

Kent Academic Repository

Full text document (pdf)

Citation for published version

Eikenberry, A.M. and Breeze, Beth (2015) Growing philanthropy through collaboration: The landscape of giving circles in the United Kingdom and Ireland. *Voluntary Sector Review*, 6 (1). pp. 41-59. ISSN 2040-8056.

DOI

<https://doi.org/10.1332/204080515X14241771107299>

Link to record in KAR

<http://kar.kent.ac.uk/52360/>

Document Version

Author's Accepted Manuscript

Copyright & reuse

Content in the Kent Academic Repository is made available for research purposes. Unless otherwise stated all content is protected by copyright and in the absence of an open licence (eg Creative Commons), permissions for further reuse of content should be sought from the publisher, author or other copyright holder.

Versions of research

The version in the Kent Academic Repository may differ from the final published version.

Users are advised to check <http://kar.kent.ac.uk> for the status of the paper. **Users should always cite the published version of record.**

Enquiries

For any further enquiries regarding the licence status of this document, please contact:

researchsupport@kent.ac.uk

If you believe this document infringes copyright then please contact the KAR admin team with the take-down information provided at <http://kar.kent.ac.uk/contact.html>

research

Growing philanthropy through collaboration: the landscape of giving circles in the United Kingdom and Ireland

Angela M. Eikenberry, University of Nebraska at Omaha, USA
aeikenberry@unomaha.edu

Beth Breeze, University of Kent, Canterbury, UK
B.Breeze@kent.ac.uk

Recent efforts to grow philanthropy in the United Kingdom (UK) and Ireland have focused on increasing the number of donors and size of donations, rather than on developing new methods of giving, despite this latter approach sharing the same objective. This article explores the rise of one such new vehicle – giving circles – defined as groups of individuals who donate money and/or time and have a say in the distribution of these resources. Scholarship on giving circles has largely focused on the United States (US), yet they are found increasingly in other parts of the world. This article focuses on how giving circles in the UK and Ireland are structured and administered; how and why they are formed; their key activities; typical characteristics of members; and why people join. It concludes by noting distinctive characteristics of giving circles in the UK and Ireland and setting out a future programme to further understanding in this area.

Key words philanthropy • charitable giving • giving circles • collaborative giving

Introduction

One was the UK Giving Campaign, launched in July 2001 with the goals of encouraging a culture of giving and increasing the number of donors and amount donated. The UK Giving Campaign launched in July 2001 with the goals of encouraging a culture of giving and increasing the number of donors and amount donated. It ended in 2004 with a call to double giving over the following decade (Sargeant and Breeze, 2004). This was followed by the Philanthropy Review in 2010–11, which had the aim of identifying, gathering evidence and advocating for practical actions to build a stronger culture of philanthropy in the UK (The Philanthropy Review, 2011). Developing from this review, the Give More campaign began in 2012 as a nationwide year-long campaign to inspire people to make a public commitment to give more money or time to the causes they care about (Walker, 2014). Simultaneously, the National Giving Campaign in Ireland was launched in 2012 (Philanthropy Ireland, 2012) and rebranded as ‘The One Percent Difference Campaign’ a year later, to encourage people to give either 1% of their time or money to a cause.

While the negative impact of external events on these campaigns, notably the global financial crisis that began in 2007, has been explored (see, for example, CAF, 2009; Mohan and Wilding, 2009; Wilding, 2010), less attention has been paid to the emergence of new methods of giving that might positively affect the goals of growing philanthropy. Since the year 2000:

- new methods of giving have emerged as a result of developments in information technology and social media, enabling online donation platforms, viral fundraising campaigns and crowdfunding;
- advances in online money transfers and global communications have enabled micro lending;
- efforts to find new ways to organise charitable giving have led to the creation of giving circles.

This article focuses on the last of these three developments, the emergence of giving circles: groups of donors who collaborate to support individuals, charitable organisations or projects of mutual interest. Members often conduct collective research on potential beneficiaries and make joint or coordinated decisions about the use of resources. These groups typically include a meaningful degree of social interaction over the use of resources and mechanisms for joint or coordinated decision making in the allocation of these resources (Eikenberry, 2009).

While a growing body of research has mapped the landscape of giving circles and tried to understand their impact on philanthropy and civic engagement (Rutnik and Bearman, 2005; Beeson, 2006; Eikenberry, 2006, 2008, 2009, 2010; Bearman, 2007a, 2007b; Ostrander, 2007; Ho, 2008; Strotz and Bigelow, 2008; Eikenberry and Bearman, 2009; Moody, 2009; Rockefeller Philanthropy Advisors, 2009; Shaw-Hardy, 2009; Thiele et al, 2011; Witte, 2012; John et al, 2013; Ray, 2013), the extant literature is largely focused on the US experience and has not so far included the UK or Ireland, except for a case study of one giving circle in Northern Ireland (Kelso-Robb, 2009). The cultural context for philanthropy in the UK, in which social norms commonly preclude overt public discussions of wealth and generosity (Wright, 2001; Lloyd, 2004), might suggest infertile soil for the giving circle format. Yet, recent research with high net worth donors indicates that collaborative giving may be more common among UK philanthropists than previously suspected. A study of 82 individuals and couples with an average net worth of £10 million found that almost half (44%) had given with others in the previous decade (Breeze and Lloyd, 2013: 123). The purpose of the present research was therefore to examine to what extent giving circles are evident in the UK and Ireland. In addition to estimating how many giving circles exist, we sought to answer the following five research questions (RQs):

- RQ1: How are these giving circles structured and administered?
- RQ2: How and why are giving circles formed?
- RQ3: What activities do members undertake?
- RQ4: What are the typical characteristics of members?
- RQ5: Why do people join giving circles?

To answer these questions, we drew on data from unobtrusive measures including websites, news articles and documentation; 27 interviews with members/participants¹ and staff of giving circles; and observations of giving circle events.

Literature review

It has been 10 years since the first national survey of giving circles was undertaken in the US (Rutnik and Bearman, 2005). This original study identified 220 giving circles and found that among a sample of 77 giving circles, they collectively included more than 5,300 members/participants who had given approximately \$23 million in grants. In 2006, Bearman (2007b) identified 400 groups in total in the US and among a sample of 145, they granted nearly \$65 million and engaged more than 11,700 donors. More than half of the groups in the sample were women-only groups. In addition, a report by Rockefeller Philanthropy Advisors (2009) found more than 30 race- or ethnicity/identity-based giving circles in the US.

Eikenberry's (2009) study of giving circles, drawing on interviews with members, staff and philanthropic professionals, identified both variety and similarities among US giving circles. Differences included emphases on engagement, on ease of dropping in and out and organisational structure. The similarities included all groups reflecting a desire on the part of founders and members to 'give back' or 'do something' in their own way that will 'make a difference'. One of the most often-cited reasons members stated for participating in giving circles was the chance to become more engaged in the giving process. Other reasons included participants' desire to feel like they were part of a larger effort or community, and to learn more about non-profit organisations or issues in the community. Women especially cited the attraction of giving circles as a tool for individual empowerment as well as for 'being social while doing good'. Many members were also attracted to the safety and anonymity the giving circle provides – they saw the giving circle as providing a place to ask questions and learn the 'ins and outs' of grant making. Some expressed the importance of the spiritual aspect of participating in the giving circle. Finally, many members described the importance of the fun and social aspects of the group as reasons for joining and staying in their giving circle.

In the US, giving circles seem to share an ethos of anti-big, anti-bureaucratic and anti-impersonality, favouring experience over expertise while reaffirming the traditions of community, neighbourhood, spiritual values and self-reliance (Eikenberry, 2010). In addition, social learning takes place in giving circles through instruction, reinforcement and modelling (Eikenberry, 2009; Moody, 2009). Many groups in the US emphasise formal donor education as well (Bearman, 2007b; Eikenberry, 2009; Moody, 2009).

Eikenberry and Bearman found (2009) that participating in giving circles seems to influence members to give more overall, give more strategically and give in different issue areas than is typical for donors who are not giving as part of a circle. They also increase members' knowledge about philanthropy, non-profit organisations and the community, resulting in giving circle members being more highly engaged in the community (see also Moody, 2009).

These aspects of giving circles make them attractive for promoting philanthropy among community foundations and other host organisations. According to a survey of 160 giving circles in the US (Bearman, 2007a), most (68%) had a host organisation, many of which provided a basic level of service such as acting as a fiscal agent and

sometimes providing administrative support to a typically volunteer-led group. Community foundations made up just over half (52%) of hosts. Other hosts included public foundations, associations of grant makers, non-profit organisations, hospitals, universities and schools. In a survey of 39 host organisations, Bearman (2007a) found that more than half indicated spending fewer than five hours per week administering their giving circles, most as a fiscal agent. However, some hosts spent up to 40 hours each week, and occasionally even more, on circle administration during busy times.

The research noted above focused nearly exclusively on the US, yet growing numbers of giving circles have been created in places such as various countries in Asia, Australia, Canada, South Africa, the UK and Ireland. The need for research in Ireland and the UK is all the more important due to the current political environment where governments are increasingly looking for ways to cut spending within a climate of public sector austerity (Slay and Penny, 2013). The subsequent hopes for increased philanthropic contributions are taking place in a cultural context that is not as amenable as, for example, in the US, which has long viewed itself as the most philanthropic of nations and where being a philanthropist is an aspirational identity (Zunz, 2011). As Wright (2001: 400) noted at the turn of the millennium:

[Philanthropy] has enjoyed a very recent renewal of interest [but] ... for many in Britain it still carries disparaging connotations of Victorian 'do-gooderism' and is often seen as elitist, patronizing, morally judgmental, and ineffective, as well as old-fashioned and out-of-date.... It is perceived as an idea whose time came, was proved unworkable, and went—to be replaced by a universal, fair, and more efficient welfare-state.

For this reason, people do not tend to tout their wealth or their philanthropy in public, which creates a quite different context – and potential challenges – for collaborative giving. Examining the emergence of giving circles in the UK and Ireland can also help to further understand the role that philanthropy can and might play in the provision of public goods and services, which is increasingly being opened up to providers outside of the public sector, for example as part of the UK government's 'Big Society' initiative (Alcock, 2010; Pharoah, 2011).

Finally, community foundations and other philanthropic institutions in the UK and Ireland appear to increasingly devote staff and resources to start and support giving circles, with the assumption that these groups will improve and increase giving and its impact (Breeze, 2014: 36). Evidence suggests that this may be the case for giving circles in the US (Eikenberry and Bearman, 2009), but it is unclear as to whether the same is true in the UK and Ireland. For this reason, and the preceding reasons derived from the literature review, our research questions sought to map out the landscape of giving circles in the UK and Ireland.

Methodology

This study relied on several qualitative methods. To identify giving circles and select an interview sample, we conducted the following process:

1. We gathered information from publicly accessible documents such as websites, news articles and other documentation about giving circles in the UK and Ireland.

This information was used to create a database of key characteristics about these groups, similar to that carried out to create a giving circle database in the US (Eikenberry, 2009).

2. We sent a brief email questionnaire to philanthropic professionals in the UK to gather further information about existing groups (and messages were also sent to the Voluntary Sector Studies Network Listserv and Community Foundation Network). Information from responses was added to the database.
3. We selected a sample of giving circles for interview that included a range of characteristics based on size, structure, geographic location and demographic make-up.

We used the following definition of a giving circle, building on research carried out in the US but also allowing for a broader net to be cast to account for the UK and Ireland context, to select organisations to include in the database:

- It is made up of individuals.
- Members donate money and/or time.
- Members have a say in who is supported.
- Support is given to multiple organisations or projects.

We found in our inquiries that many groups do not necessarily label themselves as giving circles, but instead often refer to themselves as ‘giving groups’ or ‘philanthropic groups’ and sometimes as ‘networks’, ‘collaboratives’ or ‘syndicates’; thus, we also included these terms in our inquiries and searches.

This process resulted in the identification of 80 giving circles in the UK and Ireland. From this list of 80, we chose a purposely selected sample that represented a diversity of characteristics of the giving groups based on desk research. Key areas of consideration for selecting the sample included:

- apparent format of decision making;
- hosted or not hosted;
- location;
- membership size;
- demographic make-up.

Twenty-nine interviews were conducted in total between April and September 2013. The interview sample (see Table 1) included 39 people representing or associated with 50 (62.5% of the total) giving circles in the database and of varying types (described further in the ‘Findings’ section below). Some of the people interviewed were associated with more than one giving circle and six interviews included more than one person associated with a particular giving circle. Eighteen people interviewed were members/participants and the rest were staff associated with a giving group. All but two interviews were recorded, transcribed and coded. Two interviews were not included in the data analysis because the associated groups were deemed to be too far outside our definition of a giving circle to be included.

Both researchers (AE and BB) conducted interviews; four were conducted together and the rest separately. Interviews took place across the UK and Ireland, including with 18 located outside of London (in Scotland, Ireland and Northern Ireland).

We asked questions about how the giving circle got started, its operations, benefits and challenges, and how it fits into the larger philanthropic, social and economic environment. Observation at one giving circle event was also conducted, in May 2013, and one event was viewed through a video posted on YouTube. Other documents were included in the data analysis such as published reports, website information and news articles.

Table 1: Key characteristics of the interview sample

Type of group (total N = 80)	Number of interviews conducted	Number of groups represented (% of total identified)	Number of people in the interviews	Number of interviews outside the London area (% of interviews)
Broker	5	4	5	4
Live Crowd Funding	4	4	6	3
Hosted	7	7	11	4
Independent	6	5	10	5
Mentor	3	29	3	0
Hybrid	2	1	2	2
Other	2	0	2	0
Total	29	50 (62.5%)	39	18 (62%)

MAX QDA qualitative data analysis software was used to systematically organise, code and analyse the data. Analysis followed a strategy set out by Maxwell (2005), which involved an iterative process of contextualising and categorising strategies. This process included:

- reading transcripts and other documents completely through to get a sense of the whole;
- re-reading and coding segments; and
- re-coding and grouping codes into broad clusters of similar topics or nodes, primarily around the research questions although allowing for emergent topics.

These clusters were then iteratively re-coded into more specific and simplified nodes, creating ‘trees’ that were written up in the findings.

Findings

The research set out to understand the giving circle landscape in the UK and Ireland. This section presents the findings, which answer the five research questions as set out earlier in this article.

Finding 1: The structure of giving circles

Among the 80 giving circles identified in the UK and Ireland, well over half appear to be connected to a centrally organised charitable organisation with dedicated professional staff who help to administer groups. This is different from what research

has shown largely to be the case in the US, where giving circles (even if hosted) tend to be independent from one another or only loosely connected and have mostly minimal administrative support (Bearman, 2007a; Eikenberry, 2009). The following describe the six types of structures identified. A summary of the key features of the six types is presented in Table 2.

Mentored groups

The structure with the largest number of groups is what we call ‘mentored’ groups. These are networks of giving circles with a small number of members in each group, focused on mentoring young professionals to enable better educated, empowered and engaged philanthropists. We identified 29 of these groups, all operating in London and connected to two main organisations: BeyondMe (previously called Young Philanthropy) and The Bread Tin. Both of these networks pair younger givers with a more senior philanthropist and/or mentor who provides advice, insight and matched funding. These circles share some similarities with young leader groups in the US but with their combined focus on mentoring, match funding and education seem unique to the UK.

Live crowd funding groups

Also prevalent in the UK, and not seen in the US, are ‘live crowd funding’ (LCF) groups (16 identified), which use live crowd funding events to feature pre-selected charities, nominated and chosen by members through a selection process, that pitch projects to the audience who then make pledges in an auction-like session. The most well-known of this type of group is The Funding Network (TFN), whose intent is to bring donors together to support small charities addressing injustice and poverty and to create social change. TFN is headquartered in London, with paid staff who support at least 15 groups across the UK, often in partnership with regional bodies such as community foundations. TFN is replicating the model in countries such as Australia, Bulgaria, Canada, Romania and the US.

Hosted groups

We identified 16 giving circles run by host organisations, to support the host or to grow and promote giving for a specific cause area, such as women and children. In either scenario, funds are managed by the host and the host provides staff support to the giving circle. In some cases, the host recommends the particular projects or beneficiaries that receive funding. The hosts are typically charities or community foundations and for this reason tend to be more formal in their structures and funding decision-making processes. Especially with community foundation hosts, due diligence and accountability seem to be emphasised to a greater degree compared with other types of giving circles. An example is The Rosa Giving Circle for Suffolk, a group of 15 women who pool their money and then collaboratively fund charities serving women and girls in the Suffolk area. Each member commits to giving £500 per year for three years, 50% for grant making and 50% for building an endowment held at the local community foundation, which provides administrative support to the group and helps the group to identify potential funding opportunities.

Independent groups

We identified relatively few (10) independent giving circles that resemble a common type of giving circle in the US. These typically involve a small group of people who pool their resources and give money away to support charities and individuals; some even forgo tax benefits to keep the group's operations as simple as possible. The members tend to give relatively small amounts (usually around £500 or less per gift) and their process of decision making and due diligence tends to also be informal. An example of this type of giving circle is Give Inc. in Belfast. Members give £1 a day and meet four times a year to decide on funding. The group, with 27 members, typically funds individuals, mostly women in need and in areas where other funders do not provide support.

Brokers

Another structure rarely identified in the US literature is what we call 'brokers'. The eight groups of this type that we found play a collaborative giving role that may be outside the realm of the normal giving circle concept. These groups play a kind of 'matchmaking' or 'brokering' role in connecting people to charities. People do not pool their resources; however, they do collectively commit to supporting causes and the focus is on promoting more effective giving and/or making giving easier to integrate into everyday life. An example is Giving What We Can (GWWC), which asks members to pledge to give 10% of their income to recommended 'effective' charities working to end poverty around the world. To recruit and support members, GWWC encourages the formation of locally based community groups, which are run by volunteers and meet regularly to host talks and other events.

Hybrid group

Finally, we identified one hybrid giving circle, the Network for Social Change (NSC), which combines several elements of the other groups described above. It includes several 'strands' of funding, one that includes a process much like LCF groups and one that includes a more hands-on, year-long process similar to the mentored groups. It also has a third strand that is larger and longer term in scale, focused on major projects. NSC also includes a 'self-help group' element that relates to its roots as a group of people with inherited wealth who wished to talk and learn from one another about coping with such wealth and giving it away; however, today around 40% of the group are self-made.

Finding 2: How and why giving circles are formed

Many giving circles in the UK and Ireland started because someone heard about the idea and wanted to bring it to their location (hosted 2; independent 1a, 3)² or were encouraged/recruited to bring it to their location (LCF 3a, hosted 1a, broker 1a). TFN and the mentoring groups in particular have been assertive about expanding their models. Some groups were inspired by US giving circles (independent 1a, hosted 1a, 2). In many cases, however, a person seemed to just have the idea that they wanted to start a collaborative because they saw a need to be addressed or wanted to do

Table 2: Types of giving circles in the UK and Ireland and prevalent characteristics

Types	Number identified through desk research	Structure	Decision making	Defining characteristics	Examples
Mentored	29	Centralised network with small subgroups	Members select one organisation per year	Young professionals mentored through a process Matching funds	The Bread Tin BeyondMe (previously Young Philanthropy)
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 Cross Pollinate
Hosted	16	Group within host organisation (community foundation or charity)	Staff often recommends or selects organisations or projects funded	Funding mechanism for host	British Red Cross Tiffany Circle The Rosa Giving Circle for Suffolk
Independent	10	Groups with no host or other affiliation Most are small and informal	Members select several organisations or individuals per year Largely ad hoc	Non-bureaucratic Member driven Strong volunteer chair	Give Inc. Eden
Brokers	8	Independent networks of individuals One with subgroups	Central administrative staff recommend or select 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-making processes	A combination of several elements of the above	Network for Social Change

things differently (broker 1a, 2, hosted 3, 4, independent 2, hybrid 1a). Indeed, giving circles seem to be frequently framed as 'a new way to give'. Along these lines, one member of an LCF group noted: "[C]ertainly what drives me and probably some of the others is this is a new way of engaging people in philanthropy, helping people become informed and active givers" (LCF 2).

Some interviewees described giving circles as an alternative to fancy dinners and standard practices or 'reactive' giving (throwing money in a tin or sponsoring a friend), providing an opportunity to be more thoughtful and engaged, and in the case of the TFN LCF model, more open and transparent.

In general, the goals or focus of giving circles in the UK and Ireland appear to be foremost about *developing philanthropy*. When people described this focus, they most frequently discussed the desire and need to maximise the experience of giving, in particular making giving meaningful and more personal. This was mentioned in all types of giving circles, but especially in relation to the LCF groups. The next most frequent goals that came up in relation to developing philanthropy were to normalise giving and to make giving more effective. Normalising giving meant making giving routine; showing that it is something that can be done within a normal lifestyle (broker 1a, 2, 3). As one member of a broker subgroup noted: “So it’s really creating a movement where altruism – as it is being called – is something that isn’t weird to do” (broker 1b).

Effectiveness was defined differently by different groups: making the most impact on the beneficiary (independent 1a) or giving to charities that do the most good or have the greatest impact for the least amount of money (broker 1a, mentor 1a). To this end, one broker group in particular focuses on extensively researching charities and their effectiveness.

Another goal brought up by many groups included cultivating new donors and increasing, leveraging or expanding giving (hosted 1a, 4, broker 1a, mentor 1a), especially for particular areas such as women’s issues. Finally, in relation to developing philanthropy, there were the goals of:

- empowering members (mentor 1a, independent 3, hosted 1a);
- educating donors (broker 1a, mentor 1a);
- influencing or complementing corporate giving (mentor 1a);
- creating philanthropic collaborations (broker 4);
- producing philanthropists (mentor 2);
- promoting long-term giving (hosted 2);
- acting as a marketplace for philanthropy by engaging the ‘mass affluent’ (LCF 3a);
- helping small charities (LCF 3a, hosted 4);
- reducing the “fear” related to giving (LCF 3a, mentor 2).

Beyond developing philanthropy, three further goals or foci of giving circles in the UK and Ireland were identified:

- First, *social change* in its myriad forms was mentioned, including reducing poverty, bringing about social justice and economic redistribution, and bringing attention to women’s and environmental issues. This came up as a focus in all types of giving circles except among brokers.
- Second, *networking*, *socialising* or *creating a community* was also frequently brought up in all types of giving circles. Sometimes this aspect was the main impetus for the group, with an added link to philanthropy, as noted by one member of an independent giving circle: “There was a group of girls ... that really felt that the [programme] is coming to an end and this would be quite a good way of ... keeping the social link but also link into philanthropy” (independent 1a).
- Third, several giving circles were also created specifically to *support host organisations* – either to help raise funds for the host (hosted 2, 3) or to develop new relationships with future potential supporters (hosted 1a, 4, 5).

Finding 3: The key activities of giving circles

Giving circles in the UK and Ireland have three main areas of activity:

- giving money or time;
- making charitable decisions and conducting due diligence;
- educating members and organising events.

Giving money or time

The primary activity of giving circles is giving money – to charities or charity projects and in a few cases to individuals, especially women, in need (independent 1, 3, 5, hosted 5). At least two giving circles give to organisations that are not registered charities (independent 4, hybrid 1). One giving circle also guarantees loans for projects (independent 4).

The amounts donated range from relatively small amounts (£100) given during pledging sessions (LCF 3a, 3b), to greater amounts put into a pool ranging from £1 or €1 per day (independent 1a, 3) to £5,000+ per year (hosted 2, 4). In most cases, all of the money is for grants to beneficiaries. One hosted giving circle puts 50% of the amount given into an endowment (currently with match funding) and grants the rest. Some groups take a small administrative fee out of the funds given (hosted 4, hybrid) as well as charge an annual subscription fee (hybrid). A few groups give time instead of money (broker 3, hosted 3, 4). This includes helping with organisational capacity building, with various technical areas or to raise money. A few groups' members give both time and money (independent 3, mentor 1a, 1b, hosted 2).

Giving circles in the UK and Ireland fund either locally or internationally or both. The independent giving circles, especially those in Ireland and Northern Ireland, focus on giving locally (and to individuals). Mentoring groups tend to give to charities based in London. LCF groups feature locally and internationally focused charities, the latter usually having some connection to the region or city where the giving circle is located. Brokers such as GWWC recommend charities working in countries overseas such as in Africa.

Most circles appear to target their giving to smaller organisations where their funds are perceived to have a more tangible benefit. LCF groups in particular look for cutting-edge/innovative/hard-to-fund projects. As one person in this type of group noted: “[S]o what I like about it is the ones where they’re young and risky and edgy and not well connected yet and we’ve done some really good picking up of small projects in the early stages. That’s what I think is really good” (LCF 2).

Several independent groups, especially in Ireland and Northern Ireland, give to individuals for projects that would not be funded elsewhere. One member of an independent group described their funding this way:

‘[It’s] the things that other small grant givers locally here don’t give to.... [One] lady in particular had been funded through a small grant programme to have some play equipment in her garden for the kids but they didn’t do fences ... I thought nobody else is going to do it; we’ll do it.’ (Independent 1a)

Many interviewees were adamant about not supporting ‘mainstream’ and national charities or animal charities of any size. Some mentoring groups, however, are funding mainstream and larger organisations such as Cancer Research UK, but funding tends to focus on discrete projects within these larger organisations.

Making charitable decisions and conducting due diligence

The process for decision making, conducting due diligence and follow-up in the giving circles ranges from highly informal to more formal. It also ranges from being completely member driven to more staff driven, but with members/participants still having a say in distributing support.

Independent groups (independent 1, 3, 5) tend to be the most informal and member driven in this regard. Members put forward candidates for funding as they hear about needs, sometimes at scheduled meetings but sometimes via email between meetings. Individual members provide information about the beneficiary and also decide how much to recommend for funding. Members trust that the colleague bringing the project forward has “checked things out”. Since they are not giving “a lot” of money they see this as sufficient. One member of an independent group put it this way:

‘[S]o 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)

In TFN groups, members or donors make recommendations to a project selection committee and promise to sponsor the project for £250 as a signal of their endorsement (vouching); this is sometimes supplemented with a brief application and more information gathered from online research or talking to the local community foundation. This form of due diligence also requires a certain level of trust in fellow members/sponsors. Selected projects then pitch to LCF event attendees to make their case for support.

The NSC has several decision-making processes, including one that is similar to LCF groups called ‘fast-track funding’:

‘So 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 three weeks.’ (Hybrid)

The second decision-making process is a more intense and formal year-long process called the ‘pools’ process and a third is even longer term and larger in focus on major projects. In all three processes, everything the group funds is identified and assessed by members and unsolicited applications are not accepted.

In hosted groups, staff tend to review potential beneficiaries and make recommendations to the members (hosted 1a, 4) or make recommendations for supporting select host organisation projects (hosted 2, 3). Hosted groups housed in

community foundations especially tend to have a more formal and extensive due diligence process because of legal and accountability requirements of the host and/or because it mirrors how the host handles other grant making.

Mentor groups also have a more extensive process for selecting charities to fund as members often work together over the course of several months or a year with staff and mentors to identify issue areas, conduct research, and then identify and decide on potential organisations to fund.

Staff or leaders of brokers choose featured charities and may be more or less exacting in their due diligence. This ranges from an extensive research process for selecting recommended charities to more circumscribed processes where staff informally meet with or ask questions of potential beneficiaries before connecting them to donors.

Educating members and organising events

Most giving circles in the UK and Ireland hold events and meetings for grant decision making, education, recruitment and socialising. Education takes place through guest speakers, discussion, training and mentoring, or charities making a pitch. Some giving circles get a chance to hear directly from charity leaders and project workers about issues and projects, as well as to provide feedback on how money was spent. At TFN events, charities pitch their projects and also are given time to talk to attendees during social breaks. Several groups also conduct site visits to the charities or projects they fund (hosted 1a, 2, 4, broker 2, mentor 1b). One broker (broker 3) does a 'speed dating' event where potential volunteers can meet with various charities to find a project to which they can contribute time, and an informal educational process occurs. Apart from one mentoring giving circle network, very few seem to have formal education events or a curriculum about philanthropy. Giving circles of all types also hold annual general meetings and recruiting and social events.

Finding 4: Characteristics of giving circle members/participants

The demographic make-up of giving circle members seems to encompass a range and mix of backgrounds; however, there were only four giving circles identified that target a particular race/identity group for membership and funding and only a fifth (19%) are made up of only female members. This is quite different from the US, where there are several dozen ethnicity/race-based groups and over half of giving circles are women-only groups. Two interviewees from broker and hybrid groups brought up the lack of diversity *within* their groups. As one of these people noted of their group: "[I]t's a pretty white Christian secular organisation at the moment. One of my concerns is we don't have any Muslims or Buddhists. We don't have any black people. That's something that's challenging for us but it actually reflects our class" (broker 2). This makes sense as the main recruitment method for many giving circles seems to be through members/participants inviting their friends and professional networks to the group or its events; however, some giving circles have a more organised process for recruitment, such as through websites, promotional video (hosted 2), leaflets (LCF 1-4) or being invited to join by staff (mentor 1, 2, hosted 2, 4, 5).

Professionals – working in all sectors, young and more established – seem to be one of the main demographic groups participating in giving circles, especially in London. Members also appear to have a range of income and wealth, from high net worth

to much less wealthy, including students committed to giving away 1-5% of their income. Two interviewees noted that members tend to come from “comfortable” and well-educated backgrounds. Several people described the members/participants as being passionate and committed, thoughtful and socially conscious.

Finding 5: Why people join giving circles

Members/participants appear to join giving circles for several reasons. By far the most frequently cited reason concerns connecting to others. Members/participants seek the opportunity to be around like-minded people, have purposeful discussions about causes or other shared life issues (such as being wealthy), and doing things together. Having fun is an important aspect of this, as a quote from a member of an independent giving circle highlights:

‘[A]ctually that’s probably why our giving circle is popular, you know it’s fun still because it’s a balance between us girls having something to go to where we have so much networking and a bit of fun ... I suppose a lot of it has been about that, people coming together and then the other side of, I suppose, it’s been a fun bit of trying to give the money away and the story around that.’ (Independent 1a)

Another reason brought up frequently by members and staff of giving circles of all types was ‘learning’. This includes learning about the funding area of focus (independent 1a, LCF 1) and learning how to give (mentor 2, independent 1a).

Members/participants are also motivated to join because they feel they can engage more deeply with an issue or organisation and see more closely the impact of their giving. As one member of an LCF group and also active with a broker group put it: “I think it’s more personal and it’s wonderful to kind of look back over the years with some of these charities and seeing how they’ve grown and what they’ve done” (LCF 1).

Alternatively, a person leading a broker group noted that their model may be attractive to people who are too busy (or “lazy” as he put it) to determine where to give and/or who already have chosen charities to which they give:

‘And so that was an early and interesting learning point because we realised that what this concept was, was a sort of brokerage model for lazy people, if you know what I mean. People as it were, who’ve got a broad charitable intent, but can’t be bothered to think it through clearly about where they want to give their money to.’ (Broker 2)

Otherwise, members/participants are motivated to join for various other reasons:

- the opportunity for more effective giving (mentor 1a);
- wanting to do something creative (LCF 1) or interesting (hosted 2);
- wanting to support individuals (independent 1a, hosted 4) and particular types of organisations or causes (LCF 2).

People in groups that target high net worth donors said they liked the anonymity of the group (independent 4, hybrid 1a). Others noted that the giving circle provides a

‘safe’ setting (LCF 3) that is also uplifting (hosted 1a) and can be full of drama (LCF 3). It is not for accolades (mentor 1a) or for tax incentives/breaks (independent 1a, 3, 4). Leveraging the amount of money given was also mentioned a few times, especially in the instances where member/participant money was being matched by another donor.

Discussion

This research set out to understand the landscape of giving circles in the UK and Ireland, as part of wider efforts to understand emerging methods of giving that may grow and strengthen the culture of philanthropy. Our data showed six structures for giving circles: mentored, LCF, hosted, independent, brokers and hybrid (RQ1). We found that giving circles are formed for various reasons, including grassroots initiatives in response to need, a desire to ‘do philanthropy differently’ and as a result of encouragement from staff in hosts and federated networks (RQ2). We found three main areas of activity of giving circles: giving money and time; making charitable decisions and conducting due diligence; and educating members and organising events (RQ3). The demographic make-up of giving circle members seems to encompass a range and mix of backgrounds, with a minority based on a single ethnicity or gender (RQ4). People join giving circles to make their giving more meaningful and personal, to normalise giving, to make better giving decisions, to grow philanthropy and to achieve social change (RQ5).

While space does not allow for a thorough comparison with the US, we note some similar and distinctive features of giving circles in the UK and Ireland in Table 3.

Some key issues that came out of the findings raise questions for future research. One is the interesting point that the majority of giving circles in the UK and Ireland seem to be part of a centralised network or organisational structure of some kind – mentoring groups and LCF groups in particular, contrary to the situation in the US. What explains this? Eikenberry (2009) suggests in the case of the US that a more top-down structure does not seem to work as well in promoting the growth of giving circles. There are also fewer women’s and race/ethnicity- or other identity-focused giving circles as a percentage of the total number of giving circles in the UK and Ireland compared with the US. Could this be related to different giving circle models in the UK and Ireland? For example, the TFN model, with its LCF ‘public’ approach, may be a much more masculine way of doing philanthropy as compared with the more informal, discursive giving circle model more attractive to women (Shaw-Hardy, 2009).

Another interesting area to explore further is the tensions that arise for giving circles between formalising and resisting formalisation. As in the US, many giving circles in the UK and Ireland seem to be set up as a way to operate outside of the formal philanthropic structures, or as a new way to give. This might be construed as a form of resistance to the modernisation of philanthropy (Eikenberry, 2010), yet formalisation makes it difficult to square the drive for ‘doing something different’ within the established philanthropic sector. For example, taking advantage of tax incentives requires formalisation and fitting in with the organised philanthropic framework. Can giving circles ‘fit’ in this organised environment without losing their essential appeal?

It would also be interesting and useful to pursue further the idea of trust in giving circles. Trust came up frequently in our interviews – trusting other members in the

group and trusting beneficiaries – much more so than seems to be the case in US research. Trying to explain this difference would be a worthwhile pursuit.

Table 3: Giving circles in the UK and Ireland compared with the US

Aspect being compared	What is similar to the US?	What is distinctive in the UK and Ireland?
Structure	Variety of types, including some that are focused on specific demographic groups	Presence of mentoring, LCF and broker groups
Why formed	Initiated by someone who heard about or had an idea themselves Seen as an alternative to 'mainstream' philanthropy Part of a focus on developing philanthropy Importance of networking/ socialising To support host organisation	Several groups encouraged and organised by staff of central organisation Focus on 'normalising' giving in a context that lacks widespread cultural affirmation for philanthropy Pursuit of solidarity and social change
Key activities	Giving money (and time) Various decision-making processes Education, meetings and events	Generally appears to be less emphasis put on due diligence and instead reliance on trust in fellow members and beneficiaries More staff driven Less formal educational programming
Characteristics of members/participants	Mixture, including young and other professionals	Fewer race/ethnicity-, women- or other identity-based groups as a percentage of total groups
Why people join	To be around like-minded people, have purposeful discussions, learn and engage more deeply with an issue or organisation See more closely the impact of giving, because it is easier and more fun than other methods	To 'come out' as a person of wealth and/or a philanthropist To practise being generous in a supportive setting, more pronounced

Finally, the implications of giving circles for the changing cultural climate for philanthropy within the UK and Ireland could be explored more fully in subsequent research. That giving groups are largely formed as a means to develop philanthropy suggests that giving circles are viewed as helping to strengthen the philanthropic culture in the UK and Ireland during a period of austerity. Is that a reasonable expectation? What is the impact of these giving groups on the wider philanthropic sector? And what influence might the current climate of austerity play in the success or growth of giving circles in the UK and Ireland in the future?³

Despite the many unanswered questions regarding giving circles in the UK and Ireland, which the authors are pursuing in the next phases of this research, this article makes a contribution by mapping the scale, scope and nature of giving circles in the UK and Ireland. It adds to the academic knowledge and should be of use to practitioners seeking to understand new methods of giving that might help to promote charitable giving and strengthen the culture of philanthropy in the UK and Ireland.

Notes

¹ Some giving circles have memberships while others do not; thus, we use the term members/participants throughout the article.

² Each interviewee has a unique label (e.g. hosted 2 or hybrid 1a) which refers to the type of group (e.g. host, independent, mentor), the number assigned to their giving circle within each type, and a letter designation if more than one interviewee is associated with a particular group (e.g. we interviewed two people associated with independent group 1 so code them as independent 1a and 1b).

³ Thank you to an anonymous reviewer for suggesting this.

References

- Alcock, P, 2010, Building the Big Society: a new policy environment for the third sector in England, *Voluntary Sector Review*, 1, 3, 379-89
- Bearman, J, 2007a, *Hosting a giving circle: The benefits and challenges of giving together*, Washington, DC: Forum of Regional Associations of Grantmakers
- Bearman, J, 2007b, *More giving together: The growth and impact of giving circles and shared giving*, Washington, DC: Forum of Regional Associations of Grantmakers
- Beeson, M, 2006, Women's giving circles: a case study in higher education philanthropy, unpublished dissertation, Department of Educational Leadership and Policy Studies, Indiana University, United States
- Breeze, B, ed, 2014, *Great British philanthropy: Growing a fellowship of donors to support local communities*, London: UK Community Foundations
- Breeze, B, Lloyd, T, 2013, *Richer lives: Why rich people give*, London: Directory for Social Change
- CAF (Charities Aid Foundation), 2009, *The impact of the recession on charitable giving in the UK*, London: CAF
- Eikenberry, AM, 2006, Giving circles: growing grassroots philanthropy, *Nonprofit & Voluntary Sector Quarterly*, 35, 3, 517-32
- Eikenberry, AM, 2008, Giving circles and fundraising in the new philanthropy environment, *Nonprofit Management and Leadership*, 19, 2, 141-52
- Eikenberry, AM, 2009, *Giving circles: Philanthropy, voluntary association, and democracy*, Bloomington, IN: Indiana University Press
- Eikenberry, AM, 2010, Giving circles: self-help/mutual aid, community philanthropy, or both?, *International Journal of Self Help and Self Care*, 5, 3, 249-78
- Eikenberry, AM, Bearman, J, 2009, *The impact of giving together: Giving circles' influence on members' philanthropic and civic behaviors, knowledge and attitudes*, Washington, DC: Forum of Regional Associations of Grantmakers, <https://www.givingforum.org/sites/default/files/resources/The%20Impact%20of%20Giving%20Together.PDF>
- Ho, AT, 2008, Asian American giving circles: building bridges between philanthropy and our communities, conference paper presented at the 37th Association for Research on Nonprofit Organisations and Voluntary Action (ARNOVA) Conference, 20 November, Philadelphia, PA, United States
- John, R, Tan, P, Ito, K, 2013, *Innovation in Asian philanthropy: Entrepreneurial social finance in Asia*, Working Paper no 2, Singapore: Asia Centre for Social Entrepreneurship and Philanthropy, National University of Singapore
- Kelso-Robb, S, 2009, *Philanthropy development in Northern Ireland*, Thesis for Masters of Science in Executive Leadership, University of Ulster.

- Lloyd, T, 2004, *Why rich people give*, London: Association of Charitable Foundations/ Directory of Social Change
- Maxwell, JA, 2005, *Qualitative research design: An interactive approach*, Thousand Oaks, CA: Sage Publications
- Mohan, J, Wilding, K, 2009, Economic downturns and the voluntary sector: what can we learn from historical evidence?, *History and Policy*, 1 April, www.historyandpolicy.org/policy-papers/papers/economic-downturns-and-the-voluntary-sector-what-can-we-learn-from-historic
- Moody, M, 2009, *Becoming a venture philanthropist: A study of the socialization of social venture partners*, Research Paper 31, California, LA: The Center on Philanthropy and Public Policy, University of Southern California, <http://evpa.eu.com/wp-content/uploads/2010/09/Becoming-A-Venture-Philanthropist-A-Study-of-the-Socialization-of-Social-Venture-Partners-Michael-Moody-May-2009.pdf>
- Ostrander, SA, 2007, The growth of donor control: revisiting the social relations of philanthropy, *Nonprofit and Voluntary Sector Quarterly*, 36, 2, 356-72
- Pharoah, C, 2011, Private giving and philanthropy: their place in the Big Society, *People, Place & Policy Online*, 5, 2, 65-75
- Philanthropy Ireland, 2012, *Report of the Forum on Philanthropy and Fundraising*, Dublin: Philanthropy Ireland, www.philanthropy.ie/information/forum-on-philanthropy/report-of-the-forum-on-philanthropy-and-fundraising/
- Ray, LA, 2013, The emergence of giving circles and their relationships with nonprofit organisations: a case study, unpublished thesis, Australian Centre for Philanthropy and Nonprofit Studies, Queensland University of Technology, Australia
- Rockefeller Philanthropy Advisors, 2009, *Diversity funds inventory*, New York, NY: Rockefeller Philanthropy Advisors
- Rutnik, TA, Bearman, J, 2005, *Giving together: A national scan of giving circles and shared giving*, Baltimore, MD: Forum of Regional Associations of Grantmakers
- Sargeant, A, Breeze, B, 2004, *A blueprint for giving: The final report of The Giving Campaign*, London: The Giving Campaign
- Shaw-Hardy, S, 2009, *Women's giving circles: Reflections from the founders*, Indianapolis, IN: Women's Philanthropy Institute, Center on Philanthropy at Indiana University
- Slay, J, Penny, J, 2013, *Surviving austerity*, London: New Economics Foundation
- Strotz, DZ, Bigelow, SM, 2008, Start-up of a giving circle: a case study, unpublished practicum paper, Master of Public Administration, Kennesaw State University, GA, United States
- The Philanthropy Review, 2011, *A call to action to encourage more people to give and people to give more: Recommendations from the Philanthropy Review 2011*, www.philanthropyreview.co.uk/Philanthropy%20Review%20Charter.pdf
- Thiele, L, Eikenberry, AM, Metton, J, Millard, M, 2011, Educating and empowering youth through philanthropy: a case study of a high school giving circle, *Journal of Nonprofit Education and Leadership*, 2, 1, <http://digitalcommons.wku.edu/jnel/vol2/iss1/4/>
- Walker, C, 2014, *Give more campaign review and evaluation*, London: Directory of Social Change
- Wilding, K, 2010, Voluntary organisations and the recession, *Voluntary Sector Review*, 1, 1, 97-101

- Witte, DA, 2012, Women's leadership in philanthropy: an analysis of six giving circles, unpublished dissertation, Leadership and Change Program, Antioch University, Ohio, United States
- Wright, K, 2001, Generosity vs. altruism: philanthropy and charity in the United States and United Kingdom, *Voluntas*, 12, 4, 399-416
- Zunz, O, 2011, *Philanthropy in America: A history*, Princeton, NJ: Princeton University Press