

Giving Together – Growing Philanthropy at the Grassroots

Individually, we are not considering the idea of giving together. Promote the idea, and more will do it. If we give together each of us can:

- **see the impact of our giving.**
- **see a greater impact from our shared giving.**
- **learn what interests us as we go.**
- **connect with likeminded people.**

Being part of an impactful \$100,000 donation is no less satisfying to an individual donor as it is if they were giving \$100,000 alone. Giving together is a steppingstone to lifelong philanthropy.

When Did Giving Groups Begin

Giving groups are commonplace across the USA, prompting millions of dollars going to charities from grassroots communities. Significant research demonstrates its widespread adoption, describing groups with many different forms, from book-club size to large, formal structures distributing over \$1million each year. The research also identifies the positive impact of giving together, including its influence on donors' philanthropic and civic behaviour, knowledge and attitudes.

(See Jessica Bearman's research in the USA

<https://digitalcommons.unomaha.edu/cgi/viewcontent.cgi?article=1043&context=pubadfacpub>)

When Did Giving Groups Begin in Australia

Impact100, which has independent giving groups in Sydney, Sydney North, Melbourne, Adelaide, Perth and Fremantle, was the first network of formally structured giving groups in Australia beginning in 2012. Since then, giving groups have slowly grown in numbers and forms across Australia. However, they are currently growing in a closed environment (i.e., they are not seen or heard about because they have limited resources to sing their own praises). Growth of giving groups is hindered by a complete lack of knowledge of the idea of giving together but also hindered by a few easy to fix barriers.

What is a Giving Group

A giving group is a donor-initiated group of people who pool their individual donations and collectively decide how and where the funds will be dispersed. They typically provide an educational and/or community building component to their members/donors, such as information sessions and visits to local charities. Three broad structures exist in Australia:

- informal groups with no apparent structure (like a book club)
- hosted groups with a more formal structure established under a community foundation or the similar, and
- independent groups with their own non-profit and charitable status.

Groups are almost all operated by volunteers. With minimal administrative expenses, they are typically able to give close to 100% of funds raised to their selected charities.

Who is Participating in Australia

Participants in giving groups tend to be female with several women-only groups. The most common age range is 41-65 years. Members are strongly convinced of their personal civic responsibility and motivated to become more effective in their giving (83%), achieve greater leverage of their donation (76%) and see the impact of their giving (66%).

Do Donors Change When Giving Together

In research, donors of giving groups substantially improved their philanthropic knowledge and changed attitudes and behaviours:

- 74% learn more about evaluation and assessment.
- 67% gain a greater awareness of community needs.
- 66% experience a longer-term commitment to giving.
- 70% increase or substantially increase the amount they give.

How do Charities See Giving Groups

In research, Charity representatives favourably compared the grant-making process of giving groups with other sources of funding, valuing the greater level of donor engagement.

- 100% believe receiving a grant from a collective giving group increased or greatly increased their organisation's credibility.
- 95% report the benefits outweigh or were appropriate to the effort required to accept funding from a giving group.
- 81% report being able to leverage greater support because of being engaged with a giving group.
- 78% report a valuable continuing relationship with the giving groups.

What are the Barriers Face by Giving Groups

Once someone embraces the idea of setting up a giving group, they may struggle with some early challenges, such as:

- understanding the philanthropic landscape.
- knowing and understanding the different structural options to set-up a giving group.
- covering costs, particularly at the start-up stage.
- recruiting donors.
- managing the workload with volunteers.
- managing relationships with host organisations.

What Are the Bigger Picture Benefits of Giving Together

The big picture and ongoing impact of giving groups is likely to be two-fold:

- They will grow philanthropy. This includes cultivating new informed donors and encouraging existing donors to give more.
- Giving groups are uniquely placed to build the capacity and expertise of the community sector, helping it achieve its social mission in the most effective way.

How Could Giving Together Be Encouraged in Australia

- 1. Marketing Spend:** Growing general awareness of the concept of giving together and pooling donations and its group impact within philanthropic networks and in mainstream media. Growing awareness should extend across age range, cultural diversity, geographic region, workplaces and causes areas.
- 2. Micro Grants:** Small grants (<\$10,000) can be an encouraging and powerful start-up grant for a group if they intend to have an online presence, a formal structure, and a wide membership.
- 3. A Central Point of Advice & Support:** One or two paid staff positions could have a tremendous impact, not only on promoting the idea of giving together but also helping with

philanthropic literacy, identifying appropriate group structure, successful start-up, start-up costs and inspiring the recruitment of donors. This could include forming an Australian register of groups and creating a cross group mentoring program, where experienced group leaders support new group leaders.

4. **Cross Sector Support & Growth:** The same staff could work across sectors to grow group giving, including working with regional communities, community foundations, local governments, private philanthropic foundations, corporate businesses, peak social impact bodies and government (i.e., administering support).
5. **A National Portal for Giving Together:** The same staff could investigate the value of forming a National Portal for Giving Together offering a low-cost set-up cost structure (templates, collective banking services, etc.); a consistent low-cost alternative of administering donations; shared promotion and marketing exercises; tax deductibility for donors and private foundations; live donor management information; grant-management support; and shared customer resource management software.
6. **Impact Measurement:** The same staff could initiate research on the growth and impact of giving groups.

Support Material:

https://www.impact100wa.org.au/wp-content/uploads/2018/06/collective_giving_report_2017.pdf

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