

Mike Whitlam: I was particularly pleased to have David on the platform today, because as a CEO who spends most of his life chasing funders, I haven't been able to get into AOL Time Warner. What he said today gives me a great deal of hope that he'll listen to me in a little while.

I also like the idea of having fun in the voluntary sector. There are in fact thousands and thousands and thousands of people running around Britain today wearing silly red noses for Comic Relief. This will raise over 20 million pounds for aid agencies.

I don't know the first thing about the Internet. As a typical chief executive of a voluntary organization, I can see a lot of hope for it as a tool, but I frankly don't know how to make it happen myself.

When I came into Washington yesterday, at the passport control I was asked, as ever, “Why are you here?” And I said, “I'm here on business.” He says, “What is the business?” I say, “I work for a voluntary organization.”

He said, “What's that?” I explained.

And then he said, “Why are you here?” I said, “It's a conference on the value of the Internet and the voluntary sector.” He said, “What on earth has the Internet to do with the voluntary sector?”

I said, “I don't know. I hope to find out.”

The other thing that happened to me just before I left London was that I was given an email from 12 Indian women who are part of a very small community in a remote part of India who had taken it into their heads to do something about drug prevention because it was a problem in their area. They had found us and asked if we could help.

That started to make me think that we as a relatively young voluntary agency were beginning to make some progress and beginning to do our job well, because we will be able to help this group at a distance. It's not something that I would have been able to do as head of the Red Cross.

As a voluntary-sector manager, I'm delighted to be here. I'm delighted to have the opportunity to network and listen.

There's one issue that I want to highlight that came up yesterday, and I feel very, very strongly about it. We are regulated as voluntary agencies probably more so than any for-profit agencies in the world. I've been to about 85 countries in the last nine years, and I think in almost every case one of the problems we face is the regulatory bodies that look at how much we spend while investing in infrastructure support and administration.

This whole question of core costs, of infrastructure support, is a big problem for us. How on earth can we put money into, and persuade donors to put money into, things like developing a major portal or a major email system, or whatever it is, when at the end of the year and somebody looks at your balance sheet and says, “Now wait a minute, you've been spending 60 percent of your income on administration.”

I think as nonprofits we have to keep that one very much in mind.

The one question I want to stress is this whole question of collaboration, because for groups like ours it is very important – not just a voluntary agencies who normally collaborate, but collaboration that means people like me can talk to people who know something about the Internet and not have to wrestle with the new language that we’re all having to learn.

I thought “circuit riders” were something to do with an electricity safety mechanism. I thought “spam” was what my parents fed me when I was a young boy. You laugh at that, and frankly I find it funny, too, but when the IT guy who looks after my system tells me it’s gone down because of X, Y or Z, I haven’t a clue what he’s talking about.

There is an issue here that if we’re genuinely going to make maximum use, particularly at the community level, of the power of the Internet, and really make it work, then we’ve got to address those issues as well... the question of how we get together at meetings like this to understand each other, and each other’s needs, and how we can make it work for the benefit of us.

I’ve been into many developing countries where people haven’t had the sophisticated technology that is needed to make things happen, but through agencies like Oxfam, Red Cross and many of the other international agencies and NGOs, there is at least one machine in the area. It may not be the best, but there is one that enables us to do our work. Collaboration is very, very important.

We’ve heard a lot over the last 24 hours about civil society, and I guess that’s what we’re talking about. I’d like to give you my definition of civil society, because we don’t understand it in the UK and in many other countries quite in the way you use the term here.

So I have a somewhat idiosyncratic definition of civil society, because it’s about all of us. We’re all part of civil society. But we’re all part of civil society in a way that is outside our day jobs. It’s us doing things in a way that we wouldn’t normally do things, because we’re called upon to use our skills and expertise in ways that aren’t normal. And so we act as volunteers, care as neighbors, are part of a volunteer rescue team. We’re sometimes trained to do these things, as in the Red Cross. Or sometimes, as I found myself just the other day on the tube train, we’re in the wrong place at the wrong time. Or, for the sake of the guy whose life I was trying to save, the right place at the right time.

And I think there are a whole heap of questions about what really is civil society that are going to drive the way in which we begin to make priorities out of the Internet in the way that we are currently doing.

****END OF TAPE****

In the Red Cross movement, globally there are over 150 million volunteers, and growing. You see agencies that are totally volunteer supported, like in the UK the Royal National Lifeboat Institute which saves everybody’s lives at sea. There are no paid staff there running that society.

Governments are increasingly looking to the not-for-profits, or the third sector, to deliver services. So we have to take in this information-technology revolution.

We’ve been going through a professionalization process for a number of years now, and I think it’s largely been around “Do we understand what business planning is, and do we understand what management is.” But now we have to take account of this new technology.

I’ve identified six areas in the voluntary sector where I think we make a difference and where I think this new revolution can also make a difference. I’m going to focus on those. Some of you may disagree with me that perhaps these are not the most important areas, but these are the ones that I’m currently wrestling with and where I think the vast bulk of the work of the sector would fall.

Service delivery is the one I want to deal with first. I have some examples of how I think services are delivered differently because of this technology. Let’s look at elderly people – often housebound, certainly not able to go out and do their shopping. There are social-welfare agencies, like Meals on Wheels, providing at least one hot meal every day to people who are housebound. It’s quite an expensive service for local authorities, social-service departments, to provide. What’s happening in that situation?

Well, we can all now buy online. We can actually click on to a supermarket and have this delivered. We’ve seen a change in our eating styles and habits. Somebody mentioned yesterday the microwave. We can have microwavable meals delivered by the supermarket to the door. You don’t even have to have a computer. You can do it through your television; you can do it by phone. You can do it in a different variety of ways.

I think that’s going to be a significant shift in the way services to the elderly are going to be delivered. They can have elderly people’s chat lines if they’re housebound. They can order a wheelchair if they need one. They can order a special taxi.

Whatever it is can be ordered online, and social services don’t have to be involved in it at all because the benefits system provides the cash to pay the supermarket to deliver the service or whatever it is.

So I think we’ll probably see that type of service probably changing out of all recognition.

I worked for a while as the chief executive of the Royal National Institute for the Deaf, an organization that was trying to develop services for deaf people. Organizations that work with people with disabilities are another example. One of the new technology projects we were working on was to develop a telephone system for deaf people that would enable them to communicate with hearing people and anybody in the world. I came to the U.S. to see the AT&T service, and with British Telecom developed what I consider to be a more accessible, and actually better, system.

What it meant was that we were able to enable deaf people to talk to hearing people. And suddenly the world opened up to them. But we were using these outdated *mini-context telephones which were really not new technology.

The Internet has suddenly blown all that away, although there is still the need for the telephone system, and opened up yet another development. Deaf people all over the world are finding that they can gain benefit.

Aid agencies have to travel thousands and thousands of miles, sometimes to quite remote places. It takes a lot of money and a lot of time. Now we don't have to do that. When there's a major disaster, the people on the ground are the people who have to deal with the issue, not the British Red Cross or the American Red Cross or the Canadian Red Cross who zip in with truckloads of stuff. It's the people on the ground in the first 12 hours who have to deal with it.

What do they need? They need expertise, they need assistance – online training and support – in a way that the Internet can now provide. We even have to provide first-aid service to the ordinary man in the street. I can remember my first-ever visit to the U.S. when a man collapsed of a heart attack in New York. I didn't know what to do. But if I'd had my *W telephone with a what-to-do on it, I could have been taken through how to deal with this guy on the ground stage by stage, either through listening to it, or by watching it and seeing the diagrams and demonstrations online.

So we see adult-service and aid agencies being able to deliver services in a very different – and quite exciting – new way.

The next one is children's services. Again, a whole range of opportunities through training and access to training. At the moment, I'm trying to persuade young people not to use drugs. What are the ways in which we can excite them about the alternatives to drugs? We can use new technology, with schools and with youth agencies, to try and get them interactively involved.

The next one is research. I don't need to tell you about research, but for me as a manager the Internet and all the new technology mean two things. One, I can collect information from around the world at much less cost and more quickly. That's why a contract that we've just signed with the United Nations International Drug Control Agency is an important one for us because we're scouring the world – largely using the Internet – to find good examples of prevention work in some quite small towns and cities around the world.

Secondly, it's a tool that I can use to gather information about trends and so on from young people, from parents, and from governments relatively quickly and easily. I won't dwell on that, because most of you know more about that than I do. But as a tool for a manager, it's actually very important indeed.

We've just heard quite a lot about campaigning and advocacy, and that's at the core of what we do. If we as voluntary agencies don't use our experience to expand and extend the knowledge that we get from our service delivery, then frankly we're only beginning to half-use or quarter-use the value that we have.

And so as a communications tool, as a campaigning tool, it's incredible. I just wish we'd had as much access to the Internet five years ago when we started the landmines campaign as is available now, because I think we would have done it much more quickly and at much less cost.

It is an incredible tool. We're a relatively small agency, but I came across in the UK an organization called Advocacy Online.Net. They're relatively new, they just set up in the UK. In the U.S. that's been around a bit longer than in the UK. Here is an opportunity for very small community groups to get at least 20 campaigning and advocacy tools to use and promote and send letters to their local MP, to get their local MP motivated, and

so forth. I talked to these folks about translating that into an international arena, and they said it's much easier, because, of course, the only people we have to target are Kofi Annan at the UN, the prime minister, the foreign minister, and maybe the home affairs minister in each country around the world. That's a very simple database to put together.

So to me, campaigning is a really important one.

Fundraising is the one we all think of. It's the one where we expect to get big bucks, and we're not. I don't know of any, not even Netaid, which was one of things we were hoping would generate billions, if not tens of billions of dollars. We haven't cracked that one yet.

David said he didn't think that was the big one for us; I don't know whether it is or it isn't. But it's one that we're all putting quite a lot time and energy into trying to make work. We've just at Mentor set up an online donation facility, which was very disappointing. I wasn't surprised, because it was linked to the homepage of Easyjet, which is a low-cost budget airline. It is one of the busiest websites in the UK, but not the one where people are likely to give you money. Frankly, if they're buying cheap tickets, they're not going to give anything to charity, are they?

But it gave us some profile, and I think tested this notion of online. And because it was a free offer, it made me actually do the work I needed to get an online donation. But I think there's quite a lot to do there, and I think it is a tool that we'll all want to use.

Sales promotion and cause-related marketing is something that we'll all be looking at. All you have to do is let your mind and your creativity really work, because there are so many opportunities for voluntary organizations that frankly will not cost us, as voluntary agencies, much money at all. The third-party advertisers, the companies themselves, are going to get so much benefit out of this that they're prepared to put money into it.

I came across an idea in Italy recently when we were setting up an office in Milan. There was a company who were putting together the idea of air miles for charity. Imagine the notion of collecting air miles for charity, which you can then trade in against Internet services, office space, money, whatever it is. Nice idea. I'd like to see this happen internationally because I think it's got a lot of possibilities.

Online auctions. We've recently had two very good examples. One where we were running an auction out of Berlin for the biggest, most expensive book in the world of the last millennium. It was a photographic book by Helmut Newton. It was auctioned, and it fetched 620,000 Deutsche marks, which is about 220,000 pounds. That was quite an expensive book for 400 photographs. They happened to be signed by the people whose photographs they were. We were supported by Trader.Com, a company who were promoting their technology to the higher-level donor, so it was worth them putting the auction online as well.

And very recently, an agency working with drug addicts had an art auction online using Sotheby's online auction facility. And again, artists donating art through Sotheby's cost the agency practically nothing and helped promote Sotheby's online art facility.

The next one is information sharing; we've heard a lot about that. The database is one we can all make use of as nonprofit organizations. And we will. We need to share the

information. The two projects that I’ve mentioned that we as a small agency are thinking about -- we couldn’t have thought about it without access to the Internet.

Finally, innovation and new development. This is an area that we’re all good at in the voluntary sector, because we have fire in our bellies, we want to make things happen and we want to do it differently. We have to be creative.

Let me leave here with two quotes that I picked off the Netaid website, which I found particularly inspiring because it does provide people to take action on extreme poverty around the world in a way that couldn’t have happened without access to it. One of the board members used this second quote about how easy it is in a few minutes at a computer with just a few dollars to help people halfway around the world. We as voluntary organizations really haven’t understood the impact of what it means now for a *punter in a small town in wherever it is to be able to interact directly with the people on the ground in a developing country. Missing out the American Red Cross, missing out the British Red Cross or whoever the intermediary body is, it’s got real implications for the way not-for-profits will work in the future.

Rogers: Obviously, you’ve gone from a very big organization to a much smaller one. What’s the single biggest obstacle to you, working with a smaller group, working with technology now?

Whitlam: It’s one word. It’s money. It’s as simple as that. I do not have, for a small agency, the resources to enable me to do it without breaching the regulatory authorities who demand that I spend less than 20 percent of my total donated income on administrative support costs.

I think it’s doable, it’s possible. But for me, I don’t have the reserves, the backup funding, at the moment to do it. It’s one of these things that I have to go out and persuade people to work alongside me.