

Charity with clarity

The Sir Dorabji Tata Trust and Allied Trusts has been redefining itself and its funding philosophy in recent times. What has remained constant is its commitment to community and country

The Sir Dorabji Tata Trust and Allied Trusts, the largest philanthropic entity in India, shares some commendable character traits — the uncharitable may call it flaws — with the person whose name it bears. Like the elder son of Tata group founder Jamsetji Tata, it is reticent by nature, disinclined to draw attention to itself and unwilling to throw its weight around. That may be about to change just a little bit, though, as the organisation reappraises its role and place in the country's social development sphere.

The trust provides funding support to a smorgasbord of individual and institutional causes, but the largest chunk of

its considerable monetary backing — up to 65 per cent of the more than Rs200 crore it will disburse in 2008-09 — goes to non-government organisations (NGOs) working in the fields of health, education, livelihoods, social development and natural resources management. And that is where the change in the trust's approach and planning will be most obvious.

“Earlier, the trust always remained in the background; it was the NGO that came into the limelight and became known,” says programme leader Sanjiv Phansalkar. “Nothing wrong with that; the trust does not have to tom-tom its involvement, but questions would get asked about the impact we were having. We had the best of people as partners, yet still there remained the visibility factor. The Ford Foundation is far better known than the Sir Dorabji Tata Trust, though we have worked with a larger number of NGOs across the country.”

The way it went, NGOs would come up with ideas and if the trust found them worthy it would extend its



support. As a result the trust had acquired the character of a sympathetic and understanding partner who was willing to back practical and deserving ideas. “We were, then, in responding mode,” says Mr Phansalkar. “What has happened is that the money we have is far more than can be used to support only those coming up with new ideas. We had to shift gears and become more proactive.”

The introspection began in right earnest in 2000, when the trust had a fresh look at the areas it was operating in. “We felt the need to reflect on what we were doing and find out whether we had to sharpen our focus,” explains programme coordinator Tara Sabavala, a 14-year veteran with the trust. Experts from outside were enlisted to write papers that looked at the sectors where the trust was funding programmes and suggest possible areas to focus on. “That was our first attempt at defining the work we were doing and determining what we wanted to do in the coming five years.”

In 2004-05, there was another review, this one to gauge the extent to which the trust had been able to function within the framework proposed in the papers. It emerged that the ownership that the trust had of the framework was shaky, in that it had not been integrated into the planning and work systems of the organisation. “We got external people to do a sector scan, to tell us what was happening in education, health and elsewhere, who the big donors were, the work of governments, best practices, problems, etc,” says Ms Sabavala.

Another learning from the second review exercise was that there were newer areas that required attention: urban poverty and livelihoods, civil society, human rights and governance. The most striking discovery was about the nature of urban poverty and those caught in its maelstrom. “The emphasis had been so much on rural poverty, and rightly so, but no one had taken cognisance of the breakneck speed at which urbanisation has been happening,” says Ms Sabavala.

Furthermore, the lines dividing



A trusted legacy

- ▶ A few months before his death in 1932, Dorab Tata — the elder son of Jamsetji Tata, the founder of the Tata group — bequeathed most of his personal wealth to the newly registered Sir Dorabji Tata Trust.
- ▶ This wealth was then estimated at Rs1 crore and comprised substantial shareholdings in various Tata enterprises, landed property, his wife Meherbai’s jewellery, even his pearl-studded tiepins and cufflinks.
- ▶ The trust is best known for promoting four pioneering institutions of national importance: the Tata Institute of Social Sciences (set up in 1936), the Tata Memorial Centre for Cancer Research and Treatment (1941), the Tata Institute of Fundamental Research (1945) and the National Centre for the Performing Arts (1966).
- ▶ Over 75 per cent of the trust’s funds accrue from dividends on the shares it owns in Tata Sons, one of the Tata group’s promoter companies. The remaining comes from statutory investments.
- ▶ The trust supports different kinds of non-governmental organisations (NGOs), usually for a period of three to five years. It also works with international agencies in times of natural disasters.
- ▶ It funds projects in natural resource management and livelihoods, health, education, urban poverty and livelihoods; civil society, human rights and governance and media, arts and culture. Allocations for individuals come under the heads of medical grants and travel or education grants.
- ▶ Grants for individuals total Rs12-13 crore a year. Institutional grants, which can vary from year to year, and account for about 25 per cent of the trust’s annual budget. The largest chunk of funding, up to 65 per cent, goes to NGOs.
- ▶ In 2005-06, the Sir Dorabji Tata Trust and Allied Trusts disbursed Rs76.2 crore; this figure grew to Rs207 crore in 2007-08. It handles over 300 new projects each year and gets 10-15 funding proposals every day.

urban and rural poverty are becoming fuzzier all the time. "A lot of the poor people in cities are migrants, call them urban or rural, and they are here because of a variety of reasons: land depletion, the decline of agriculture, lack of opportunities and so on," says Ms Sabavala. "Some donors are waking up to the fact that urban poverty requires urgent attention, but not nearly enough."

The impact factor has gained a lot more importance for the trust as it fine-tunes the coordinates of its funding programmes. "We are addressing the concern by taking greater charge of the development agenda, by getting into areas that we believe require more substantial involvement by, and support from, donors," says Mr Phansalkar. "You cannot maximise your impact if you depend solely on numerous and diffuse ideas coming in from partners."

An example of this course setting is the help being rendered by trust-funded projects to small farmers in increasing their rice yields (it has 130 partners working in this area across 88

districts of India). This is the programme for popularising what is known as the 'system of rice intensification'. "These are people for whom an extra bag of rice could be the difference between migration and staying on the land," says Mr Phansalkar.

What this means is that the trust identifies an area that it reckons needs funding support and then it goes out and finds partners to work with there. "We will be doing more of this going forward, identifying areas for action and addressing an existing problem or helping design solutions for problems that are on the horizon," says Mr Phansalkar.

It is crucial to remember that the trust is not an implementer, and never can be. That makes the case for finding good and effective partners vital, which, in turn, means backing the right NGOs. It's a tricky task given the proliferation of these organisations in recent times and the changes that have washed over the sector. "There are thousands of people who claim to be working in the NGO sector, but not all of them actually do," says Ms Sabavala. "That apart,

because of donor agendas and the quantum of funds available, many organisations are steering themselves into areas where they would otherwise not be."

A third change, this a positive one, is the higher degree of professionalism among NGOs. "Time was when, if a person was honest and dedicated and he or she approached the trust, our backing would in all probability follow," says Ms Sabavala. "Today you need more than good intentions and good credentials; there are rigorous processes in place and a lot of questions get asked about methodologies, etc. Everything has become more scientific and systematic."

Ms Sabavala suggests prudence when it comes to making processes and methodologies the defining yardstick for a donor programme. "To me this is a double-edged sword; if you get bogged down in measuring everything you could miss out on many important nuances. You must guard against becoming robotic in your responses to problems on the ground."

Managing trustee AN Singh



The Sir Dorabji Tata Trust and Allied Trusts worked with some 700 partners and disbursed more than Rs200 crore in 2007-08

emphasises the importance of the trust backing its NGO partners all the way. “We worked with close to 700 partners last year; anybody who is anybody in the civil society NGO sector has some association with the trust,” he says. “It is through these partners that our money goes far and wide, that it gets extended into the rural countryside and benefits a larger number of people. We want the NGOs we work with to get empowered, to stand on their feet and become strong enough to deliver with confidence. By empowering them we are actually helping the communities they are involved with, as well as ourselves.”

Aside from picking the appropriate partners and partnerships, the challenges facing the trust range from finding the right people to dealing with controversies and setting the development agenda for India. “Getting good people to work in the organisation is a big challenge,” says Ms Sabavala. “You need the right blend of experience and subject competence. And you have to be 100 per cent in step with the Tata values.”

Controversies and contradictions cause heartburn of a different kind. “We have to tread a cautious path in the work we do,” says Mr Phansalkar. “For instance, it would be unfortunate if we are judged to be using our funding as an instrument to prevent NGOs from raising issues. At the same time, we cannot be seen to be fuelling controversies without making an attempt to resolve them. This is a subject that we are engaged with much of the time.”

Ms Sabavala thinks the trust can play a constructive part in easing the tensions that seem to have become an inevitable component of industrialisation as it has unfolded in India. “I believe the collective knowledge and wisdom that resides in the trust can be used to influence how businesses approach development, to do so in a way that is sensitive to local needs. There are dilemmas here that people under the development umbrella have a lot of experience with.”

Yet working with partners whose work is in controversy-prone fields is not easy, admits Ms Sabavala, “but what we try very hard to do — and this is a



The Sir Dorabji Tata Trust funds projects in five sectors of vital importance: health, social development, education, livelihood and management of natural resources

subject we debate constantly among ourselves — is not to actually end up supporting any philosophy or group that supports violence in any form.” Mr Phansalkar puts matters in perspective: “Development is about politics, it is about empowering people. The fact that you are empowering someone means you are lessening somebody else’s power. We can’t get away from that and neither do we want to.”

The effect of the economic downturn on the trust’s ability to draw on its resources — dividends from shares and income from investments — may have been worrying, but this is not something that bothers Mr Singh too much. “Doing good for the community has to be, according to me, a pre-profit endeavour,” he says. “There are those who disagree, but I don’t see it their way. Just because, in a given year, you don’t make a profit, you cannot stop being socially responsible. You have to be consistent in these matters.”

Then there is the challenge, which may actually be an imperative, of playing the lead role in deciding this country’s idea of development. “We are now the largest funding agency in India. We cannot allow the development agenda to be set by foreign donors, which is what

is happening to a certain extent now,” says Mr Phansalkar. “You have what is called the rights-based approach to development, promoted actively by organisations such as Oxfam and ActionAid. I don’t have anything against this, but I don’t think people sitting wherever they are should finalise this as the best way there is.”

The trust understands the importance of working with the government in spreading the development net. To increase impact and scale you have to collaborate with the government,” says Ms Sabavala. “We recognise that and so does the government, which has, especially over the last five years or so, made a concerted effort to work in tandem with civil society. Nobody in development will say that they can do it on their own.”

Ms Sabavala remains optimistic about social and community development in India. “To me the biggest bonus of working with this trust is to see so much that is right about what is happening in India; it gives me a great sense of hope. When I joined the organisation I felt there were a handful of good people around, but there are a lot more than that, some of them doing path-breaking work. You cannot help but feel optimistic.” ●