

Grant-making in China

—A NPO Grantee's experiences

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About Qichuang

Qichuang (QC) Social Services Centre:

- Guangzhou, Foshan, Zhongshan (Pearl River Delta in Guangdong Province)
- Wenchuan, Mianyang (Area affected by Earthquake in Sichuan Province)
- 1st social services lab in Guangzhou in 2008
- 54 service units, 234 full-time staffs (until 2015/10/31)



Qichuang's Financing

- On general:
 - Government: 77%
 - Funds & Donations (Firms and Personal): 15%
 - Self-financing: 8%
- More info.:
 - <http://www.qichuang.org/zh-cn/page/financial-report>

Grantee's Perspective before Grant-making

- + growth of Middle class
- + new recipients
- transparency of crowdfunding platform
- promotion cost

- + full of resource
- + need partners
- flexibility
- failure risk

- + value driven resource
- + need partners
- global PM
- political risk

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Personal Donation

Local Government/
iNGOs & iFunds

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Local Funds/
Corporates Donation

Self-financing/
Social Enterprise

- + chances/markets
- + low admin cost
- social norms limitation
- high R&D cost

- + amounts
- + flexibility
- poor PM
- rely on manager

low

high

LIMITATION

- + emphasise social impact
- + good PM
- dominating by self-interest
- non-sustainable

- + markets
- + PPP policy
- law/failure risk
- lack of SI investment

Strategy of Grant-making (as a Social Services Lab)

| | | | |
|-----------------|----------------|-------------------------------------|--------------------------------------|
| OUTCOMES | high | Personal Donation | Local Government/ iNGOs & iFunds |
| | low | Local Funds/ Corporates Donation | Self-financing/ Social Enterprise |
| | | low | high |
| | OUTPUTS | | |

Strategy of Cooperating with Gov'

- Partnership: turn 'THEY' into 'WE'(gov's interests in blue)
 - + Attitude: we want innovation of social change
 - + Behaviour: we collaborate and share responsibility
 - + Cognition: we are socially official human being
 - + Declare: they are not bad and good enough
 - + Emotion: urgent, try, calm down
- = don't cooperate with officials without interests in blue
- = turn 'GUANXI' into 'professional RELATIONSHIP'

Strategy of Cooperating with Gov' (cont'd)

- Products: all related to Outcome Evaluation/Impact
 - + resources, events: to help Gov' reflect
 - + services models: to influence policy making
 - e.g.: Youth iFSCN; Migrant Children CE; Elderly CCCN;
 - + services standards: to protect the sustainability
 - e.g.: GZ IFSC/Youth; FS MSW
- = Renew products every service phrase
- = Reengineering mechanism before every crisis

Challenge of Cooperating with Gov'

- Diamond principles:
 - + change every 3-day: Clear Cutting (contract)
 - + uncertainty: Clarif(t)y again and again
 - + give you some Colors: plan B...X
 - + both sides are too self-Confidence: look around together
 - = if you don't engage with Gov', they will become themselves:
setting up GoNGO

Strategy of Fund-raising

- Profit Awareness: set up office nearby them: HongKong
 - + Who?
 - Transnational Corporations (Funds): HSBC, KPMG, 星岛
 - Funds (NGO/personal) in/from HK/MAC: WV, 陈登
 - Chinese Bosses (Funds) with HK background: EMpower(HK), 春桃
 - Personal Donation (crowdfunding platform): 益动广东
 - + Whom/ for What?
 - Staff engagement
 - related/potential Customers
 - related Clients with less resources
 - + Why/How? Things should be INNOVATED!!!
 - HR/PR oriented
 - Social problems focusing
 - Social impact investment

Challenge of Fund-raising

- Pay (donate) in a engagement sense
 - + donor sometimes dominate some projects: create co-work space before
- Play new games
 - + not for long term vs. sustainability: new products in new phrase
- Poor project management
 - + too global / too local, how to get glocalisation: committee of management board as a buffer

Strategy of Self-financing

- Added-value first, economic effects not the most important
 - + Product (Senior Staff & service model is the most important capital)
 - Training on services development, brand building
 - Research and advocate projects
 - + Price
 - maximise the knowledge capital and minimise the R&D and TRAINING cost
 - Integrate broken T&R fee (Funds & Gov') into the lab

Challenge of Self-financing

- Product-Chain relies on the uncontrollable elements: human
- Big market but too much competitors
- Dual-rational management
 - + Social services
 - + Corporates

Knowing whom/how to make
your partners to be
strategical co-partners

BEFORE

grant-making
with them
strategically

