have. It’s stressful, demanding, hard, satisfying, productive, creative, and meaningful work. It scratched an itch I never knew I had to do good in the world.

I love the problem-solving, the fact that the problems we face are so immediate and so complex but if you talk to enough people, solutions emerge. And when you deliver something to people who have nothing, their gratification is immense. It’s so uplifting to the volunteers and the community that something is being done – even if we’re just clearing a playground so the kids have a safe place to play. I love it when people whose lives have been blasted apart by a natural disaster realize that someone cares enough about them to build a path back to normalcy. We never know how far we can accompany them on that path, but we do our best to help them get a good start.

I often ask our volunteers, “What’s important to you in your life?” For me, purpose has always been the dominant word. That’s why it’s great to receive the 2014 Purpose Prize.

I love the concept of the prize. I love the idea that it recognizes people who, at any moment of their life – in this case, at some point when they’re over 60 – launch a new enterprise just to help people. And I’m so proud of what it says about our volunteers and staff, and that this recognition and validation of what we do strengthens our platform going forward.

However, the particular award I received has strings attached: Besides the congratulations, there’s also the underlying question, “What are you going to do next?”
When Erik Dyson took over the direct management of All Hands on July 1, 2013, I shifted into the role of chairman. I see that role as focusing on what we need to do make us a strong and sustainable organization.

Having survived the many soars and swoops of funding volatility, one of my immediate commitments was to bring us a measure of financial stability.

The first step was to raise the money for a $2 million Impact Fund. The idea originated with Lee Keet, one of the original SuperFriends, the group I reached out to back in 2007 with a Hail Mary plea to donate $50,000 over the course of two years. Being asked to become a SuperFriend pushed Lee and his wife to volunteer with Project Pisco in Peru, and the experience made him a great psychological supporter as well as a source of financial aid.

In 2011, Lee offered to match donations up to $1 million for what we named the Impact Fund. It’s not an endowment fund, because I want the ability to raid it if necessary; it’s not a rainy day fund, either, because I don’t want it to be just for emergencies. It’s something different.

I told Lee that his offer was strategic and catalytic: It forced us to think differently and it galvanized us into action. The Impact Fund is a way for us to achieve stability, but it also enables us to be strategic and catalytic in our actions: If we see a chance to make a positive impact, we can step in immediately without first having to find the funds. After Erik joined in 2013, I took on matching Lee’s offer as a major challenge. We announced its successful completion in June 2014.

Having the Impact Fund is like when a start-up business wins a big contract. The fact is, All Hands is not unlike a start-up. I’ve worked on—and served on the boards of—several start-ups. Start-ups are fun. They’re intoxicating. But if you want a start-up to succeed, at some point you’ve got to sober up.

We went through detox during our 2012 cash crisis. Now we’re at a strengthening point: We’re gathering people and installing processes to be ready for our next phase of growth.

In a small business, you’re on the path to profitability when you get to the point where you can hire sales staff to boost the amount of cash flow. In the disaster business, you have to have projects that bring in enough money to pay for more fundraising. Here’s one simple but significant equation: Charity ratings organizations believe you should spend less than 10 percent of your revenue on fundraising, so if you want to hire a development person (that’s the industry term for fundraiser) at an annual salary of $50,000, how long will it take them to raise $500,000? That’s a really challenging step on the path to sustainability.

Here’s another unpleasant algorithm: As you gather more knowledge, losing it becomes more expensive. It didn’t bother me after Biloxi that 1,500 volunteers went away because we kept the two most valuable: Darius and Marc. But our subsequent big projects in Haiti and Japan were essentially universities for accumulating wisdom on disaster response: when those projects ended, we had a lot of people with
post-graduate degrees but lacked the structure and funding to give them the constancy they needed to stay.

It’s part of the life of small challenging organizations that people just flow through them. Marc coined the phrase “the biological window of opportunity” to explain the problem: Young people would go all out for a year or two, but then something happens – they get married, they want to have kids, their significant other finds a solid job and wants to settle down – and the window slams shut. Especially when there’s financial uncertainty: People are loath to commit too much to you when you can’t commit too much back.

That’s another reason we needed to become more strategic about raising money. At annual revenues levels between $1 million and $2 million, as we painfully learned, we were unstable. At our current funding level of $3 million a year, we’ve managed to achieve a degree of equilibrium. We would be even more stable at $5 million. (As an incentive, I’m leading a “Founder’s Trip” to the Philippines in January 2015 to motivate corporations to become $50,000 or $100,000 donors.)

That’s what’s led us to make different strategic decisions: to take on longer-term projects, which, in turn, require a different execution model requiring different skills and management experience. Of course, we fully intend to stay true to our core mission of providing immediate response to natural disasters.

We’re trying to prove we can do both.

A lot of people say, “Oh, running an NGO – it must be great to be doing good for people.” It is. But as well as moments of great satisfaction and uplift, there are hundreds of hours of painful planning, belt-tightening budgeting, begging for funds, and thinking, “Oh, hell, do I really have to do this?”

Running a for-profit company was actually a lot easier. We could write a strategic plan for revenue growth and have a high degree of confidence that it would succeed.

With All Hands, though, I can’t look at 2015 and see where we’ll have a new project. The best we can do is ensure we have the capability to deal with whatever needs arise: management capability, volunteer capability, and donor capability.

That’s why our rebuilding projects are so important for us. Now that we’ve proved the model, our responsibility is to expand and enrich it. But the model has to be strong enough to bridge the gaps between Big D disasters. Donors don’t fund us in a standby capacity. Volunteers like to schedule us on their calendars. After the initial media pulse of a natural disaster, a multi-phase rebuilding project gives us a profile to present over a longer period and to help donors really understand the power of what we do.

That’s also why, as we go forward, our choice of which disasters we respond to will be influenced by whether we can find donor interest in both the short- and longer-term. We want to be in the position of always having an ongoing project in both the
U.S. and internationally. We’ll just be more measured about turning the rheostat up and down on where to go and how much to engage.

It’s a pretty complex business, frankly.

But part of the beauty of our organization is that it just muscles on. People are so drawn to our model that it persists in spite of the tumult and change.

I like to call us the “Good – for Nothing” Club. While most organizations tell SUVs – NGO-speak for “spontaneous unaffiliated volunteers” – to stay home and send money, we invite them to come and give them a warm welcome when they do. (Just be aware that while our welcome is warm, the bucket showers are cold.) We’ve taken on the responsibility of organizing volunteers in a way that eliminates any burden on our host community, creating a flexible and adaptive workforce whose energy knows no bounds.

In 2004, I imagined the next ten years of my life as a combination of serving on corporate boards and advising and investing in young companies, sprinkled with a nice dose of leisure – a conventional path for a CEO easing into retirement. To be honest, I didn’t think too much about it. I was 63 at the time and serving on boards seemed a good way to carry me through the next decade.

Then serendipity struck. If I hadn’t been a board member of Tektronix, I wouldn’t have met Tim Tse. If I hadn’t met Tim Tse, my response to the 2004 Boxing Day tsunami would probably have been limited to some horrified expressions of sympathy. Maybe I would have donated money. I certainly wouldn’t have gone to Thailand. I could never have dreamed of how the next ten years would unfold or how much they would change me.

I’m still involved with a few corporate boards but that’s coming to an end. After you’ve been on a board for a while, you’re usually asked to leave to make room for new blood. I’m 73 now, so this will be my last year. That’s fine with me. It’s probably also fine with some of my fellow board members, who would much prefer to chat about their golf scores or travel plans than hear why poverty is a force multiplier for damage in a natural disaster.

What I’m doing is very different and I’m convinced it’s better – definitely for the world, certainly for the thousands of volunteers who have come back with new ideas about compassion, creativity and resilience – and, I’m pretty sure, for me, too.

Would I do it again? In a heartbeat.

Which brings me to my other goal now that I’ve stepped back from the duties of day-to-day management. When I told Lee Keet that his $1 million matching grant offer was strategic and catalytic, he said, “That’s exactly what I aspire to with my philanthropy.” It’s good to challenge people to think about what they want to do with their philanthropy, and that’s what I plan to do.
I feel lucky to have the extra time to share All Hands’ message of engagement and volunteerism. I believe so much in both of those things. I’m eager to talk to people in the hope of leading them to experiment with that path in their own way.

Meanwhile, you’re all welcome to join the Good—for Nothing Club. The membership is free and the rewards are incalculable.