

Building Disaster-Ready Philanthropy

Reacting in the wake of a disaster isn't wrong, but think of the difference a proactive funding strategy could make.

BY ROBERT G. OTTENHOFF & REGINE A. WEBSTER

This year marks the tenth anniversary of Hurricane Katrina. To many, it may seem like the perfect time to share insights about the nature of disaster-related giving by foundations, corporations, and individuals, and also to ask whether the level and type of support are sufficient. But the truth is that we really do not need a flood of TV images or stories that retell the horrors of what happened a decade ago to have this discussion.

Katrina—as horrific as it was, causing more than 1,800 deaths and \$100 billion in damage, and disrupting countless lives up and down the Gulf Coast—is only one of thousands of disasters that we have suffered in the United States and around the world. And it is far from being the only catastrophic disaster, either. Just recently, a devastating earthquake struck Nepal, killing thousands. Before that, over the past decade, we experienced Typhoon Haiyan in the Philippines, Hurricane Sandy in New York and New Jersey, and the 2010 earthquake in Haiti. Slowly developing disasters such as Ebola in Africa and the protracted humanitarian crisis in Syria have taken their tolls as well. Disasters are many and frequent. According to The Centre for Research on the Epidemiology of Disasters, in fact, worldwide in 2013 there were:

- 334 natural disasters
- 22,616 deaths related to natural disasters
- 109 countries affected by disasters
- \$118 billion in damages

Big or small, when disaster strikes, the philanthropic sector is likely to be called on to respond. Can it be said that, in every case, foundation, corporate, and individual givers do all that is needed and expected? No, it cannot. Can we say that every response

is planned, thoughtful, and executed with precision? Again, the answer is no. These are not criticisms. Instead they are honest reflections that disaster philanthropy is not yet state of the art in the world of giving. It is an evolving practice. It's getting better, but it's far from perfect.

Perhaps one of the reasons that disaster philanthropy still has so far to go is that it is different from virtually all other kinds of giving by foundations, corporations,

unfold until long after the event itself is over and the news media have moved on to other stories. And within each disaster life cycle, five stages—risk reduction and mitigation; preparedness; response and relief; recovery; and resilience—provide opportunities for different types of philanthropic action.

Most philanthropic giving today centers on response and relief. As we have seen time and again, donations typically occur in the days immediately after a disaster strikes.

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or individuals. For grant-making foundations—especially those focused on finding and rooting out causes of problems, and, in the best instances, making those problems go away—not a single penny spent will ever lead to a headline announcing the end of disasters. Disasters will be with us for eternity, and if the recent past is any indicator, we have to gird ourselves for the likelihood that, in the future, hurricanes, earthquakes, wildfires, tornadoes, flooding, and even acts of terrorism and mass violence will occur with greater ferocity and frequency.

And yet much can be done through smart investment, thoughtful planning, and some innovative giving practices—if not to avoid these disasters, then at least to make them less deadly and to ensure that affected communities recover more quickly.

HERE'S HOW

The best way to start is to take an expanded view of disasters and recognize that they do not start and end with the event. Disasters have their own unique lifecycle—one that begins before tragedy strikes and continues to

Within three months, donations typically stop or have slowed to a trickle. But the work is far from done.

We do not question the importance of supporting immediate response. But that does not mean that giving in the moment is always thoughtful or well planned. A 2012 report from the Conrad N. Hilton Foundation found that although “quick giving by private foundations often helps to jump-start activities ahead of larger funding that comes later ... there is such a thing as too quick. It takes a little time to be sure of the right avenue to assist.”

More important, although we know that substantial giving follows a disaster, we have not understood, until recently, just how much, by whom, and for what. Without that base of knowledge about where money is going, we have not been able to identify gaps in funding and to use that information to help direct investments to where they are particularly needed.

Last year, the Center for Disaster Philanthropy teamed up with the Foundation Center to provide an annual summary of disaster giving titled *Measuring the State of*

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Disaster Philanthropy: Data to Drive Decisions. Our first report, based on 2012 data, details giving by 1,000 of the largest US foundations. We found that:

- Some 234 US foundations made 884 grants totaling \$111 million for disasters. The majority of this funding was for natural disasters (58 percent). Almost half was directed to response and relief efforts (46 percent).
- About three out of every five grant dollars (62 percent) addressed human service needs related to disasters.
- The majority of grant dollars targeted disasters in North America (62 percent). Countries in Asia received 16 percent, and countries in Africa received 13 percent.
- Giving is often influenced by the media, which tend to focus on acute disasters and those that lend themselves to video and photographic coverage. For example, of all large-scale US disasters in the past 26 years, the attacks of September 11, 2001, the Oklahoma City federal building bombing, and Hurricane Katrina have received the most attention on US television news.
- Complex humanitarian emergencies,

famines, and other events that are considered “slow-onset” disasters tend to receive less media attention and, as a result, less funding.

We have spent time poring over the findings and other data included in the report. We have considered that information, and other research, in light of the knowledge we have gained over many years of work in the disaster field. In addition, we have had numerous conversations with people at other foundations about their approach to disaster giving, and their attitudes toward this work. As a result, we believe that we have deepened our understanding of the nature of disaster philanthropy and how it can be done more efficiently and effectively.

To sum up what we have learned, a response mindset characterizes how most institutions approach this work, and because of that, it is rare to find staff who are dedicated to disaster grant making or who bring the same level of knowledge or expertise to disaster issues as their colleagues who oversee other program areas do to those areas. Also, because many of the individuals who make disaster grants lack knowledge, expertise, and

experience, they often default to supporting relief efforts and publicly recognized organizations and activities. Those are not “wrong” choices. But they are mostly reactive and limited in scope, and do not take account of what is going to be needed in the future.

Similarly, with rare exceptions, disaster funds are not part of a typical grant-making portfolio nor are there dedicated strategies to guide what to do when disaster strikes. For the most part, money is made available when needed—a little from here and little from there. And although grant making for disasters reaches several hundred million dollars a year, it is neither enough nor always properly deployed or coordinated, and, at best, it is still a small part of total annual philanthropic giving.

As long as the media continue to treat disasters as short-term events and, for the most part, ignore the needs that emerge in the months and years that follow, there will be continued pressure on donors to come to the aid of affected communities quickly and to show their support for first responders and survivors. No one will be asking about—or keeping tabs on—what the plan is for down the road.

So, where do we go from here to make disaster philanthropy more focused and strategic, and to ensure that it has greater impact? Here are some suggestions we think deserve more scrutiny and discussion:

- Start considering now what we can do before disaster hits (and what we will do in the face of disaster) instead of waiting to determine the appropriate course of action after the fact. Research estimates that for every \$1 spent on disaster preparedness, at least \$7 is saved in casualties, property damage, and the like.
- Boost efforts to educate donors so that they understand how giving today—rather than only after a disaster—can have bigger payoffs. Historically, the donor community has measured impact almost exclusively by meeting immediate needs in the wake of a disaster. The benefits of disaster risk reduction, preparedness, resilience, and disaster recovery are less obvious but no less important.
- Decide now how to address the needs of vulnerable populations such as the elderly, children, the poor, and the chronically ill when a disaster strikes. These populations are often the hardest hit. Start now

to shore up the agencies that work with them so that, hopefully, in a disaster situation, a plan for minimizing harm and for coordinating relief and recovery efforts will be in place.

- Prioritize funding to build resilience. Find ways to help develop a community

in service in the event of a disaster.

- Invest in studies and pilot programs that explore the benefits of disaster preparedness and mitigation. As an example, earlier this year, the Center for Disaster Philanthropy launched a \$2 million Midwest Early Recovery Fund. Our goal is to

employed; immigrants; veterans; older individuals; people with disabilities, low literacy skills, low incomes, and people with other significant unmet needs. Without this assistance, these individuals might go without help for months.

- Learn the landscape of disaster funding. One of the preconditions for operating effectively as a grant maker is knowing how your work fits into the larger funding context. This is especially true regarding disaster philanthropy, given the major roles that government and multilateral organizations play in disaster situations. Understanding this context will open up an opportunity—especially for foundations—to intervene in creative ways to fill gaps not being addressed by other funders.

Foundations, corporations, and individuals need to bring the same type of strategic mindset to disaster philanthropy that they bring to the rest of their giving choices.

with the flexibility, communication skills, and social capital to bounce back after disaster strikes

- Start a discussion. Gather representatives from different sectors across the community—including both government and nongovernmental agencies and organizations—to discuss options, strategies, resources, and potential shared initiatives. Work on developing high-level relationships to build awareness and effectiveness, as well as to reduce unnecessary overlaps

help communities in the Midwest that have been affected by “low-attention” disasters—events including tornadoes, flooding, earthquakes, landslides, and wildfires that are destructive but not catastrophic, and thus do not command a great deal of attention. The fund aims to get money quickly and efficiently to organizations working with people who are most vulnerable, such as those living in uninsured or underinsured single-parent homes; the unemployed or under-

If foundations, corporations, and individuals bring the same type of strategic mindset to disaster philanthropy that they bring to the rest of their giving choices, they can dramatically increase both the long-term impact of their disaster-related giving and the overall effectiveness of disaster relief in general. ☒

Strengthening Santa Barbara County's Disaster Resilience

☀ BY BARBARA ANDERSEN

In August 2005, the United States witnessed one of the most devastating and costly natural disasters in its history when Hurricane Katrina hit the Gulf Coast. First responders, volunteers, nonprofit service-providers, businesses, and philanthropists rushed to the aid of the affected communities.

In Santa Barbara County, The Orfalea Fund asked the question, “If a disaster of that magnitude were to happen here, are we prepared?” A civil grand jury investigation and comprehensive needs assessment concluded that the answer was no. Although our community has tremendous vulnerability to natural disasters such as wildfires and earthquakes, the individuals and organizations responsible for responding to and recovering from those disasters had a long way to go toward working together in a systematic and coordinated manner.

To change this, the fund, the global consulting firm James Lee Witt Associates, and the Santa Barbara County Office of Emergency Management developed the Aware & Prepare Initiative. Launched in 2008 with the support of a collaborative of local foundations, the public-private partnership committed to enhancing capacity of government agencies and nonprofit organizations to prepare for, respond to, and recover from disasters. Grants were soon distributed to support resource acquisi-

tion, emergency and business continuity planning, emergency communication systems, and public education programs. Most important, mechanisms were put in place through which government agencies and nonprofit organizations can share information and collaborate on countywide projects.

Seven years later, the partnership has grown to include more than 45 organizations and community leaders. Various committees and subcommittees meet regularly to identify priorities, develop and implement programs aligned with those priorities, and assess their progress against designated benchmarks.

What is the secret to this partnership's success and sustainability? It's the understanding that strategic philanthropic funding can facilitate strong relationships and organizational partnerships that increase the effectiveness and efficiency of emergency response and recovery, along with lessons learned in hindsight from disasters such as Hurricane Katrina.

Philanthropy was the catalyst for facilitating this level of collaboration, highlighting emergency preparedness as a priority for our region, and providing the resources necessary to enhance organizational capabilities. But it is the passion of our emergency management professionals, community organizers, and the people who provide nonprofit services who work every day to ensure the safety of our residents that makes the initiative a positive example of how our communities can benefit from multisector engagement. ☒

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About The Orfalea Fund

In the past decade and a half, Santa Barbara County dramatically transformed its approach to early childhood education, public school nutrition, and disaster readiness. Established in 2003 and sunsetting at the end of 2015, The Orfalea Fund, administered by the Orfalea Foundation, has played a role in this transformation by supporting and conducting innovative programs, bringing together dedicated partners to discover and execute best practices, and helping the community's families, educators, and policymakers raise their expectations for what is possible. As the fund sunsets, some of the most salient lessons we learned can be found at

www.OrfaleaFoundation.org

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