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The challenges nonprofits face in the current uncertain economic environment

Inaugural John B. Reid Lecture

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Thanks everyone for coming today, and particular thanks to Peter Shergold for inviting me back to Australia, and to John Reid for making this possible with his generosity. I'm honoured to be John Reid Visiting International Fellow at UNSW.

The theme of this lecture is "The challenges nonprofits face in the current uncertain economic environment."

I will share with you what I have been learning as I have been travelling around the world in the time of the global financial crisis.

This is a time of great risk, and I'll start by telling you of the risk faced by a well-run nonprofit in New York. Good Shepherd Services is a $60m social services agency serving the poor of New York, focusing on the most disadvantaged and at-risk. It has super programs for kids that have dropped out of school, for women coming out of prison, and for many more. It is run by a nun, Sister Paulette LoMonaco, who has grown Good Shepherd Services twenty-fold from a budget of $3m.

Good Shepherd Services has worked hard over the years to build a well-diversified portfolio of funders. It receives money for its programs from government in New York. Some foundations have contributed, too. In particular the Edna McConnell Clark Foundation has supported the growth of the capacity of Good Shepherd Services to deliver good programs, for example helping it measure results. And individuals contribute, too, from church-goers to more wealthy patrons.

A year ago I was working with Good Shepherd Services as a Partner with Bridgespan. While I was there the stock market plummeted. The board asked how much of the revenue was at risk.

All of it was at risk. Government revenues come from tax, and the most buoyant source of tax revenue for the city and state of New York is the financial services industry, which was in trouble. Foundation money comes from investment funds, many of which were down by a third. And individuals who contribute were likely either to work on Wall Street, or at least have their pension in a self-managed fund of securities called a 401(k).

And, as Good Shepherd Services serves those most marginal in society, there was the risk of rising demand if the economy slithered.

But the good news was the Good Shepherd Services had done all the right things to weather the crisis, and even had the potential to come through stronger and better. It had negotiated government contracts with provisions to cover costs of closure, should funds ever be withdrawn. It has trimmed its overhead to the essentials, and could discuss with funders which costs were important to capacity for growth.

Good Shepherd Services is a well-managed agency, monitoring its measures of its impact. It has worked hard to raise money and secure strong relationships with funders. These are the big challenges nonprofits face in any economic environment.

Right now, despite the economic environment, or perhaps because of the economic environment, there are great opportunities for nonprofits.

Rahm Emanuel is President Obama's Chief of Staff in the White House. He got into a little trouble recently by saying "You never want a serious crisis to go to waste". But he made the point that it is in times of crisis that good changes can be wrought.

Lord Victor Adebowale is member of the British House of Lords, and the chief executive of Turning Point, a £60M social services agency. He wrote a letter to The Guardian last week in which he acknowledged that “everyone agrees that cuts will be needed” given the current parlous state of public finances in the UK, but then went on to argue that preventive interventions “would short-circuit the intergenerational cycle of deprivation”. In other words, he is saying that despite the tough times, now is the time to invest in programs that work. He went on to quote an estimate from the New Economics Foundation that “the net return on full investment in these areas would be £269B over 10 years.” This is a considerable sum by any standards, given that UK GDP is about £1.5T.

Our very own Peter Shergold commented to me the other day that in times of crisis it’s easier to forge alliances for action.

Now is a good time to seek change, as things are looking very promising for nonprofits. The sector is producing exciting innovations which are drawing interest from three angles - government, the private sector, and individual citizens.

Governments around the world are showing more interest in nonprofits that they have for decades. President Obama has created in the White House the “Office of Social Innovation and Civic Participation”. The UK Cabinet Office has set up the “Office of the Third Sector”. Here in Australia, the government is supporting the “Centre for Social Impact”.

Many in government hope that the third sector can help personalize public services. We are all expecting more of public services, but industrial-era, one-size-fits-all services are not living up to expectations. Thirty years ago we all had the same kind of phone. Now we expect to pick our own. And we expect more choice from public services, too.

Business around the world, too, is showing more interest in the third sector than before. Wal-Mart now has a collaborative relationship with Conservation International. Oxfam and Starbucks had a very public disagreement over fair trade, but have since worked together. The result is that poor farmers now receive more for the coffee beans they grow, and Starbucks has a reason to charge us a little more for our latte.

In the UK there is a new three-sector collaboration in prisons involving the government, SERCO, a private-sector company, and two nonprofits: Turning Point and Catch 22. The hope is to build new prisons that have lower rates of recidivism. SERCO, the company, is doing what the private sector does well: the capital intensive process of building prisons. Turning Point and Catch 22, the nonprofits, are focusing on what the third sector does best: working with people to change behaviour.

In a way, it’s reflecting the relative strengths of each sector. Business knows how to raise and manage capital. Nonprofits can engage and motivate people, although the effective cost of capital in the third sector is high.

The third sector is now cool with the public, too. Volunteering is healthy in a number of countries, and I’ve heard how it prospered here around the Olympics.

Young people now are looking to work in the nonprofit sector like never before. I worked at Bridgespan in the USA for 4 years, where we received more applicants per place than some of the top for-profit consulting firms, even though the salaries were much lower.

David Gergen, a Harvard professor who has advised both Democratic and Republican Presidents, has remarked on how many of his students now want to work in the sector. In the eighties, everyone wanted to make money on Wall St. In the sixties, people wanted to work for the government.

Civic engagement is up at the other end of the age spectrum, too. Civic Ventures has created the Experience Corps, to engage us aging baby-boomers in the sector. VolunteerMatch, a web service, now works with nonprofits to help find experienced volunteers, or pro-bono help, if you prefer.

All of this interest in the sector, from government, from business, and from citizens, comes from the interest in all of the innovations that it is creating. President Clinton remarked a while ago that most social problems have been solved by someone somewhere. The trick is to find those solutions and scale them. Many of those solutions come from nonprofits.

Consider education. Countries the world over are concerned about the quality of their schools. National prosperity depends more than ever on the education. Work is becoming more technical. Economies are globalizing. School systems developed a century ago not always competitive.

The third sector is producing exciting innovations, across the political spectrum. “Left-wing” Sweden has spawned a movement of “free schools” paid for by the state, run by independent organizations, and open to the public at large. “Right-wing” Texas has independent “charter schools”, again paid for by the state, run by independent organizations, and open to the public at large. Choice in education is generally the preserve of the rich. Free schools in Sweden and charter schools in Texas bring that choice to the poor as well.

While at Bridgespan I was privileged to work with Soner Tarim, the head of Harmony Schools in Texas. Harmony Schools focus on science and mathematics, admitting students from families that are, on average, poorer, and with an over-representation of Black and Hispanic kids.

The name “Harmony” refers to the relationships Soner Tarim nurtures between the parents, the teachers, and students. Parents, for example, can check a private page on the web in the evening to see how their child did that day in school. It really works. Students from Harmony Schools do well in tests.

And, I’ll never forget the first time I met Soner. He showed me an array of trophies won by the students, and picked one out. “This one”, he told me, “is the state chess championship. We were the only public school team to reach the finals – all the others were private schools. We were the only team in the finals with Black and Hispanic kids. And we won!”

It is not just education. Australia and other countries are rediscovering the virtues of social housing.

Australia has also led the world in a mental health innovation: ReachOut! Created by Inspire Foundation, ReachOut brings help through the web to young people going through tough times. It’s growth has paralleled a big fall in youth suicide rates in this country. Its model is being taken to Europe and the USA.

The third sector faces great opportunities now. So what are the challenges in this environment, or any environment, to making the most of all of these opportunities?

I’d say that the top five challenges are management, measures, money, money for investment and investors with money. We do have to come back to money, money money!

Let me talk about each in turn.

First, let’s talk about management. I pick that word with care. I’m not just talking about leadership, which already gets lots of attention. I want to talk about management – the hard work of leading growing and large organizations.

It's great that leadership in the sector is now receiving attention. There is great focus on leaders that start social enterprises – social entrepreneurs. The School for Social Entrepreneurs, established in London, is now opening in Australia. The Skoll Center at Oxford University, funded by one of the entrepreneurs that founded Ebay, gives awards each year to promising social entrepreneurs. Stanford Graduate School of Business now has an Executive Program in Social Entrepreneurship.

But, while social entrepreneurs are great for starting new organizations, they may not be best people to grow them. The bigger the NGO, the less we tend to see the "heroic" leader.

Consider the following four global NGOs : Oxfam, Action Contre La Faim , Médecins Sans Frontières and Save the Children. Each is an impressive global organization that has grown substantially over the past decade in some case by more than a factor of three. According to some estimates, NGOs have a critical component in the tripling of official humanitarian assistance over the past two decades. Many business leaders would love to have such achievements.

But the leadership of NGOs is different. Let's think of a few global corporations, say Vodafone, P&G, BHP Billiton, and Starbucks. Imagine each of their CEOs on the left-hand side of this theatre. Now imagine on the right-hand side the global chief executives of Oxfam, Action Contre La Faim, Médecins Sans Frontières and Save The Children. What would be the main difference between the groups?

The main difference is that there will be people on the left but not the right. Global corporations have global CEOs. Many of the largest NGOs do not have a singe head, but share management among a team. The pattern is so strong that I wonder if the "heroic leader" that we canonize in assorted awards for social entrepreneurs might actually be dysfunctional in large nonprofits. They require leaders that really can manage.

While it may sound sexier to be an entrepreneur than a manager, the leaders that start businesses or social enterprises are rarely the leaders that scale them, let alone run them once they are truly huge. Significant scaling, and leading scale organizations, requires management, which requires a lot of attention to detail: people and processes.

The difference is important. Managers run a "decision-making service" to support their staff. Any scale social enterprise has a lot of front-line people doing what they do best: caring for the sick, making micro-loans, teaching children, or even raising money. These people do not need lots of "vision" or "inspiration". They already have that, or they would not be there in the first place. They do need scarce resources.

The job of management is to back the heroes in the front line with a decision-making service that is effective, efficient, and responsive. The "decision-making service" must make good decisions. It must make decisions with the minimum of fuss. And it needs to make decisions on time.

Attention to detail requires a different kind of leader. Instead of the heroic individual, setting visions and inspiring what are revealingly called "the troops", effective managers are accountable to the front-line heroes that they support. Do they make the right decisions? Do the right resources end up where they can be of most use? Do they make decisions efficiently, or does everyone get dragged into meetings to decide everything? And do they make decisions promptly?

Médecins Sans Frontières is a large organization with many heads. It has five operational centres, each with a head of equal status to the others. There are also fourteen other legally independent country organizations, part of MSF worldwide. It's a complex structure that sometimes even confuses insiders. But MSF can make good decisions quickly when a crisis hits, such as a tidal wave. It gets people and resources to the most difficult, dangerous places in the world where people need medical care desperately. Its management can be outstanding, even when there's no single heroic leader.

In the private sector, most people accept that there are different kinds of leaders for different sizes of businesses. Allen Sabourin is a Silicon Valley executive search consultant who works with organizations of all sizes. He once told me that he divides business leaders into three categories: starters, builders and runners.

The starters are entrepreneurs: great at bucking the status quo to get things off the ground, but dysfunctional once the organization gets critical mass. "Founder syndrome" is a term used in both for-profit and non-profit sectors to describe this problem.

Builders are more analytical and scale organizations, but get bored when growth slows. Runners manage the host of relationships required to keep large organizations on the road. Because they listen to lots of different people, they are good at managing risk.

Each kind of leadership is different, yet appropriate for different kinds of organization. Builders and runners have to be good at management.

In the social sector, we've become so excited about social entrepreneurs, that I fear we're missing the importance of good management.

We can run kid ourselves, too. People in power in the sector tend to think that they are good leaders, but will happily admit that they are not good managers. I will share with you that I have started a number of organizations – and it is a number as some of them failed, but I am not good at managing my time.

It's a bit like asking men if they think that they are a better-than-average driver. According to one article I read, 95% of men think that they are a better-than-average driver, yet any insurance company will tell you that women have much better driving records than men. I think I am a better-than-average driver. However, my sister, who has been driving as long as I have, has had fewer prangs and tickets.

Some leaders have even told me that their organizations are "strongly led and under managed". They happily define their role as the heroic social entrepreneur: setting the vision and leading the followers. But as organizations scale, the heroes are those on the front line. The leaders must manage to support them.

It's turning hierarchy around. Leaders are clearly at the top of the tree. Managers are not, which is why they sound less sexy. They are accountable to those on the front line.

Scaling organization that is "strongly led and under managed" is probably just badly led, and may not scale at all. Leaders of scaling organizations have to do not just the fun parts, but the hard parts of leadership too – management. No pain, no gain.

I'll give you a story from the private sector. A large, successful company that I know appointed a new CEO who initially had a good start, but then fell from grace. The share price collapsed, only to be restored by his successor after his ouster. A Vice President confided "the CEO went all visionary on us, talking inspiration and changing the world, while telling the stock market that the profit would be in the second half, sorry fourth quarter, sorry next year … he would never have accepted that from us."

If we don't take management seriously, it runs the risk of being devalued to the degree that administration has become. Once upon a time "administration" was taken very seriously. MBA stands for Master of Business Administration. One of the top schools in France is called the National School of Administration. Yet today ‘admin’ often precedes ‘assistant’. A chief executive of a 200-person company I know was talking to me recently about hiring a “Chief Administrative Officer”. When I asked him what decisions this person would make, he could think of none – the person would help him make decisions.

So let’s hear it for managers who do the hard work of leadership in scaling organizations by making decisions that support their hard working colleagues.

And there are some intermediaries that are working on this issue, too. Bridgespan in the US searches for executives, and has resources on the web for critical managers such as chief operating officers.

Managers need good measures, so the second big challenge for nonprofits, after management is measures that work.

But measures are a challenge in the third sector. There is usually a range of different measures; some are hard to interpret; many are not used; and there is often an unanswered question: are we having the impact we intend?

The vexed question of measures has motivated a series of restless investigations. Governments commissioning nonprofits to perform public services want to know how to hold them accountable.

Foundations, particularly philanthropic investors, want to know if they are making a difference. The Children’s Investment Fund Foundation based in London has a team devoted to impact measurement.

NGOs want to know where to put scarce resources. Oxfam UK has recently brought together all of its experts in measurement and evaluation to improve and get more from all the work it does to understand the effect of its work.

And everyone wants innovation, which is tricky to measure in any sector.

A range of intermediaries, tools, and approaches have arisen in recent years. New Philanthropy Capital was founded to bring to charity analysis the rigor of analysis used by investment bankers to understand public companies. The head of NPC, Martin Brookes, formerly an economist with Goldman Sachs, has now created another charity, Pro Bono Economics, to bring economic analysis to the sector.

Social Return on Investment or “SROI” is an approach to understanding impact. The SROI Network creates tools for anyone that wants to use the approach, and helps people understand how it compares to other tools, such as the cost-benefit analyses that governments use.

The search for the holy grail of the perfect answer often gets in the way using measures that help decisions. To quote Mark Twain: “People commonly use statistics like a drunk uses a lamp post: for support rather than illumination.”

The truth is that different tools serve different purposes, and they often conflict.

Consider the measurement of long-term impact. How many people know Sesame Street?

How many know that it is produced by a nonprofit?

Sesame Street is the creation of an educational charity called Sesame Workshop. Sesame Workshop has studied the effect of Sesame Street on children for decades. What they have found is that watching Sesame Street can help pre-school kids learn to read, learn to count, and above all, learn to learn. Children that watch Sesame Street begin school with a head start that stays with them way into their school years. The advantage is particularly strong for disadvantaged families.

Think of a single parent, struggling to bring up a child alone, while holding down a job, too. One of the best things they can do with that child is to sit down and watch Sesame Street.

The good news is that Sesame Workshop has a detailed and robust understanding of its impact. This understanding has allowed it to develop Sesame Street over decades, to raise money, and to take it around the world. There are 19 different local version of Sesame Street, including Takalani Sesame in South Africa with muppets speaking each of the 11 official languages, and Kami, an HIV-positive muppet.

The bad news is that this research is very expensive and moves slowly. And it's not suitable for many management decisions.

For that consider the story of Habitat For Humanity International. Habitat used to count the number of houses it built. The model was simple, and consistent with the Australian dream: a small, detached house on some land owned by the family. Since its foundation in 1976 it has built more than 300,000 houses, providing more than 1.5 million people in more than 3,000 communities around the world with safe, decent and affordable shelter.

The problem with the measure is that it did not work well everywhere. It can be hard to prove title in Angola. In Bombay, for example, it did not make sense to build new homes where land was scarce, but smarter to renovate old buildings, perhaps with water NGOs, who could ensure clean water and effective sanitation.

Habitat For Humanity International changed its measure from “houses built” to “families served”. While some might argue that this is less precise, it unleashed a wave of innovation throughout the network to house yet more families. And it raised good questions back in the US where there is now an oversupply of housing.

There are big differences between Sesame Workshop's longitudinal studies, Habitat For Humanity International counting families served, and an analysis of Social Return on Investment. Each shines a different light on the question. None provides “the answer”, which is why measurement in this sector is a major challenge.

We've talked about management and measures. The other three challenges are money, money and money. To be more precise, raising money, raising money for investment, and finding investors with money, rather than donors.

So why is raising money hard?

For a start, none of us like to ask for money. Chief executives like to delegate fundraising to fundraising staff or hope that the board will deliver. Board members say that they are there for “governance”, and that they do not like the “American” idea of “give, get, or get off”. And the staff says that members check their brains at the door.

But asking for money is critical. For a start, many surveys have shown that a major reason people do not give to charity is that nobody asked. So someone has to ask. The best nonprofits I've seen do this as a team.

Successful nonprofit CEOs spend an inordinate amount of their time fundraising, or working with funders in one way or another – 75% in some US studies. In contrast, studies of for-profit CEOs suggest that they spent about two-thirds of their time managing their teams.

Boards also play a critical role in fundraising. Bishop Bill Swing, the founder of the United Religions Initiative said that he wanted each of his board members to bring their unique blend of time, talent and treasure. The San Francisco Opera articulated the same thought slightly differently: they ask for a blend of work, wealth and wisdom. Whichever way you put it, each board member can play a role, however small.

Staff, too can play a role, even if they do not directly ask, as they talk about what they do with their friends. Give your organization's mission 'the pub test'!

Imagine you are in a pub with an old friend, who is curious about your nonprofit. The friend remarks that you used to be an investment banker and could have been entered parliament. Instead you chose to spend some time with this NGO. Why?

Can you state your organization's mission statement, in a sentence or two, with pride? Does the friend then engage with more questions, or go glassy-eyed and change the topic?

Organizations with missions that pass the pub test can raise money as it is easy to explain what they do, and everyone on the team can get the word out.

So if the first money challenge is asking for it, the second is asking for money for investment. This is particularly hard, as people like to give to charity to pay for current programs, not for investment for the future.

The problem is that what we call "investment for the future" is often described by accountants as "overhead". In the for-profit sector, "overhead" is seen as a cost of doing business. In the nonprofit sector "overhead" is often regarded as an evil to be minimized. But that makes it fund the very investments that enable growth, such as training and people development.

In a recent article in the Stanford Social Innovation Review, Don Howard and Ann Goggins Gregory dubbed this as "The Nonprofit Starvation Cycle". They noted that the average rate of overhead across a range of for-profit industries was about 25%. For service industries, which are more akin to many nonprofits, the average was higher. The nonprofits they studied had actual overhead rates that were not too shabby in comparison: ranging from 17% to 35%.

However, the same nonprofits reported overhead in the range 13% to 22%. They pretend that their overhead is lower. Moreover, rather than looking to increase investment for growth, 56% of managers reported that they planned to cut overheads.

On the website of Save the Children, is the following claim: "How We Use Our Funds – 92% on Program Services". The other 8% is divided into 4% each for fundraising and management. Can they really be spending only 4% on management?

One reason why people inside and outside the sector are unhealthily absorbed by nonprofit overheads is that it is one of the few numbers that people can understand. The first time I served on a nonprofit board, I made this exact mistake. I'd run companies and served on for-profit boards, but was not clear quite how to analyze the nonprofit accounts now in front of me. Overhead, though, was one number I could grasp.

Nonprofit accounting can be daunting at best, and wildly misleading to the uninitiated. Funds received for investment can look like revenue. Cash is not liquid. Profits do not drop to the bottom line, and are not available for reinvestment.

Clara Miller of Nonprofit Finance Fund in NY wrote a super piece in Nonprofit Quarterly some years ago on “The Looking Glass World of Nonprofit Money”. Her organization now helps nonprofits in the USA raise money by addressing these issues head on, and then packaging up the information as if it were an IPO offer document. They help nonprofits raise money like an investment bank would help a company.

And they are clear when money will be invested into capacity, or overhead.

You might ask which donors they approach, and I’d suggest that they approach philanthropic investors rather than donors.

This brings us onto the fifth challenge, investors with money. It’s challenging for nonprofits to find philanthropic investors, rather then just donors. It’s challenging for donors to make the shift to investors.

What is the difference?

When we give to charity, most of us are donors. Giving to charity means backing good causes, supporting communities, helping friends, meeting commitments and keeping traditions. It is safe and it feels good.

Philanthropic investors, or venture philanthropists, on the other hand, address root causes. They support outcomes not outputs, which upsets the status quo. Success requires deep understanding of goals and of grantees and, usually, a long-term commitment. It’s risky – the effort may fail – and uncomfortable. It needs scale and skill and measurement of results.

Luckily, there are some courageous philanthropists who have made the shift from donor to investor. They have moved from a world where everyone laughs at their jokes to one where they might even get bad press. And they might be able to make a big difference.

Mike Milken was a successful investment banker in the 1980s who went to prison for a series of violations. On release, he was barred from the securities business for life, but still had some of the money he had made. He went for a routine medical, and his doctor gave him the bad news that he had prostate cancer. His outlook was not good.

Milken focused his fortune and energy on finding a cure. Researchers in the field were delighted at the new money available for research, but nonplussed by Mike’s insistence that they share results quickly. This went against the grain of academic research where results get published slowly in peer-reviewed journals. Mike’s energy (and money) pushed through changes, and survival rates improved faster than for many other cancers. And Mike himself is still alive.

The Edna McConnell Clark Foundation in NY has a portfolio worth about a $1B that came from the fortune of “Avon calling”. It grants about $35M-$40M each year, making it large, but not in the league of Rockefeller or Gates.

Some years ago Clark decided to focus its efforts in one area: youth development. It then focused on the organizations required to deliver good programs: instead of giving money for programs only, and not overhead, it gave unrestricted grants. Over time Clark has focused on fewer, larger, more successful nonprofits with large, multi-year commitments in partnership with other foundations.

Recently it helped construct a $43M growth fund with other philanthropists for Nurse Family Partnership. Nurse Family Partnership is a super organization that can show great results. It started off as a program inside the University of Colorado to allocate a nurse to first-time single mothers, before the baby was born, and for two years after. The University studied the effects of the program for decades, and found that not only did it help the health of the baby, but it also helped the health of the mother. Mothers were less likely to smoke, for example.

Tracking the results over a long time, they found that when the babies grew up they were less likely to drop out of school early, less likely to get into trouble with the police, and less likely to become teenage parents themselves.

It is a super program, and one that fits well with the goals of the Edna McConnell Clark Foundation. It needs a strong, scale organization to implement it. And it is expensive. Which is why the commitment from Clark to invest, and to help raise more money, has proven so critical.

This year I've been privileged to work with the Open Society Institute on its Soros Economic Development Fund. SEDF invests in countries in a window of transition into democracy. But leading other investors, they kick-start investments where others fear to tread, and can help the process to create lots of jobs where they are needed. Other investors are often nervous of new democracies and therefore mis-price risk. As a result SEDF has not only helped drive job creation in eastern Europe and South Africa, it has also generated some respectable returns, too.

In South Africa, SEDF invested in NURCHA, a nonprofit lends to small builders. NURCHA has financed the building of 250,000 homes for something like a million people. And it has put lots of new enterprises into business, creating lots of jobs. SEDF has invested creatively, and brought other investors in, too, such as OPIC.

There are other examples, too. New Profit and Gates in the USA invests in capacity building in the sector, as does Impetus Trust in the UK. And here you have Social Ventures Australia.

Australia has a good tradition of philanthropy. Lester Salomon of Johns Hopkins University in the USA has measured philanthropic giving across a range of countries, and if expressed as a percentage of GDP, Australians give more than the French, Germans and Japanese, although less than the British, the Americans or the Israelis, who are the most generous in the world by this measure. Like the US, the US, Japan and Germany, Australian nonprofits get their funding from a mix of fees, government and philanthropy.

So I hope that some of these stories from around the world are useful to you here in Australia. And while I am here, I hope to learn things I can take back to the rest of the world. Australia has a proud tradition of innovation. Victoria was the first place in the world to make seat belts compulsory.

Students of American politics remember that the "Australian" ballot made voting more secret when it was introduced across the US a century ago. The innovation was that the government would print the ballot paper, so that nobody would know how someone voted, and to stop parties printing ballot papers, or "tickets" so that voters would vote "the ticket" or the party line. When Australia started it in the 1850s, the UK was still counting votes by show of hands. This Australian innovation has gone around the world.

I'd love to know what Australia is doing now from which the rest of the world can learn!

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