

Giving Circles in the UK & Ireland

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Overview

- ❖ Definition of a giving circle
- ❖ Previous relevant studies and existing literature
- ❖ Purpose and rationale for this study
- ❖ Methodology
- ❖ Key findings
- ❖ Conclusions and further study plans

Definition of a Giving Circle

- ❖ It is made up of individuals
- ❖ Members donate money and/or time
- ❖ Members can have a say in how funding is spent
- ❖ Funding is given to multiple organisations or projects



Context

- ❖ Rutnik & Bearman (2004). First study of giving circles: focused solely on US, identified 220 circles – total giving \$23m, format helps “*grow dollars and donors*”
- ❖ Bearman (2006) update of 2004 study, identified >400 circles, total giving nearly \$65m
- ❖ Eikenberry (2009) and Eikenberry & Bearman (2009) focused on format and structure of circles as well as donor motivation and benefits for participants and democratic governance
- ❖ John, Tan & Ito (2013) reported on innovation in Asian Philanthropy featured several giving circles in Asia
- ❖ Kelso-Robb (2009) did a case study of one giving circle in Belfast
- ❖ Our UK & Ireland study aims to ‘catch up’ by mapping the landscape and exploring structure, motivations, benefits and challenges of giving circles

Purpose of Study

- ❖ Examine the landscape of giving circles in this region by addressing the following research question:
 - ❖ What does the landscape of giving circles look like in the UK and Ireland?
 - ❖ How does it compare to the US?
 - ❖ What are issues and implications for philanthropy?

Why Study UK & Ireland Giving Circles?

- ❖ Growing global interest in philanthropy in a time of public spending cuts
- ❖ Individualistic model of philanthropy dominates – collective giving is acknowledged but rarely studied
- ❖ Policy context in the UK of ‘Big Society’ – promoting voluntary action and smaller government
- ❖ Cultural context in UK – ‘taboo’ on discussing giving
- ❖ Contribution to comparative studies re research on US and other location’s giving circles

How Did We Conduct the Study?

- ❖ Desk research of publicly-accessible documents
- ❖ Brief email questionnaire sent to UK & Ireland philanthropic professionals to identify circles
- ❖ Creation of a database of UK & Ireland giving circles
- ❖ 29 interviews with donors/participants and with staff involved in hosting circles—all over the UK and Ireland, with various types of groups
- ❖ Observations of giving circles in action
- ❖ Documents, transcriptions and notes analyzed using MAX-QDA

Some Key Findings

- ❖ A variety of different **structures** and **decision-making processes**; many aspects are unique to the UK & Ireland as compared to the US
- ❖ There are a number of **reasons for forming and joining** giving circles; these are largely similar to the US but there are a couple of differences
- ❖ Giving circles create an array of **benefits and challenges** for both members and beneficiaries; some of these are similar to the US, some differ

Structure of UK giving circles

Types	# ID	Structure	Decision-Making	Defining Characteristics	Examples
Mentored	29	Centralised network with small sub-groups	Members select one organisation each year	YPs mentored through process; matching funds	The Bread Tin; Young Philanthropy (now BeyondMe)
Live Crowd Funding	16	Centralised network, some independent groups	Members nominate, committee selects several organisations	Live crowd funding; individuals decide on level of support	The Funding Network
Hosted	16	Group within host organisation (community foundation or charity)	Staff recommends or selects; orgs or projects funded	Funding mechanism for host; staff-driven	BRC Tiffany Circle; Rosa Giving Circle of Suffolk
Independent	10	Groups with no affiliation; most small and informal	Members select several organisations or individuals each year; largely ad-hoc	Non-bureaucratic; member driven; strong volunteer chair	Kew; Eden; Give Inc.
Brokers	8	Independent networks of individuals, one with five subgroups	Central admin staff recommends or selects several organisations	“Matchmaking” between donors and beneficiaries	Giving What We Can; Engaging Experience Philanthropy Network
Hybrid	1	A combination of several elements of the above	Members select following various decision processes	A combination of several elements of the above	Network for Social Change

Young Philanthropy (Mentored)



15 Professionals
£x/month each

+



Matched by a Senior
Leader, Philanthropist
and/or Employer

+



HM Revenue
& Customs

Tax break on
donations

=



Maximising:
✓ Giving
✓ Impact
✓ Experience

The Funding Network (Live Crowd Funding)

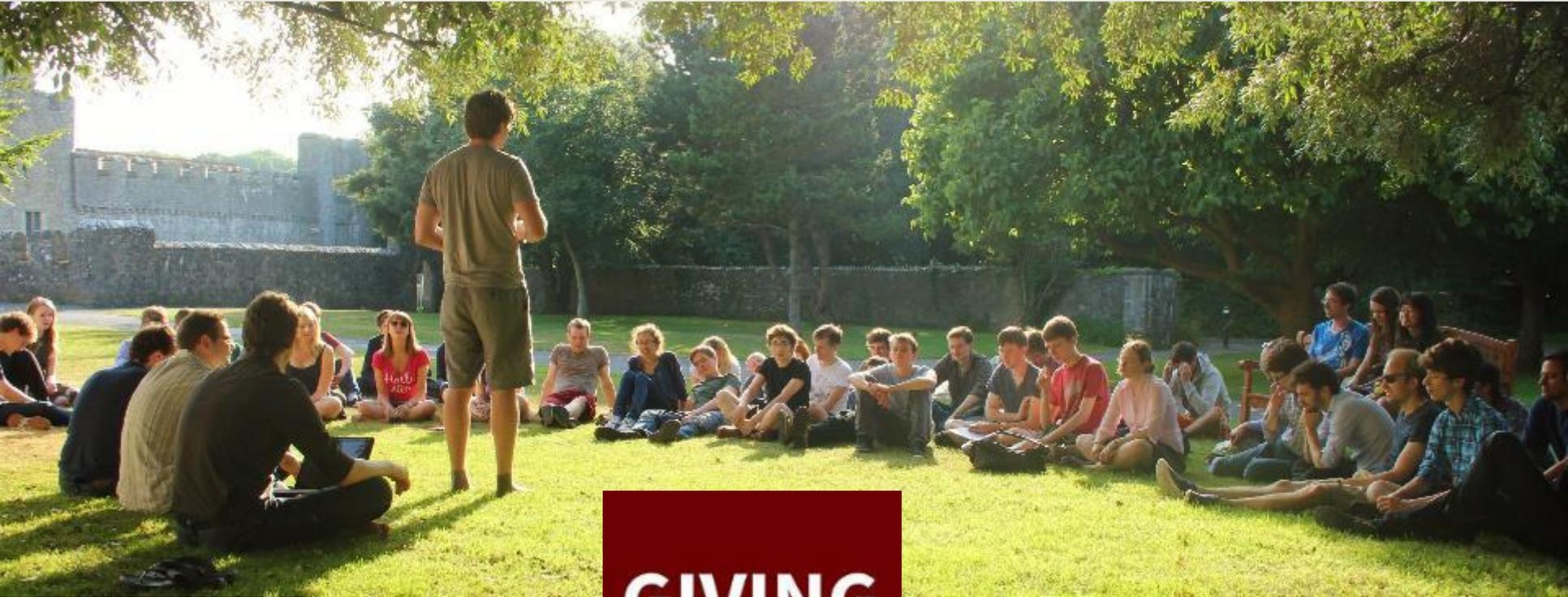


Rosa GC of Suffolk & Give Inc.

(Hosted & Independent)



Giving What We Can (Broker)



GIVING
what we can

Decision-Making Processes

- ❖ Decision-making processes are related to structure:

- ❖ Independent groups are the most informal

- “[It] was somebody I sail with; his wife has set up a very progressive charity to provide respite care for children in the summer time and I think I suggested, well, give them £500 or £600 would be great. And everybody said, ‘Oh, that’s fantastic work. We’ll give £1,000.’ So it’s a bit arbitrary.”

- ❖ Mentored & live crowd funding groups are more formal

- “The sponsor stands up and speaks for two minutes, answers questions for a minute, more detail is circulated beforehand. Then we go round the room and raise our hands and say “I’ll give £100” or “I’ll give £200.” That gets totted up instantly and the funds would go out to the organisation within probably 3 weeks.”

Decision-Making (cont.)

- ❖ A long-established, hybrid giving circle has the most formal decision-making process:

“At the end of September when we meet at conference the pools will look at all the proposals that have come into their pool –it might be 8 or 10 or 12...They spend October and November going out and meeting the projects, reading through all the documents and deciding whether they’re viable, whether they’re realistic and whether they fit the values that we want to see promoted. They meet in December and decide which ones are worth putting forward to the membership as a whole, then at February conference they each pitch for funds and based on what funding is offered to each of them decide how to allocate the funds within the projects that they’ve chosen.”

- ❖ Generally informal due-diligence and follow up for all types of groups – **Trust** is a key theme

“...and so what if somebody got 300 Euro and they really only needed 250? So what...we’re really drummed into accountability and checking and what’s the criteria? I spend my life thinking about what’s the criteria to give money out. And we do have kind of loose criteria, but that was very – I just felt very free from that conversation.” – Independent 3

Reasons for Forming and Joining Giving Circles

- ❖ Develop philanthropy:
 - ❖ Make giving meaningful and more personal
 - ❖ **Normalize giving***
 - ❖ Make giving more effective
 - ❖ Most impact on the beneficiary
 - ❖ Giving to charities that do the most good or have the greatest impact for the least amount of money
 - ❖ Encourage and cultivate new donors
 - ❖ Increase, leverage or expand giving
- ❖ **To achieve social change***
- ❖ Network, socialize or create community
- ❖ Support host organizations

So it's really creating a movement where altruism as it is being called is something that isn't weird to do.
– Broker 1b.

Benefits/Impact and Challenges

- ❖ Benefits/Impact:
 - ❖ Learning
 - ❖ Increase or expansion in giving
 - ❖ Empowerment and **solidarity***
 - ❖ Funding for beneficiaries and hosts
 - ❖ Exposure to new networks and ways to be involved

....And we said that we're here for you. And for her she said just to feel that there's a group of women in solidarity is a huge thing.
--Independent 3.

Benefits/Impact and Challenges (cont.)

- ❖ Challenges:
 - ❖ **Tension between host and GC***
 - ❖ Recruitment
 - ❖ Administering and sustaining the group
 - ❖ Internal group dynamics
 - ❖ Funding beneficiaries
 - ❖ **Keeping things informal***
 - ❖ Time commitment for beneficiaries

It is not uncommon where we've had various kinds of fundraising funds, or thematic funds, or collective funds, for there at some point to be some kind of falling out argument about who's in control – Hosted 4.

Issues/Implications for UK & Ireland

- ❖ Giving circles indicative of changes in philanthropy and broader economic transitions in the UK and Ireland
 - ❖ Make philanthropy more visible (but retain individual anonymity)
 - ❖ Keep more charity 'at home'
 - ❖ Impact of downturn in the economy
 - ❖ Rise of post-materialist values

Remaining Questions

- ❖ Unlike the US, the majority of giving circles in the UK seem to be connected to a centrally-organised charitable organisation with dedicated professional staff – mentoring groups and live crowd funding groups in particular tend to be such. What explains this?
- ❖ Is it possible for the organised philanthropic sector to enable giving circles to operate informally? Can giving circles ‘fit’ in this organised environment without losing their appeal?
- ❖ UK and Ireland giving circles seem to be based a good deal on trust and personalised due diligence than seems more typical of US. What explains this?

Next Phase of Research (Fulbright Award)

- ❖ What is the impact of different types/models of giving circles on participants?
 - ❖ Has participation changed participants' behavior related to giving, volunteering, and civic engagement?
 - ❖ Has participation changed participants' knowledge or awareness about philanthropy, charities, and community issues?
- ❖ What is the impact of giving circles on beneficiaries?*
- ❖ What has been the experience of beneficiaries working with giving circles?
- ❖ How does support from giving circles compare to other types of support/fundraising?
- ❖ In what ways has receiving support from giving circles and their participants changed the capacity of beneficiaries if at all?
- ❖ Methods
 - ❖ Survey with members/participants and interviews with beneficiaries (cross-sectional)
 - ❖ Survey and interviews with members/participants and beneficiaries (longitudinal)

Early Findings

Preliminary Survey of The Bread Tin Members

- ❖ The most cited reason for joining was related to **being with like-minded people**
- ❖ The greatest impact of the group on philanthropic and civic behaviors was on **total amount contributed each year**. Most also said the group has substantially or slightly increased:
 - ❖ total number of organizations supported each year,
 - ❖ participation in efforts to address problems in the community, and
 - ❖ the degree to which they plan and budget for giving.
- ❖ Most also said there was no impact on **amount of time volunteering** each year or **involvement in changing government policies** at the local, national or international levels.
- ❖ The aspect of the group with the biggest impact on giving was **discussing charities or projects**, followed by learning about or meeting new charities, and hearing about the impact of funding from the charity/beneficiary.

