### **Business for good**

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# One woman is transforming businesses through making business giving a habit.



By ELEANOR YAP

Masami Sato has had many careers. Originally educated to become an architect in Japan, she has spent time as a teacher, a translator, an entrepreneur of commercial enterprises, and even a natural food chef and a farmer! But now, she's found her real purpose in life by creating B1G1 (Buy 1, Give 1), a Singapore-based social enterprise which transforms the way businesses give.

Sato started the company in 2007 and on top of that, has authored two books, 'JOY – The gift of acceptance' and 'ONE – Sharing the joy of giving'.

SALT Online chats with her about B1G1 and why she focuses on SME business giving in this new way:

#### Can you explain the B1G1 model?

We focus almost totally on <u>SME businesses</u>. We recognised that SME business owners wanted to give back. However, they tend to do nothing, probably because they don't know how to start or maybe they just don't have the time.

Of course, the bigger companies with their larger teams can create CSR departments to create and run CSR programmes. But SMEs simply don't have that ability — and yet, SMEs power 70 percent of our economy!

We came up with a simple idea – why not, we thought, make business giving a habit by making it possible for every business transaction to give back in some well-defined and impactful way. So, powered by that simple thought, we developed systems and processes for SMEs to give back effectively and easily.

Now, SMEs join B1G1 as <u>business members</u> and they can link a tiny portion of each sale to a widerange of <u>projects</u> in 30 countries. In this way, the companies are 'embedding' giving into their everyday activities. Each company can decide how much they want to give as well as which projects to give it to. Our system makes it really easy for them so that giving really becomes a habit and an integral part of their business.

This model also keeps in mind those SMEs who offer consulting or accounting services, where they may not have fixed products. B1G1 gives every business a chance to give back regardless of their business model, often involving their employees and customers in the giving process and make the most impact out of their giving. We don't focus on one-off giving; we focus on habitual and impactful giving.

#### So how do you choose the projects?

Members of B1G1 can recommend new projects to the B1G1 board. Every two months, we have a board meeting to assess new applications against our <u>criteria and requirements</u>. Our focus is to find the right type of organisations rather than having more and more projects.

We tend to partner with smaller organisations who work with local communities and leaders in order to really find the long-term solutions. Those smaller grassroots organisations may not have great marketing expertise, yet they are experts in creating positive impacts in the communities around the world. We then work with these approved charity organisations to list some of their focused projects such as giving clean water or improving literacy — there is a vast range of options; we list all the projects in terms of the tangible impact — we never focus on the monetary giving. So in B1G1, it's never about a company saying, "We gave \$xxxxxx to charity". It's always about "Our giving gave 1,300 children access to water," or similar highly focused outcomes.

#### And how do you work with businesses?

We help businesses to 'embed' giving into their everyday business activities. For example, we have a unique widget for each company so the companies' giving through B1G1 can embed it on their websites so their stakeholders can also see the companies' giving. It shows the real-time, live impact statistics. SMEs can also mention their giving in their marketing collaterals to their clients, engaging the customers in the giving mission. We currently work with nearly 650 SMEs in different countries.

However, we weren't always blessed with that number. When we started B1G1, for the first three years, introducing the brand new idea was not very easy and we didn't know how to implement our idea in reality. It was a lot of trial-and-error.

For example, we consulted every business and manually created giving agreement documents. As a result, we didn't have the capacity to work with too many businesses as we had a small team. Now, things are different – we are still improving our processes and systems but as a result of the

systematic approach we've developed, we can now deal with many more businesses and giving transactions easily. Our activities are now much more scalable.

B1G1 is still run by a small team based in Singapore working with many volunteers and international supporters. We speak and present at various SME events around the world to bring awareness about B1G1. Now five years after the original launch, we have more than 600 projects from over 30 countries listed on our site. We continue to do regular reviews on existing projects and refresh our listing to ensure the effectiveness.

#### What about individual giving? Any new things on B1G1?

We also want to bring individuals into the B1G1 model mainly to encourage more businesses to join the cause as a result. The personal giving platform was launched in January this year. However, B1G1's focus is still firmly on business giving.

#### Where are SMEs from that are on B1G1?

They currently are from <u>28 countries</u> around the world including places like South Korea. But most are from Western countries like Australia, New Zealand, UK and later this year, we are expanding into US.

## So, are you saying SMEs are not giving enough?

Well actually the statistics say that businesses as a whole are not giving enough! One well-respected survey says that all business giving taken together represents only five percent of the giving that goes into our world. I think when businesses start out, they focus on profits and they tend to forget the element of giving and why they started in the first place. Giving is an important part of business and our life – through giving and caring activities, employees can feel more



connected to the company and the company can also connect to its customers more deeply. But there is no doubt that view is changing rapidly. And on B1G1 right now, we have many start-up businesses who make B1G1 a fundamental part of the way they do business.

We believe that business giving in the SME space is very important. In fact, more than 70 percent of businesses around the world are small- to medium-size businesses. We believe everyone cares and wants to give back if it fits into their beliefs and doesn't take much time and effort. We all love to give, why not embed giving in everything we do so we can care and give more?

### It is interesting that your company is registered in Singapore but your giving is all overseas. Can you explain?

When we <u>first came to Singapore</u>, we chose to come here because of the location, efficient Government approach, etc. And we knew that Singapore was striving to become what many referred to as 'a Giving Nation'. What we didn't know until we moved was the focus and encouragement towards local giving within Singapore.

B1G1 is focused in a very specific giving model that is 'impact-based' giving for SMEs around the world. And naturally, the causes we work with are also global. So for that reason, we haven't been promoting B1G1 initiatives within Singapore to-date. But that's not because we don't want to. The B1G1 model does not fit in perfectly with some of the 'rules' in Singapore right now. But of course, we hope that will change over time.

We love being here for all sorts of reasons and we feel very blessed. Singapore is a great hub for business and expertise, and it's a wonderful place too for my two children to go to school! Plus we work a lot here with young people — people who are doing great things, for example, in the social entrepreneurship space.

#### Have you seen any giving trends?

I have noticed a lot of young people interested in giving back. We also work with students from universities on some of our projects. For example, we work frequently with teams from SMU (Singapore Management University) in their final-year projects — the young people are very inspired by B1G1 and we love working with them.

Of course, that connection also means that we are frequently invited to speak at various student events in Singapore. And not surprisingly, we also see more interest towards entrepreneurship especially social entrepreneurship among the youth.

#### Any challenges?

Our operation and activities are becoming stable now. When we first started, we didn't have the right funding model. We initially considered various funding models that other organisations were implementing that included a model to take transaction fees from giving as well. Yet we've decided not to go on that path.

Instead, we came up with a membership programme whereby the businesses join B1G1 as members or partners and receive membership privileges. And our model today ensures 100 percent of giving gets to go to the projects the B1G1 member businesses choose for them.

We are continuously coming up with ways to add more value such as the impact reports, marketing resources and online widgets. The SME programme starts from one dollar a day and it makes giving simple, easy and impactful for any type and size of company.

## How do you ensure the integrity of your initiatives while working with many other charity organisations?



We have very <u>strict criteria</u> for approving our <u>Worthy Cause Partners</u> who, of course, are already subject to strict process reviews by Government agencies. We also conduct regular assessments.

However, there's also a limit to how much we can or should invest our time and focus on the due diligence area. Our view is simply that if we all focused on doubting and never did anything as we could no longer trust, we would not be able to create the world we want to see.

At B1G1, we believe in the world of trust and generosity. We believe in a reward system where we highlight and encourage good behaviour and effective approaches.

We see that every organisation and every individual has the potential to do good and yet we also have the potential to occasionally make mistakes and improve what we do and how we do it as a result. When we create the culture of learning and improving, we can all do so much more with the same amount

of resources.

We also believe that there is no single solution to the issues we face in our world. Each organisation can learn from each other to make their activities ever more sustainable and empowering so that we are not simply handing out aid, yet utilising the resources available to create lasting change in each community encouraging local people to take ownership for their own effort. We're hanging UP as opposed to handing out.

So, we'd like to share more of these great stories and ideas among our Worthy Cause community to maintain and enhance the culture of giving. We've identified that it is important to dedicate our effort more toward creating positive and lasting impact.

We believe that when we come together through genuine sense of caring, trust and an open mind, our world can truly change for the good. And we're really thrilled to be playing a part in making that happen in such a positive, transformative way.