1st-generation entrepreneurs - Premji, Nilekani, NRN - make Bengaluru India's philanthropy capital

By Divya Shekhav, ET Bureau | Updated: Dec 01, 2017, 11.42 AM IST

With four Bengalureans being the only Indian signatories to Bill Gates’ Giving Pledge, the IT city could very well be the philanthropy capital of the country. Representatives of India Inc here adopt fresh approaches to humanitarianism — from closely-monitored capacity-building in existing nonprofits to promoting tech-led scalable market solutions for development issues. Additionally, younger good samaritans are creating a new culture of giving that is inspired by, yet distinctive, from what their role models initiated.

Inspiration strikes in the unlikeliest of places. Little would have Wipro chairman Azim Premji realised that narrating his personal philanthropy journey during a leadership conclave at the Indian Institute of Management - Bangalore (IIMB) in 2015 would egg two startup professionals — in their thirties — to push others to embrace philanthropy. A month later, Smitha Hemmigae, marketing professional at ThoughtWorks, and Shivananda Koteshwar, general manager at MediaTek Bangalore, pooled in personal resources to launch a digital platform called ‘Your Philanthropy Story’. It recognises lesser-known change-bearers and, through field experts, helps likeminded people become part of existing philanthropy workers or networks.

The duo made up for limited resources with their time and skill sets. Months after digging deep into how the philanthropy sector of the IT city works, the entrepreneurs even set up their own nonprofit Belakoo Education Trust which conducts fortnightly English and life skills classes for over 70 underprivileged children in Hangrapura village in Malavalli.

Azim Premji has donated over Rs 63,000 crore of his personal wealth since 2001. In pic: Premji with wife Yasmeen (Image: BCCL)

Being the change

V Ravichandar, chairman of Feedback Consulting, believes that the philanthropic initiative of Bengaluru is higher than that of wealthier cities like Mumbai and Delhi. That, he says, is simply because most people here are first-generation entrepreneurs. "Unlike being one in
Corroborating this is SVP India (Bengaluru Chapter), started by Infosys co-chairman Ravi Venkatesan. Launched in 2013 with the aim of creating a network of engaged philanthropists in the city, its membership increased from 10 to 101 in the past three years. This is significant, given that four other chapters — Delhi, Hyderabad, Pune and Mumbai — have a collective membership of 129. Also, while the older cohort comprised of individuals over 50 years of age, members signing up of late are in their 20s and 30s.

“While the older generation worked towards personal financial stability first, youngsters become self-assured early in life due to more opportunities the internet age provides. Soon enough, they want to be guided by a larger purpose. This also explains the numerous social entrepreneurship ventures and online crowdfunding startups that have sprung up here,” says Aparna Sanjay, general manager, SVP India (Bengaluru Chapter).

Active corporate social responsibility (CSR) activities by companies also encourage individual philanthropy. The increasing volume of money to be spent versus the growing number of nonprofits has only raised concerns associated with transparency, viability and accountability. The gap has led to the emergence of digital startups like Goodera, which help benefactors collect real-time, on-ground data to increase impact per rupee spent. At the same time, institutionalised efforts caution nonprofits that successful philanthropic collaborations require more than fundraiser events. Long-term support depends on the quality of human capital on board and demonstration of impact.

According to Goodera co-founder Abhishek Humbad, apart from digging deeper into issues for grassroot-level change, people are using their skill sets to provide greater leverage to their money. “A corporate employee from Bengaluru volunteers 28% more time than the country average,” Humbad says, explaining that the 1-1-1 Model of giving from the United States is gaining currency here. “This means that people will invest 1% of company profit, 1% equity and 1% of personal time for causes they want to support.”

THE SCIENCE OF GIVING

As the younger generation does its bit, seniors are also moving away from the chequebook charity model to help build the scale, vision, strategy and human capital of voluntary organisations. This is to provide long-term independence to institutions, beyond individual philanthropic efforts.
The philantropy profile of the Nilekanis is the most varied. L-R: Bill Gates, Rohini and Nanadan Nilekani (Image: BCCL)

An example is Pratham Books, a nonprofit publisher of multilingual children’s books, which was founded by Rohini Nilekani in 2014. Their StoryWeaver initiative has created an opensource, digital repository that has more than 4,500 stories across 85 languages and 7,000 openlylicensed images accessed from over 190 countries. Pratham Books, having emerged from the shadow of its founding philanthropist, is now supported by various individual donors and CSR initiatives.

“When I go to the field and see the impact of the work done by our partners, it gives me deep satisfaction and sense of gratitude. When I see or hear that children are enjoying books published by Pratham Books, it gives me real joy, even now when I have retired from the institution,” Nilekani said, who has often campaigned for imposition of higher taxes on the rich to promote equitable distribution of wealth. The philanthropy portfolio of Nandan and Rohini Nilekani is perhaps the most varied — the couple supports both ‘mainstream’ causes like education, water and sanitation and ‘unconventional ones’ like governance, human rights and independent media.

Similarly, Azim Premji’s focus on building stakeholder capacity in the education sector through the Azim Premji Foundation has been a transformational long-term intervention. He has donated over Rs 63,000 crore of his personal wealth since 2001, which has resulted in the Foundation reaching out to around 3,50,000 schools in over 15 states. The senior entrepreneur also spends a lot of time acquiring the right human capital to steer these initiatives, with the Foundation employing 1,400 education experts.

Biocon CMD Kiran Mazumdar-Shaw, another signatory to the Giving Pledge along with the Nilekanis and Premji (the fourth being PNC Menon of Sobha Group), has donated 50% of her wealth. Her 1,400-bed Mazumdar-Shaw Cancer Centre provides affordable cancer care services, while she is also keen to support research in cancer care with a focus on drug-delivery mechanisms. In 2016, she donated Rs 40 crore towards these causes.

A BROADER FOCUS
60% of Sudha Murty’s time is spent strategising her philanthropic work (L-R) Rohan Murty, **Sudha Murty** and Narayana Murthy (Image: BCCL)

“It is not just about giving money now,” says Sudha Murty, chairperson, Infosys Foundation, which had an investment purse of Rs 302.6 crore towards philanthropy this year. “When we started two decades ago, philanthropy meant feeding the poor, building temples, mosques or churches, or providing drinking water to the needy during summers.” Now, she explains, youngsters have a broader focus that engages with pertinent issues at the grass-root level.

With a portfolio that covers causes ranging from folk festivals and flood relief to education and sanitation, 60% of Murty’s time is spent strategising. “Investigating into the strengths and weaknesses of your partners, putting across baseline expectations and using technology to understand how the grant can have maximum impact is important. Strategising gives us sustainable results and makes the spending process much smoother,” she says.

Nilekani insists that the next step would be to allocate greater attention to oft-ignored sectors in order to achieve India’s myriad goals of development, empowerment and sustainability.

“For instance, philanthropists with enough risk capital to invest need to also start thinking about the impact of climate change across all their work; it is here and likely to create much disruption. What role will philanthropy play? There are big questions to wade through” she says.

There are niggling worries that the voluntary sector confronts what with a handful of donors seeking to solve Indiaspecific issues. “Philanthropy deals with real people, and here, the pace of growth or change cannot be as quick as it is in the corporate sector,” cautions Aparna Sanjay. “It helps if philanthropists have a humble, open-minded approach without going in with assumptions that they have all the solutions. Since philanthropy is a longer-term commitment than CSR, there is need to nurture relationships over time by being patient and striking equal partnerships.”

**Stay on top of business news with The Economic Times App. Download it Now!**