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CONNECTED TO GIVE: COMMUNITY CIRCLES

FINDINGS FROM THE NATIONAL STUDY OF AMERICAN RELIGIOUS GIVING

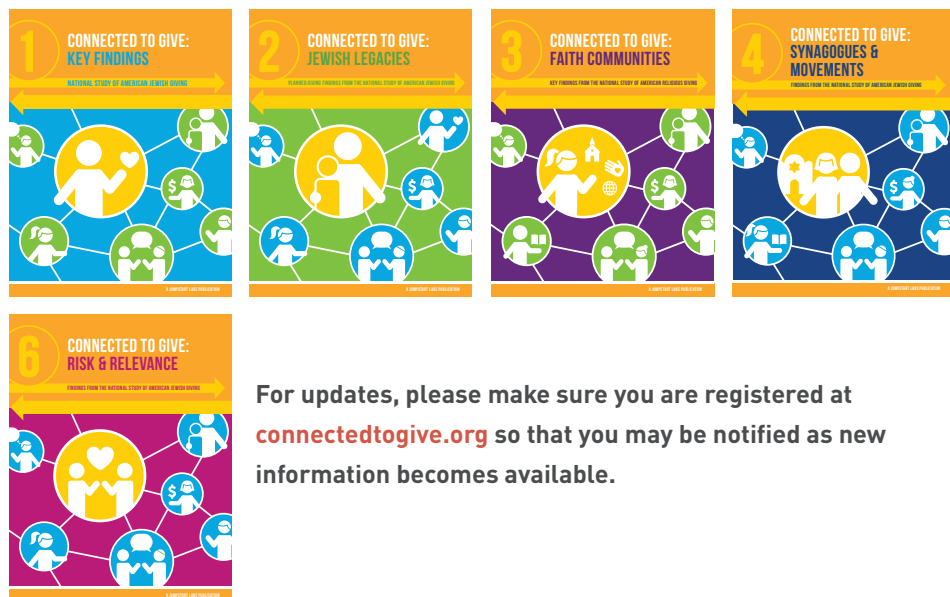


ABOUT CONNECTED TO GIVE

Connected to Give is a collaborative project of a consortium of independent foundations, family foundations, community foundations, and Jewish federations working in partnership with Jumpstart to map the landscape of charitable giving by Americans of different faith traditions. *Connected to Give: Community Circles* is written by Evelyn Dean-Olmsted, Sarah Bunin Benor, and Jim Gerstein, with additional research by Ayala Fader and contributions from Joshua Avedon, Shawn Landres, and Michal Lemberger.

CONNECTED TO GIVE REPORT SERIES

Connected to Give: Community Circles is the fifth in a series of reports based upon the wealth of data drawn from the National Study of American Jewish Giving (NSAJG) and the National Study of American Religious Giving (NSARG). The first report, *Connected to Give: Key Findings* (September 2013), represents the top level of information gleaned from the National Study of American Jewish Giving. The second report, *Connected to Give: Jewish Legacies* (October 2013), discusses planned giving habits among those American Jews who are considered most likely to have made charitable bequests. The third report, *Connected to Give: Faith Communities* (November 2013), examines how Americans' religious identities relate to their charitable giving behavior, as well as giving patterns across different types of organizations, including those with and without religious ties. The fourth report, *Connected to Give: Synagogues & Movements* (December 2013), explores charitable giving by American Jews who are members of Jewish congregations and/or identify with a religious movement, with a special focus on Orthodox, Conservative, and Reform affiliates. The sixth report, *Connected to Give: Risk & Relevance*, is expected later in 2014.



For updates, please make sure you are registered at connectedtogive.org so that you may be notified as new information becomes available.

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WHAT ARE “GIVING CIRCLES”?

Giving collectives, frequently called giving circles, are groups of people who pool their donations and decide together how to distribute them. While giving collectives come in many different forms, there are four dimensions common to all:¹

▶ They involve individuals pooling and granting money.



▶ They educate members about philanthropy, the non-profit sector, and community issues.

▶ They include a social, community-building dimension.

▶ They engage members in voluntary participation in decision-making and/or administration and leadership of the group.

PREFACE

“Giving circle” is a term that encompasses many different forms of collective giving. However they may refer to themselves—as giving circles, venture funds, teen foundations, women’s foundations, giving collaboratives or by another name—they all are groups of people who come together, pool their own charitable contributions (and sometimes make use of other resources), and decide collectively where to allocate their funds.

Engaging a substantial proportion of American charitable givers (especially minority donors), giving circles are a philanthropic asset class all their own; they span multiple individuals and households but are less formal (and often more direct) than foundation and other institutional giving. Perhaps more than anywhere else in the philanthropic landscape, they focus as much on the experiential education of the giver as they do on the eventual allocation of charitable dollars to recipients. The experience of participating in a giving circle demonstrates that philanthropy itself can be a vehicle for identity building, community building and community engagement.

Connected to Give: Community Circles includes results from two nationally representative surveys outlining the demographics of giving circle participation by age, gender, ethnicity, household income, family status, and more. Through interviews with participants in African American, Asian American/Pacific Islander, Hispanic/Latino, Jewish, LGBT, women’s, and Millennial-generation giving circles, this report examines how people explore and express their heritage and identity through collaborative giving. As the fifth installment in the *Connected to Give* series, which has demonstrated that people who are more engaged in their communities give more than those who are not, *Connected to Give: Community Circles* explores the role of shared donor experiences in further strengthening the ties that bring them together.

This report also is the first comparative national study of giving circle participation to devote substantial attention to American Jews, a minority community with a strong philanthropic tradition. The combination of quantitative analysis of Jewish participants in giving circles with qualitative research on participants in specifically Jewish-identified giving circles offers a unique perspective on the many roles that giving circles may play—philanthropically, personally, and professionally—in the lives of their participants.

Giving circles offer a rare opportunity to learn how donors in different cultural contexts both talk and learn about charitable giving. By connecting people within a particular cultural context, giving circles provide a mechanism for exploring that culture's values, wrestling with questions of universalism and particularism, and thinking deeply and constructively about both issues facing the group and new community-building opportunities. This unique form of collective giving not only helps build cultures of communal philanthropy, but also reinforces the desire to be *connected to give*.

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Tulsa, San Francisco, and New York

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OVERVIEW

Giving collectives (frequently called giving circles; the terms are used interchangeably here) are groups of people who pool charitable donations and decide together how to distribute them. Bringing together individual household donors without the formal structures or endowments of foundations, giving circles represent a distinct approach in the philanthropic landscape. The giving collective concept embodies the increasing donor demand for opportunities that are more personalized, hands-on, and innovative.

Because giving circles themselves are social networks, they represent a unique philanthropic form in which the giving process itself sustains the same types of social connectedness that power charitable giving in the first place. They are especially strong among affinity groups linked by religion, ethnicity, gender, sexual orientation, or age. Prior research has found that participation in giving circles has an impact not only on the causes supported, but also on the individuals who participate in them and in the broader communities with which they are affiliated.² To date, however, there has been little research on Jewish giving circles, whether alone or in comparison with other ethnic, religious, or other affinity-based giving circles. This report begins to fill the gap by presenting quantitative findings about participants in giving circles from the National Study of American Religious Giving and the National Study of American Jewish Giving, followed by findings from a qualitative, comparative study of adult giving collectives associated with an array of ethnic and affinity groups, including African American, Asian American/Pacific Islander, Hispanic/Latino, Jewish, LGBT, women's, and Millennial-generation giving circles.³

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MAJOR FINDING 1

About one in eight American donors reports having participated in a giving circle.

Overall, just under half of all giving circle participants are under the age of 40.

American donors who have participated in a giving circle—a group of individuals who pool their money together and make joint decisions about giving—share a number of characteristics. The closest similarities center on age (giving circle participants skew younger), religious engagement (most giving circle participants belong to a religious congregation and attend religious services at least once a month, and they are about twice as likely as non-participants to belong to a religious organization), and parenthood (51% of giving circle participants have children, as do 45% of non-participants). These patterns are apparent among African American, Asian/Pacific Islander, Jewish, Hispanic/Latino, and non-Jewish white giving circle participants.

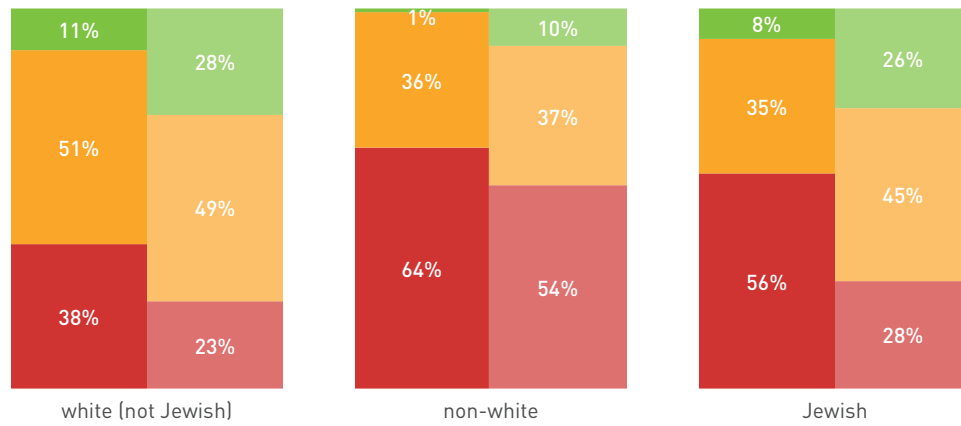
Differences in ethnicity, gender, and household income are apparent among giving circle participants relative to other donors. Without controlling for differences in age, income, and education, higher proportions of African American donors (21%), Asian/Pacific Islander donors (16%), and Hispanic/Latino donors (15%) participate in giving circles than do white non-Jewish donors (10%) or Jewish donors (14%). Indeed, non-whites make up 41% of all giving circle participants, but 27% of donors who do not participate in a giving circle. Overall, most giving circle participants are female, but gender differences among non-Jewish African American, Hispanic/Latino, and Asian/Pacific Islander giving circle participants are not as pronounced as gender differences are among non-Jewish white participants (66% of whom are female) and Jewish participants (42% of whom are female). Finally, for most Americans, giving circle participation is more common among donors whose household income falls into the \$50,000-\$99,999 income bracket; however, for American Jewish donors, the majority of giving circle participants reports household incomes of \$100,000 or more.

Just as non-Jewish giving circle participants attend religious services and volunteer more frequently, American Jews who have participated in a giving collective are typically more connected to Jewish community. Aside from Jewish social engagement,⁴ the sharpest distinction is age: more than half of Jewish participants in giving circles are under the age of 40, in contrast to other Jewish donors, nearly three quarters of whom are 40 and older. Even though they are younger, giving circle participants also tend to have higher incomes than other Jewish donors.

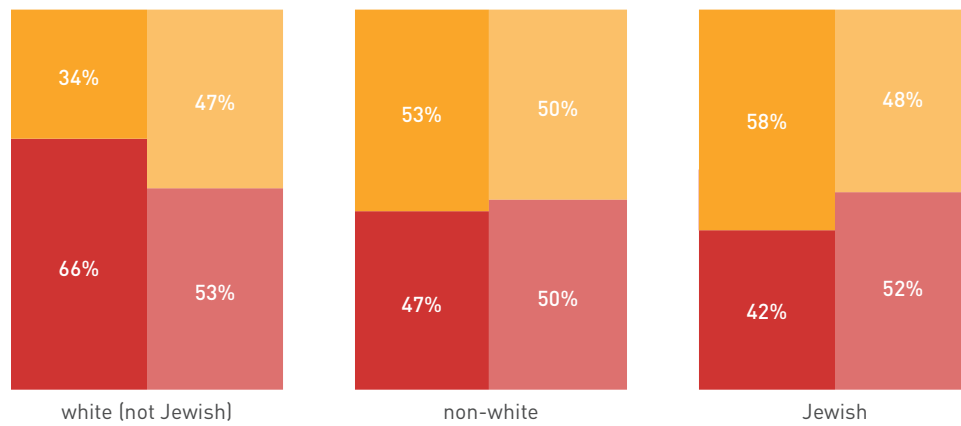
Differences among donors who have and have not participated in a giving circle

■ have participated (left, darker columns) ■ have not participated (right, lighter columns)

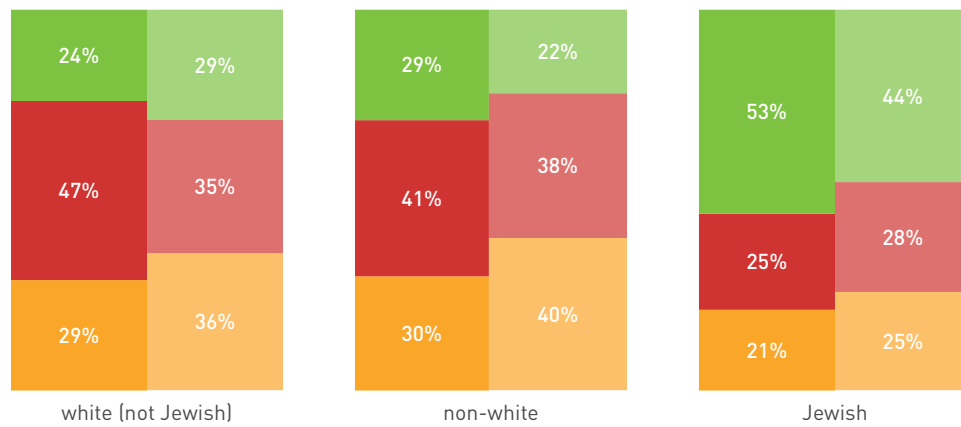
By age: ■ under 40 ■ 40-64 ■ 65 and above



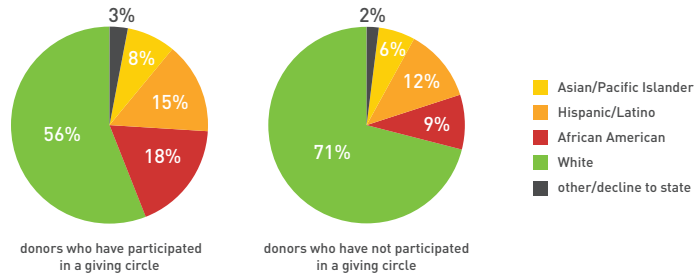
By gender: ■ female ■ male



By income: ■ under \$50,000 ■ \$50,000-\$99,999 ■ \$100,000 and above

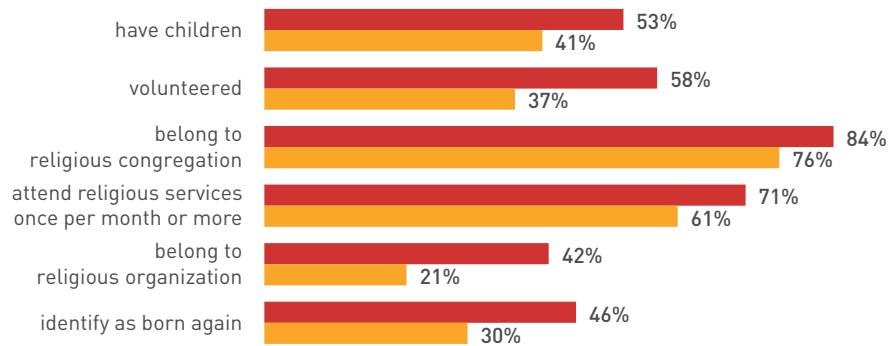


Demographic differences among donors who have and have not participated in a giving circle

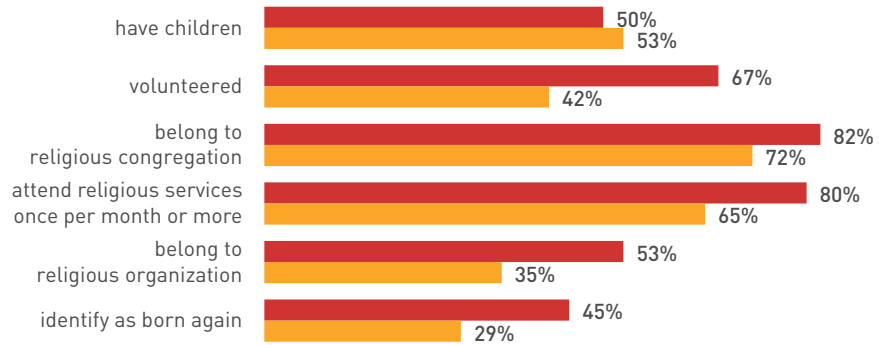


Differences among donors who have and have not participated in a giving circle

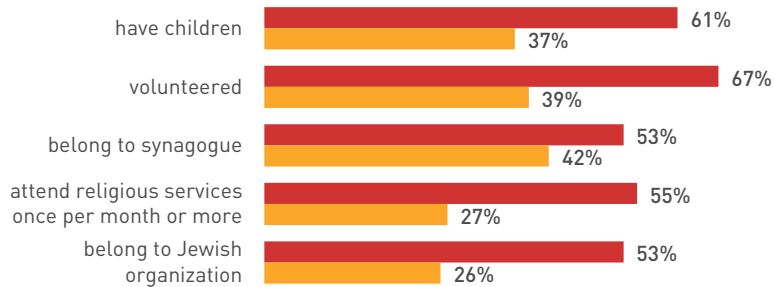
white (not Jewish)



non-white



Jewish



■ giving circle participants
■ non-participants

MAJOR FINDING 2

Participation in giving circles can help deepen social and communal connections.

The relationships formed within giving circles can extend beyond them to members' personal, family, philanthropic and professional lives.

For American donors to religious and charitable causes, participation in giving circles is closely associated with social connectedness—for American Jewish donors, this association is stronger than income or even age (please see sidebar). In this finding and those that follow, we explore this relationship through qualitative research (multisite participant observation at more than twenty community- and affinity-based giving circles across the United States). The patterns of attitudes and experiences described here by our interviewees help to illustrate the ways giving circle participation reflects what might be termed a virtuous circle of social engagement and charitable behavior.

Belonging to a giving collective helps people build personal, professional, and philanthropic connections based on a shared identity or affinity along the lines of gender, ethnicity, religion, or those with a shared history, such as alumni of schools or programs. By meeting regularly in small groups to discuss shared philanthropic priorities, donors can form and deepen social and communal connections with others who share similar backgrounds, identities, and values.

Existing giving circle participants often recruit new members, a process that can be effective at fostering connections and a sense of mutual obligation. Participation in a giving collective may not be the first experience participants have with charitable or volunteer activity. Giving circle membership gives people the opportunity to augment that previous experience and direct their charitable giving to areas about which they are passionate.

People generally become involved with giving circles through social networks. This happens when a current group member invites a spouse, relative, friend, or colleague to join. Giving circles range from informal groups of friends to more structured endeavors with by-laws, strict granting protocols, and formalized relationships with larger bodies, such as community foundations or federations, which can provide organizational support such as clerical assistance, meeting facilitation and training, as well as collection and disbursement of contributions. Some host organizations also may provide matching funds, whether to help seed new giving circles or on an ongoing basis.



The appeal of connection with larger organizations and networks often lies in the credibility and legitimacy that the giving circle acquires by being associated with a trusted entity. As one member of an LGBT giving circle put it, “[The giving circle] appealed to me in that it was affiliated with the community foundation, because I had a positive impression of the brand.” Furthermore, umbrella groups often play a role in opening up opportunities for more people to be involved by starting new giving collectives in different cities. National infrastructure initiatives (please see sidebar) have been established to support Asian American, African American, LGBT, and Jewish giving collectives.

Many members credit their involvement in a giving collective with giving them the opportunity to set an example for other family members, specifically for their children, who learn the value of charitable giving and may even become involved in giving themselves. One leader of a giving circle pointed out that her participation has had an impact on her family, her community, and beyond:

I think the more you learn about and think about tzedakah [charitable giving], the more generous you are. I also think the more you think and learn about tzedakah, the more you talk about tzedakah. And I think the ripple effect of that is potentially huge.

Based on conversations she had in her giving circle, she encouraged some other friends to set aside a percentage of their income for *tzedakah*. As a result of her influence, her husband organized charitable donations at his workplace, something she is sure he would not have done if she had not talked frequently about her participation in the giving circle.

Beyond the family, participants say that one of the key attractions of giving circles is their social aspect. Many people describe membership as fun, and specifically enjoy meeting and interacting with others from similar backgrounds.

As one participant of a Jewish giving circle put it, “Being around like-minded people—smart, engaged, passionate people—is just really meaningful.”

The relationships formed within giving circles can extend beyond them to members’ philanthropic and professional lives as well. People who meet within the contexts of giving collectives may go on to collaborate on other charitable or business endeavors. Professional networking appeared to be somewhat more pronounced in Jewish giving circles, some of which are organized, whether intentionally or not, around particular economic sectors, such as finance or real estate.

Giving collective members often said participation helped them find partners in philanthropy; a few told us that they turned to people they met through their giving circle to help with additional philanthropic endeavors. One member of an LGBT group said, “I found it appealing to discover who in the community ... would self-identify as philanthropic in this way.” This discovery of like-minded partners has the ability to lead to greater and more intentional philanthropy.

MAJOR FINDING 3

Beyond making social connections, giving circle participants can acquire a greater awareness of the philanthropic and cultural traditions specific to their ethnic, religious, or affinity group.

The collaborative grantmaking process can surface tensions between supporting causes and issues particular to the in-group, on the one hand, or more universal needs and priorities, on the other.

Giving circles offer participants accessible ways to connect with a religious or ethnic tradition or identity group and can encourage them to connect their philanthropic values with their heritage. Indeed, some groups include formalized educational elements, such as lectures or text study that teach members about their group's history and giving traditions. Membership in a giving collective can deepen awareness of the specific cultural roots of philanthropic approaches and provide participants with the language and concepts that make conversations about giving richer and more effective.

One of the ways that giving collectives foster group identity is through the use of professional or volunteer facilitators, who can be staff members of supporting organizations such as community foundations, peer mentors from national giving circle networks, or even members of the giving collective itself. Skilled facilitators can educate members in subjects ranging from the group's history and values to giving more detailed knowledge about nonprofit management, grantmaking, and local community needs. They can also provide critical context or background information about organizations under consideration by the group.

For some giving collective participants, the learning process leads to a reinterpretation of personal, familial, and communal histories, which helps promote a sense of group pride and solidarity. One participant in an African American collective explained:

It goes back to our history. I've never ... considered myself a philanthropist. Whenever you heard of philanthropy it was at the Bill Gates, Warren Buffett level. And then also we were never exposed to African Americans who gave at that level. But philanthropy, giving, or giving circles have been a part of our culture from back during the days of slavery. So it was interesting to get that perspective of how it started, how it originated, and really what philanthropy means.

Giving circles also provide an immediate opportunity to act upon shared group identity, rather than simply to learn about it. Making grants to support in-group causes and organizations can become a deeply emotional experience that connects circle members even further to their shared identity, as the co-founder of an Asian American circle suggests:



When I support [an Asian American woman artist], it totally makes me cry. I know for the grantees it feels totally different to get money from an Asian American group. She [the artist] told me she felt like a body of elders was on the sidelines cheering her on.

One aspect of giving circle participation that many find attractive is that it provides an alternative way to act on group identity without necessarily participating in religious activities or joining membership institutions. This came up for a number of Jewish interviewees, especially those who might not seek out other organizational affiliation such as synagogue membership.

The heritage or group identity shared by members of a giving collective can influence choices regarding the beneficiaries of their giving. Giving collectives that are organized around a shared identity often have to negotiate between the desire to support causes that benefit those who share that identity and more universal goals. Among the groups examined for this study, the Jewish giving collectives tend to split their attention by making grants to both Jewish and more universal causes, while non-Jewish affinity-based groups, such as those in Latino, African-American, Asian-American, and LGBTQ communities, tend to give solely to in-group causes.

Decisions about whether to dedicate all giving to in-group causes or to focus on more universal needs can lead to some tension. In Jewish groups, these two approaches are summed up in two phrases that recurred in interviews, sometimes from the same individual: “Who else will give to the Jews?” and “The Jews give each other enough.” Furthermore, the range of identities encompassed even within the broad definitions of the “in-group” can lead to greater complexities. Within Asian-American groups, for example, which often feature a diverse, pan-Asian membership, groups must decide whether to support “Asians” in general or to support a particular ethnic group (Chinese, Korean, Thai, Filipino, etc.). Some young members of Asian giving circles, especially children of immigrants, point out that their parents prefer to support relatives or people also from their country of origin, rather than people from other parts of Asia and the Pacific.

Some Jewish giving circles intentionally tie their universal funding back to particularist values. Giving circles whose mission is primarily to help address general societal needs (rather than Jewish ones) may still trace that attitude back to a particularly Jewish imperative to give and to heal the world, even when they don’t use specifically Jewish terms such as *tikkun olam* (“repairing the world”) or *tzedakah* (“charitable giving”). As one member of a Jewish giving circle, a person who was involved with many other charitable and volunteer activities, said:

It’s interesting because I didn’t really ever equate the two [Jewish identity and philanthropic activities] honestly. I grew up in a Reformed [sic] household ... we weren’t super religious but we were super philanthropic. That was just a part of our upbringing. I never really equated the two. It was really interesting to be able to put those two things together and hear about other families ... how in their homes they talked about social justice being Jewish and a part of their Judaic upbringing.

NATIONAL NETWORKS

Some giving circles are affiliated with nationwide networks of funders and giving circles, many of which aim to foster a culture of collective giving within a particular ethnic or affinity group. Frequently based in established foundations, they can provide assistance through mentorship and advice, training, start-up or matching funds, maintaining directories of existing groups, identifying local partners, and hosting national conferences and webinars. At the time of this study, the national infrastructure for Asian American and African American giving circles was more developed than for giving circles associated with other communities.

Affiliation with national networks, such as Asian Americans/Pacific Islanders in Philanthropy (AAPIP) or the Community Investment Network (CIN), which serves primarily African American donors, can offer other incentives and benefits, including start-up assistance for giving circles, models for good process and practice, access to a national conference, and in some cases, financial matches (sometimes tied to recruitment of new donors). Informal ties, such as those connecting HEKDESH, a Jewish giving circle for alumni of the Dorot Fellowship in Israel, with the Jewish Funders Network, can make available access to knowledge and expertise, including webinars through which they learn more about alternative models and the grantmaking process. The One Percent Foundation (OPF) in San Francisco began as a single large-scale giving circle that operated primarily online, at one point engaging more than 250 members. In July 2013, OPF switched to a model of providing free technological and other resources for people to start their own giving circles and provides a fee-based service to start giving circles for companies and organizations. Similarly, a forthcoming network led by The Natan Fund, a Jewish giving collective, will provide online due diligence tools and voting platforms to its affiliates.

While national networks can play a key role in launching new giving collectives, sustaining them over the long term requires a different level of commitment, which not all foundations may be prepared to make. As one foundation staffer noted,

It's a slower process. It's volunteer driven ... it takes time to then build the circle, for the circle to set its priorities, all those little steps that happen when forming a giving circle... Do I think that it has long-term benefits? Yes. Is it the biggest bang for the buck in a shorter-term fashion? No. That's part of the dynamic too for some foundations that are looking to make an impact in a shorter time frame. It's really more of a nurturing process.

4



MAJOR FINDING 4

Participation in a giving circle can empower people of diverse socioeconomic backgrounds to think of themselves as philanthropists and give them the opportunity to create and participate in a culture of giving.

Giving collectives allow people to become more strategic, educated givers no matter how much or little they contribute monetarily, and to get hands-on experience in evaluating prospective grantees and creating intentional, values-driven charitable goals.

Giving circles can provide the space for minorities, women, and people of all socioeconomic backgrounds to become leaders and effective charitable givers. Proactive philanthropy outside of more traditional structures that have historically been dominated by those in the majority (especially wealthy white men) can help empower participants through engaging in philanthropic activity that is uniquely their own—a reflection of their own values and goals and a reclamation of the concept of philanthropy irrespective of gift size. In fact, many giving circles were created specifically to provide a space for traditionally marginalized givers to come together.

Every giving circle establishes its own monetary threshold for member participation. Overall, the Jewish giving collectives represented in this report have higher buy-ins than the other community-based collectives included here, but this may not be representative of Jewish giving circles in general, which also include a number of teen-focused giving collectives with smaller buy-ins. Giving circles differ in how they allocate votes within the group, with some giving each member a vote, while others find innovative ways to include both higher-dollar donors and those with less money to contribute. One Jewish group with a high minimum gift encourages younger people with less disposable income to participate by partnering a senior and junior member who share one vote.

No matter the contribution level, all giving circles promote a democratic process, in which members must come together to learn about, advocate for, and vote upon their grantees. Many participants say that part of the appeal of giving collectives is that they aggregate individual members' contributions—at any level—to have a greater impact through the collective action of the group.

For some minority groups, membership in a giving collective allows those who have achieved upward social mobility to remain connected to and to “give back” to those who have not been as fortunate. As one member of an African American giving circle put it:

We're kind of taught inherently that progression, moving, better neighborhood, nicer home, better school, that is what we strive for. But at the same time, you know, there's a percentage of us who kind of lose that connection with our past,

but [there also are] those who are now in a position that they have become successful and attained those dreams of their mothers and their fathers, [and] we still reach back into the community. So, that's kind of the uniqueness [of African American giving], just to put it all together. Bridging that gap and reestablishing that connection with our past.

One younger member of a Latino giving circle, who had also worked extensively in the nonprofit sector, said that philanthropy was an important part of his commitment to the Latino community:

The career [in Latino-serving nonprofits] was one piece, and philanthropy became a necessary element to that. A lot of that has to do with my understanding of economic power and being able to demonstrate that you have the capacity to give and the capacity to get others to give.

For many giving circle participants, then, socioeconomic advancement is not just about making and having more money, but also about effecting change within the philanthropic system itself. Similar perspectives may be observed among participants in women-only giving circles, who, like participants in minority-based collectives, frequently cite the potential of giving circles to impact the culture at large. This was particularly important to those whose multiple affiliations motivate them to advance both in-group goals (making a change in the Jewish community, for example), and to make broader social change (for example, to increase the proportion of women in leadership positions). As one interviewee put it, “There’s one issue that we all agree on, which is the importance of women being leaders and feminist type of issues ... the sort of sisterhood aspect of it ... we’re part of the same team.”

One member of a Jewish women’s giving circle said that by joining together in a giving circle, members gain “a place at the table” with other funders and interest groups in the local community:

There are many [circle] trustees who feel that we need to be sitting at a broader table, and that it’s important to have our name out there supporting certain things that might not be only Jewish, but are important for women of all kinds. When we want the broader community to focus on or to support issues that are of import to us, the only way that we can do that is to support issues that are of import to the greater community.

A member of an LGBT giving circle offered a similar perspective:

I think we’re still really trying to strengthen the LGBT organizations in the community... But part of what we see for the giving circle in the long term is positioning the circle in a way that the community sees that we’re citizens of the community and interested in the greater good of the community.

5



MAJOR FINDING 5

Although giving circles may generate smaller giving amounts than similarly structured community foundation or combined-purpose fund-distribution models, they can encourage a collaborative mindset and democratic approach to charitable allocation.

Members typically claim that they feel giving circles allow them to engage in giving that is more hands-on, innovative, and transformative than traditional philanthropy, and more focused on seeking social change than simply on charitable giving that helps others.

One Jewish giving circle participant said, “We get to establish the priorities. We evaluate the proposals. We evaluate the organizations and we decide what we’d like to fund. So it’s not just giving the money. It’s seeing where the money winds up and being able to be part of the decision making for that.”

Participation in giving circles can give donors a sense that their individual contributions have greater impact through the act of giving together and tapping into the wisdom of the group.⁵ This sense of collective investment, of pooled resources and shared knowledge, can be especially gratifying and empowering.

Through the intentional, proactive grantmaking process of a giving circle, donors also can move beyond conventional or reactive funding, as well as find grantees beyond the “usual suspects” of nonprofit grant recipients to uncover more niche grantees and emerging organizations where their contributions could have greater material impact. Many interviewees cited the greater importance they felt their grants had for newer organizations and those with budgets under \$1 million.⁶

Giving collectives also have the potential to create closer relationships between grantees and funders, who can become personally invested and engaged in the work of the charities or foundations they fund. This may build a sense of unified purpose that is often not possible in other more traditional models of philanthropy (especially combined-purpose and federated giving), where the sheer size of the enterprise can create both financial and social distance between donors and the ultimate beneficiaries of their contributions. It also can lead to giving circle members contributing their own expertise to the organizations they help fund. As one member of the Jewish Venture Philanthropy Fund of Los Angeles put it,

One of my big points of emphasis in my community involvement is business principles and applying them and holding organizations accountable for more of a business head than I think historically has been part of those organizations.

A few interviewees reported that their participation in giving circles led them to become board members of one or more organizations about which they had learned through the grantmaking process.

Many Jewish giving circle members spoke of their participation as distinct from more traditional giving modes used at many Jewish federations. One woman, whose mother is a Lion of Judah (a distinction for women who give at least \$5000 annually to their local Jewish federation), said she was tired of simply writing a check and going to luncheons. “I always turned the other way because it’s old school - the way they try to get you involved, the way they ask you for money.” She wanted to participate in a more meaningful way, and a federation staff member recommended a giving collective (affiliated with, but independent from the federation). She has found her involvement with that group to be much more meaningful, and she enjoys sharing thoughts and feelings with other participants in the process of making funding decisions.

Another Jewish participant says of her giving in general (not just through the giving collective):

It’s not just writing a check. A lot of people today really want to follow their money and know where it goes. And when you just write a check to an organization, you usually don’t get that, any kind of feedback. So, this enables you to really give mindfully, thoughtfully, with criteria in mind.

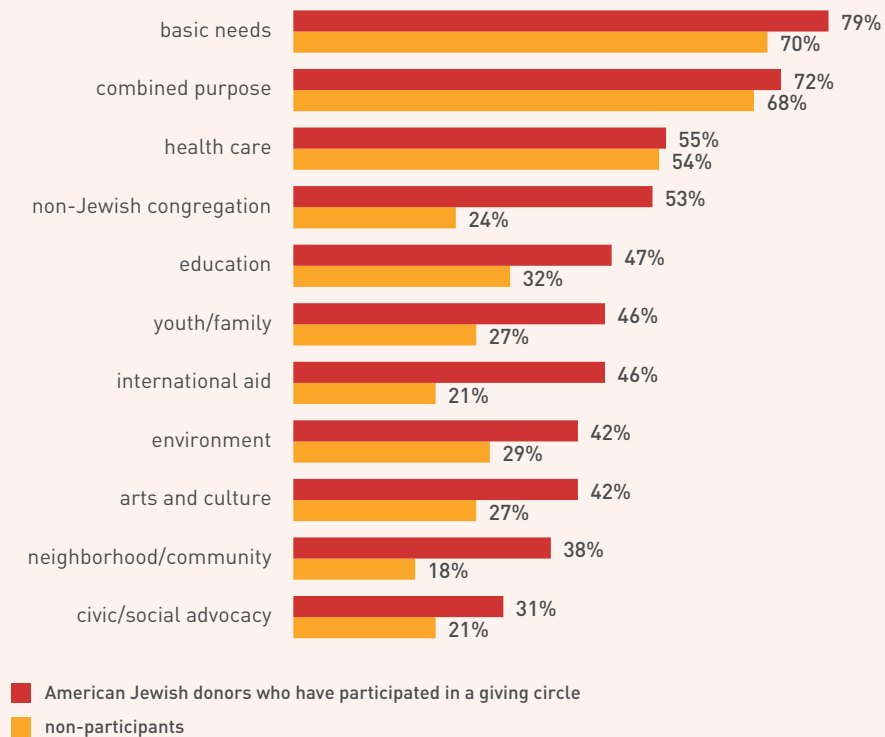
A foundation professional saw this distinction as reflecting a historical trajectory: “The [philanthropic] structures that defined [the] 20th century ... don’t work in the 21st century ... In the 21st century there is more individual choice and less faith in institutions.” This outlook fits in with a trend toward individualized giving that is particularly strong among Jewish donors who wish to target and personalize their contributions.⁷

WHERE DO JEWISH PARTICIPANTS IN GIVING CIRCLES MAKE CHARITABLE CONTRIBUTIONS?

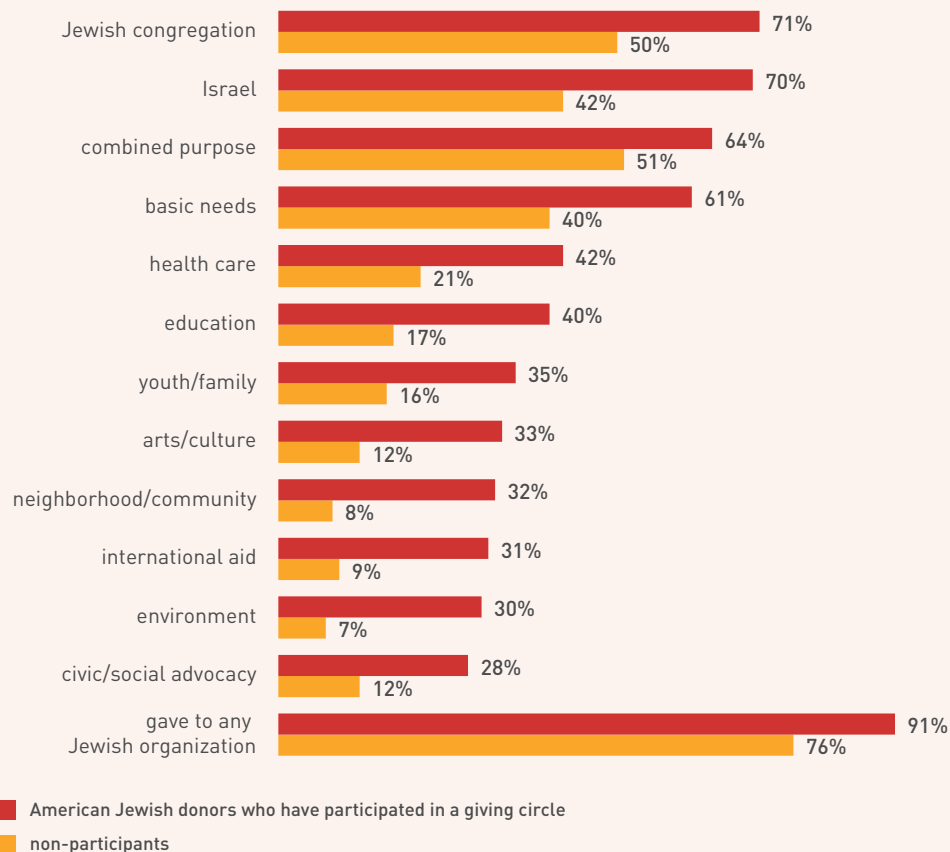
Data from the National Study of American Jewish Giving provide insight into the types of organizations that receive contributions from giving circle participants. The general giving patterns of American Jews who participate in giving circles—many of whom are under 40 and exhibit high levels of Jewish social engagement—are distinct from those donors who do not participate in giving circles. The charitable giving patterns outlined here may serve as a useful bellwether for trends in philanthropy among younger American Jews with high levels of Jewish social engagement.

Overall, giving circle participation in and of itself is not a significant factor in whether, where, or how much American Jewish donors give; Jewish social engagement, age, and income are more important. Indeed, Jewish social engagement is the strongest factor in giving circle participation. The second strongest factor is age; it is far more important than income, which is not a significant factor in giving circle participation (even as it remains relevant to giving behavior in general).⁸

Giving rates to all organizations among American Jewish donors, by giving circle participation



Giving rates to Jewish organizations among American Jewish donors, by giving circle participation



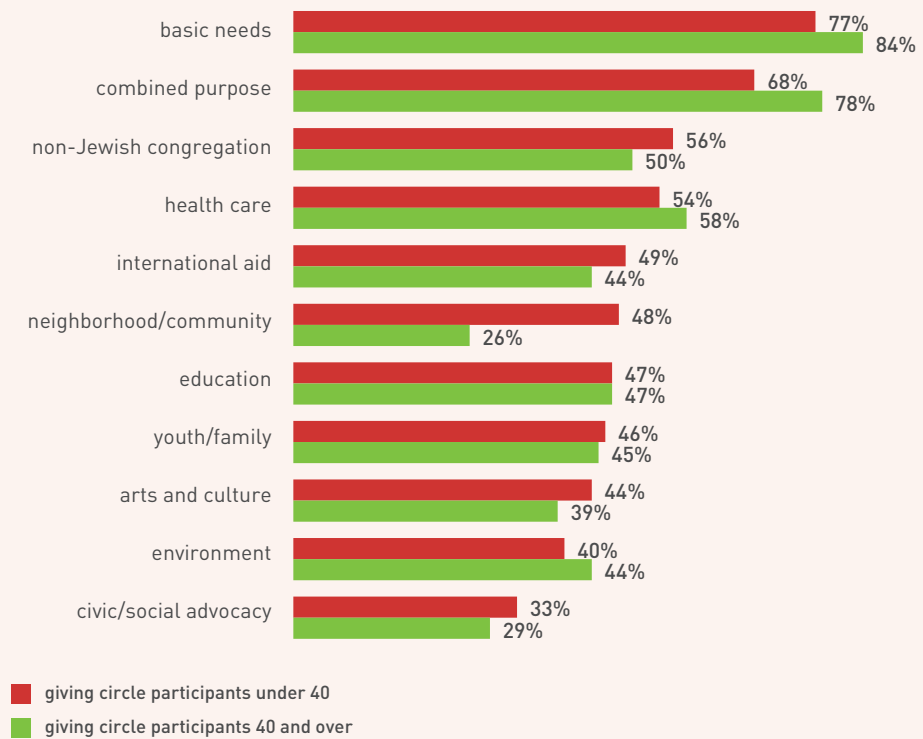
These results reflect giving circle participants' giving in general and do not necessarily indicate where their specific giving circle giving was directed.

American Jewish giving circle participants make charitable contributions to non-Jewish organizations at approximately the same rate as other American Jewish donors (96% vs. 93%) but are more likely to give to Jewish organizations (91% vs. 76%). This is consistent with their generally higher levels of Jewish social engagement. Giving circle participants are much more likely than other Jewish donors to give to organizations working in international aid or neighborhood/community causes, but they are no more likely than other donors to give for health care or to combined-purpose organizations (such as the United Way). When it comes to Jewish organizations, giving circle participants are far more likely than other Jewish donors to give to Jewish organizations working in the environment, neighborhood/community causes, and international aid. However, there is almost no difference in giving rates to Jewish combined purpose organizations (such as Jewish federations).

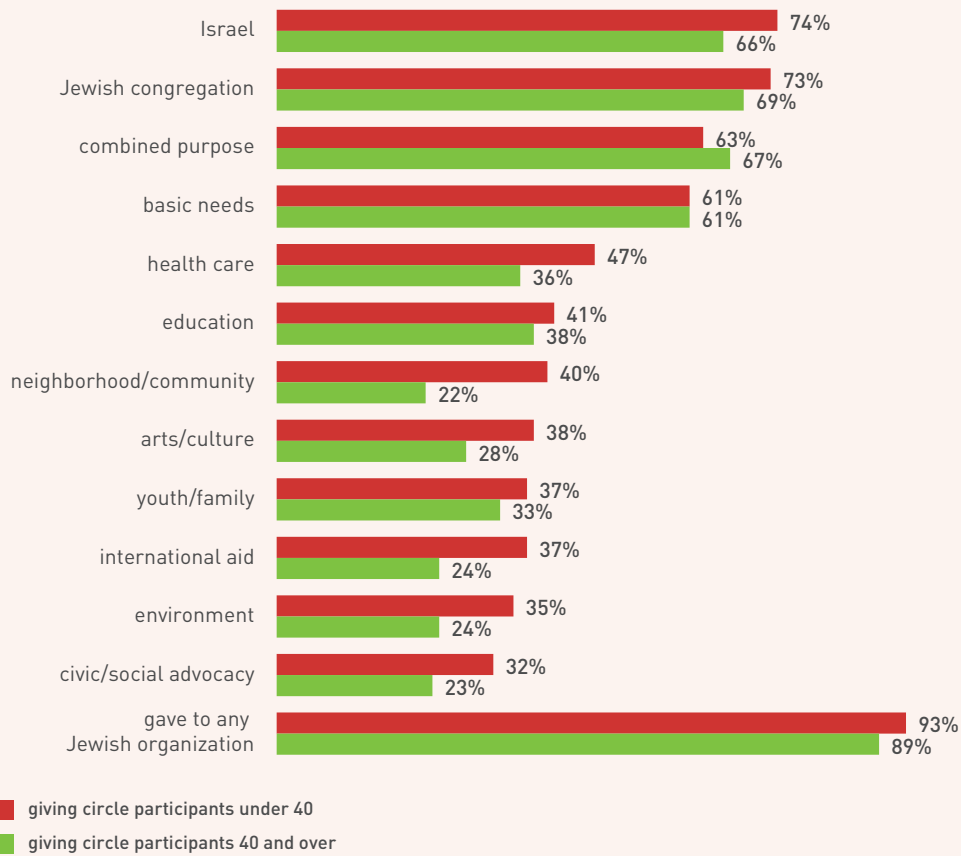
Giving circles disproportionately engage younger Jews. When it comes to overall giving, *Connected to Give: Key Findings* found that younger Jews tend to donate to charitable causes less frequently and in smaller amounts than do older Jews. However, this is primarily a function of rising income levels rather than age itself.

Age-related differences among giving circle participants are consistent with age-related differences among American Jewish donors overall when it comes to the preferences of younger donors for organizations (including Jewish ones) working for neighborhood/community causes, international aid, and arts & culture. However, younger Jewish participants in giving circles also are more likely than their older counterparts to give to almost every type of Jewish organization, except Jewish combined-purpose (Jewish federation) and basic needs organizations. While environmental organizations in general draw broader support from giving circle participants aged 40 and over than from younger donors, the reverse is true for Jewish environmental organizations, which have broader support from giving circle participants under 40.

Giving rates to all organizations among American Jewish donors, by age

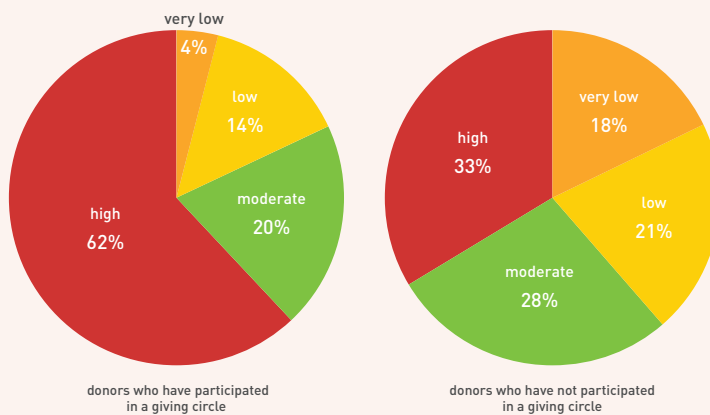


Giving rates to Jewish organizations among American Jewish donors, by age



These results reflect giving circle participants' giving in general and do not necessarily indicate where their specific giving circle giving was directed.

Jewish social engagement among American Jewish donors, by giving circle participation



CONCLUSION

For American charitable donors who have participated in giving collectives, their involvement both reflects and reinforces the social connectedness that drives charitable giving. Giving circles attract greater numbers of women and people affiliated with minority groups, especially African American and Asian/Pacific Islander communities. In addition to helping create and strengthen social and communal connections, they also provide members the ability to engage in meaningful work with others, make new friends and colleagues, and retain more control over the destination of their donations. Their more democratic approach to philanthropy can be especially meaningful to donors who feel that more traditional forms of organized philanthropy do not sufficiently empower them (or worse, marginalize them). Positioned between individual or household giving and established foundation-based grantmaking, giving collectives represent an important philanthropic asset class, whose impact on donors and beneficiaries continues to shape charity in America today.

ENDNOTES

¹ Adapted from Eikenberry 2009, pp. 57-61.

² There is a growing body of research about the giving circle phenomenon; see, for example, Bearman, 2007; Ho, 2008; Eikenberry and Bearman, 2009; Eikenberry, 2009. In 2005, Eikenberry identified 188 groups that had granted a total of \$32 million (Eikenberry, 2009, p. 57); a 2006 study found 400 circles, 160 of which had given away about \$65 million and engaged more than 11,700 donors (Bearman, 2007). Part of this research tradition focuses on ethnic groups, religious groups, and other affinity groups, such as the LGBT community. This report covers adult participants in giving circles; it does not address the growing phenomenon of teen philanthropy, which frequently involves collective giving and grantmaking.

³ Terminology used to refer to different racial, ethnic, and affinity groups may vary from group to group. While the National Study of American Religious Giving referred to Asian or Pacific Islander identity, some giving circles self-identify as Asian while others affiliate as Asian American/Pacific Islander. Similar variations may be seen among Hispanic and Latino groups. In this report, the acronym “LGBT” refers to communities associated with lesbian, gay, bisexual, transgender, and other-than-cisgender heterosexual identities; while this term is used by many groups, including the Gill Foundation, which sponsored a nationwide LGBT giving circle initiative, one giving circle prefers LGBTQ (acknowledging queer identities).

⁴ To analyze Jewish connectedness throughout the *Connected to Give* series, an index of Jewish social engagement was built from the four components that are both empirically related to one another and related to the likelihood of donating to Jewish causes. They are: 1) family status (in-married, non-married, and intermarried); 2) proportion of close friends who are Jewish (four levels from few or none to all or almost all); 3) attendance at Jewish religious services (four levels from never to every week); and 4) whether one volunteers for a charitable or religious organization. For more details, please see “Methods” in *Connected to Give: Key Findings* (pp. 23-24) or online at connectedtogive.org/methods

⁵ For donors in giving circles associated with foundations or national networks with matching funds, the financial impact can be amplified further.

⁶ Eikenberry (2009, p. 95) found that most giving circles fund small organizations.

⁷ See, for example, Windmueller, 2004; Windmueller, 2007; Zion, 2013.

⁸ The higher participation in giving circles among younger Jews is not driven by the disproportionately high number of Orthodox Jews (who are more connected to the Jewish world and thus more involved in charitable giving).

AFTERWORD

Thoughtful, proactive, hands-on giving represents the ideal for community-based philanthropy. Participation in a giving circle—a philanthropic framework all its own—yields a double impact, on members and on the issues and organizations that benefit from funding.

For members, giving circles can offer the transparency, flexibility, autonomy, and the social, network-based experience that many people seek in all aspects of their 21st-century lives. They leverage individual contributions and empower their members with knowledge and control. As the diversity of groups explored in this report clearly demonstrates, giving circles are infinitely customizable: any group of givers, at any giving level, with any area of focus can join forces in a giving circle. They can provide a safe, often grassroots space for exploring critical issues and engaging in difficult conversations, from negotiating complex individual and communal identities and learning about the issues facing one's community to balancing community priorities with universal commitments and determining how to respond.

For the communities within which giving circles operate, they offer not only new and thoughtful sources of funding, but also an opportunity to connect givers, organizations, and causes in direct and meaningful ways. Giving circle participants bring resources, beyond the purely financial: from volunteer time and professional expertise to social networks and broader civic and philanthropic reach.

Within the American Jewish community in particular, giving circle participants may serve as visible and accessible bellwethers for trends and preferences among younger Jews with high Jewish social engagement levels. These are not “next-generation” givers: they are giving *now*, and where and how they give has policy implications for all areas of the Jewish communal landscape.

Participation in a giving circle can shape donors' understanding of not just how to give, but also how to think about giving. The impact of national giving circle networks demonstrates their effectiveness in engaging, educating, and empowering community-based givers. Younger donors, and younger Jewish donors in particular, already are voting with their feet. The findings from *Connected to Give: Community Circles* suggest that long-term engagement and a willingness to work with donors at all levels are key to amplifying the community-building effects of giving circle participation and encouraging donors to be *connected to give*.

S.R.C., D.F., & F.H.

METHODS

For a full explanation of the study’s methods, see the Methods section of *Connected to Give* at www.connectedtogive.org. The sample sizes for Major Finding 1 and “Where do Jewish participants make charitable contributions?” are as follows:

| | NSARG | NSAJG |
|--|-------|-------|
| Giving circle participants | 168 | 252 |
| Donors who do not participate in giving circles | 1,175 | 1,168 |
| White (non-Jewish) giving circle participants | 97 | n/a |
| White (non-Jewish) donors who do not participate in giving circles | 870 | |
| Non-white (non-Jewish) giving circle participants | 71 | |
| Non-white (non-Jewish) donors who do not participate in giving circles | 305 | |

The qualitative findings in *Connected to Give: Community Circles* (Major Findings 2-5) are based on research on 20 different giving collectives based in Los Angeles, New York, Denver, Chicago, St. Louis, Washington DC, Birmingham, Rochester, and nationwide (the names and locations of some giving collectives have been masked at their request to preserve their anonymity). The research focused on groups associated with African American, Asian American, Hispanic/Latino, Jewish, and LGBT communities.

Three field researchers conducted interviews with 44 participants in giving collectives and staff from supporting foundations and umbrella organizations, in addition to several other informational conversations. Interviewees were contacted through national networks and through contacts listed on websites. Through initial contacts, they requested names of additional participants in order to represent diversity in gender, age, length of participation, and experiences with the groups. In addition to interviews, the research team observed seven meetings of giving circles in Denver and New York and two focus groups organized by GBA Strategies and Jumpstart for *Connected to Give*—one of advisors to Jewish philanthropic organizations and the other of advisors to non-Jewish philanthropic organizations. To the extent they were available, websites and other relevant documents were reviewed by the qualitative research team.

All research projects have limitations. The general statements about giving circles in *Connected to Give: Community Circles* reflect patterns in the specific giving circles observed for this study. While other giving circles may have different characteristics, any generalizations are broadly consistent with previous literature on the topic (see, especially, research by Bearman and Eikenberry). That said, it is possible that this study may overrepresent the perspectives of three specific types of participants: experts and experienced participants, women, and individuals who speak positively of their experiences. This is for three reasons. First, when we approached giving circle leadership and foundation staff about our study and asked for contacts with prospective interviewees, the first people they connected us with were often group founders or leaders, with deep knowledge of giving circles or philanthropy in general. Through them, we were able to contact some people who had more recently begun

participating in giving collectives. Even so, future research would benefit from greater participation from members new to organized philanthropy. Second, this report may also disproportionately include women's perspectives. Women make up the majority of interviewees in the current study, in part because the research focused on six giving collectives whose members all were women and only two whose members all were men; the rest were mixed-gender. (Note also that the quantitative data shows that, except among American Jews, most giving circle participants are women.) Third, because the sample includes only current participants, it also may somewhat over-represent individuals who speak positively of their giving circle experiences. Eikenberry and Bearman (2009, p. 54) also note the difficulties of reaching past members of giving circles for interviews about their experiences; future research would benefit from including former giving circle members, including those who left because they had negative experiences.

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