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More and better data needed to elevate social sector

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The world has become much more data-driven, but the social sector still lags considerably behind the private and public sectors when it comes to data. PHOTO: GETTY IMAGES

“If you had \$100 million to give away, what cause would you give it to, and why?”

This question was posed to a panel of four of us at a UBS-Insead Philanthropy Forum some 12 years back. Our responses were spontaneous, not having been clued by the moderator to her question beforehand.

The first two panellists described their favourite cause and rationale. I suggested creating a St Jude Fund, named after the patron saint of hopeless causes, to support those often-ignored, voiceless sufferers like migrant workers, aids patients and death row prisoners.



The fourth panellist, Matthew Bishop, author of *Philanthrocapitalism: How Giving Can Save The World*, gave the most unexpected and insightful answer: data. Coming from the number-crunching financial world, he found a dearth in the quantity and quality of data in the social sector. He said he would throw all his money at improving social data to make a quantum difference in the quality of giving and actions taken in the philanthropic and social space.

Social data today

Today, the situation may have improved with capacity-building efforts by venture philanthropists and the like, but the world as a whole has also become much more data-driven, and the social sector still lags considerably behind the private and public sectors.

A 2021 report, *Better Data, Bigger Impact: A Review of Social Sector Data* by the UK Law Family Commission on Civil Society, concluded that the lack of accessible data about the charity sector results in poorer policies from the government, highlighting the limited data efforts during the pandemic as an example.

A resounding theme in the corporate world today is ESG (environment, social and governance). The 2021 Global ESG Survey by BNP Paribas found that the “S” pillar is the most difficult to analyse and embed in investment strategies because “data is more difficult to come by, and there is an acute lack of standardisation around social metrics”.

Singapore social data

Singapore was, and remains, behind the curve in social sector data compared to the developed world.

Take charity assessment, for example. With the emphasis on informed giving in the wake of the National Kidney Foundation scandal in 2005, one would expect better data, tools and benchmarks to be provided to donors to help them with their giving decisions.

In 2011, the National Voluntary and Philanthropy Centre, which led the informed giving movement, attempted to create an Independent Charity Analysis Framework to help charities tell a more comprehensive story of their work in governance, leadership, finance and its programmes. However, the initiative was terminated after a few years, probably due to a lack of take up and resources.

In contrast, there have been charity watchers such as Charity Navigator, Charity Watch and Candid in the United States and other developed countries for decades. These non-profit organisations maintain information about the financial efficiency, accountability, governance, and fundraising of thousands of charities in their databases. They evaluate and provide ratings of these charities to funders and other interested parties.

The good news is that Singapore may have found its first such charity watcher. In November 2022, Soristic, a fledgling social impact consultancy, launched Charity Guidepoint for donors to efficiently shortlist, analyse and compare charities. The tool quantitatively analyses the universe of more than 600 institutions of a public character in Singapore against 20 metrics of their financial health, with plans to add governance and other data categories.

However, Charity Guidepoint's assessments are based only on publicly available information, and are thus far from the more comprehensive profiles available in the mature international charity watchers.

Rising to the next level

For data to more effectively support the social sector, the shortcomings in the flow of data need to be improved. We can think of that flow in three stages.

First, data needs to be produced and made accessible.

With the world awash in big data, one would think this first step is a given. Not so, because much of the useful data resides with the government and access is often an issue. Researchers in academia and the social sector often decry the information asymmetry between government and the public, and how collaborative policymaking can take place if only government data, which are not official secrets, were made available.

The researchers point out how much of the existing data, such as national-level surveys, demographic data, immigration details, gambler profiles and so on could be sanitised if needed and made available for evidence-based policy analysis as is done in developed countries. Such a move would help civil society groups provide constructive and productive proposals in areas such as income equality, climate change and fake news, without needing to go to the extent of a Freedom of Information Act, which has also been suggested.

Second, it helps if there are capacity builders in the sector to parse, structure and produce second-order data from raw data into a form that can be more easily retrieved and meaningfully used.

Soristic is an example of such a capacity builder for charity assessments. Another would be the National Council of Social Services and its social service sector repository, which has online dashboards with filter criteria. There are other fields, such as demographics, religion and education, whereby the plethora of raw data could be organised for different end-users.

The data need not be only for users in the social sector. For example, with the push for ESG investing in the corporate world, there have been calls for an impact registry that can provide a standardised way of measuring, cataloguing, verifying and benchmarking the social impact of social enterprises and nonprofits.

Third, social sector organisations must want and push for data analysis and data-driven decision-making.

Currently, it is primarily the think-tanks and research arms of academic institutions that seek data for their thought leadership and evidence-based policy proposals. But the typical non-profit can also use data to improve the efficiency of its operations and the effectiveness of its programmes. For non-profits to see the use cases, funders may need to egg them on.

As we can see, many challenges exist for a thriving social data ecosystem to emerge in Singapore. Matthew Bishop's \$100 million would be a good way to help get it there.

The writer is the former managing partner of Accenture in Singapore and currently the author of the Doing Good collection of books and writings.