



COVER SHEET

This is the author-version of article published as:

Madden, Kym (2006) Giving and Identity: Why affluent Australians give - or don't - to community causes. *Australian Journal of Social Issues*.

Accessed from <http://eprints.qut.edu.au>

Copyright 2006 Australian Council of Social Service (ACOSS)

Giving and Identity: Why affluent Australians give - or don't - to community causes

Kym Madden
k.madden@qut.edu.au

Short title: Affluent giving to community causes

Abstract

The trend to affluence in Australia is noteworthy. There are more Australian millionaires than ever before and the rate at which Australians are joining this group is one of the fastest in the world, with average assets held now worth US\$4.1m, nudging the world's average of US\$4.8m (Merrill Lynch and Capgemini 2005). This is positive news for the community sector because the Giving Australia household survey indicates that Australia's affluent are more likely give to community causes than those on lower incomes and are more likely to give more (PMCBP 2005). This trend is reflected in analyses of tax deductions claimed for charitable giving (McGregor-Lowndes and Marsden 2006). This paper presents the findings of qualitative research conducted as part of the Giving Australia project describing why affluent donors give - or don't - to community causes. Findings from eight focus groups and eight in-depth interviews with affluent individuals suggest that giving by the affluent at lower levels may be linked to a sense of identity and responsibility within social groups, as well as the perceived worthiness of both the cause and recipient organisations. In contrast, major donor behaviour appeared to be linked to passion and personal commitment to social change. A range of barriers were also indicated such as a need for privacy and concerns about the capacity of community organisations. Overall, the study's findings add to the understanding of giving behaviour by the affluent in Australia and confirm US findings that motivations for affluent donors are complex (for example, Boris 1987; Prince and File 1994; Schervish 2005; Johnson 2005).

Key words: philanthropy, giving, affluent, Australia, motivations

Giving and Identity: Why affluent Australians give - or don't - to community causes

Introduction

The value of giving by individuals overshadows that of businesses and foundations in countries such as the US, the UK, Canada and Australia (Hall 2006; Hall, Lasby, Gumulka and Tryon 2006, ACOSS 2005). Moreover, giving by the affluent is of particular interest to both policy makers and the nonprofit sector. Three trends over the past two decades help to explain this interest: the need for nonprofit organisations to develop funding sources outside the government purse, the expansion of the affluent segment in the population, and a growth in giving by this group.

First, there is serious pressure on many community organisations¹ to complement traditional government funding with private revenue streams to fund their activities (Bendapudi, Singh & Bendapudi 1996; Leonard 2002). Indeed, funding is one of the sector's most pressing concerns as the nature of government funding changes towards a more competitive, short-term and prescribed funding environment (Fitzgerald 2003; ACOSS 2005;). Secondly, developed countries are witnessing an explosion in the number of affluent individuals and their level of wealth. Despite Australia's relatively small population, for example, its number of millionaires reached 134,000 in 2004, the largest number ever, and the rate at which Australians are joining this group is one of the fastest in the world (Merrill Lynch and Capgemini 2005).² The Australian Bureau of Statistics calculates that the wealthiest 20% of households in this country account for 59% of total household wealth, with an average net worth of AUD\$1.4 million per household, compared to a mere \$23,000 per household (or 1% of total household wealth) for the poorest 20% of Australian households (ABS 2005). While some volatility in asset classes is expected in the coming years, the wealthy are projected to become even more wealthy in many developed countries, including Australia, as a result of the transfer of wealth that will occur as the current older generation passes (AMP 2003; Gerloff 2003; Havens and Schervish 2003; TPI 2000).

Thirdly, the level of private giving in Australia, including amongst the affluent, has grown substantially over the past decade (ACOSS 2005), a pattern also seen in other

developed countries such as the US, Canada and the UK (for example, see Hall 2006; Hall et al 2006; The Giving Campaign 2004). In this country, those in the high-income bands are more likely to give (that is, a higher proportion report making financial donations to community causes than those in low income bands) and they give, on average, substantially more (ACOSS 2005). In 2004, 90.5% of all those with incomes of higher than \$52,000 pa reported one or more donations in the previous 12 months compared to 82.6% of all those on lower income bands, and their average annual donations were \$769 and \$264, respectively (ACOSS 2005). Such trends also emerge in Canada and the US (Hall 2006; Hall et al. 2006). McGregor-Lowndes and Marsden (2006) show that of Australians who claimed deductions for charitable donations in 2004, those with taxable incomes of over \$1 million claimed annual donations totalling \$73,355, on average, up substantially from \$37,810 in 2000. This 2004 figure represented 2.4% of these donors' taxable income, more than eight times the national average of 0.29%.³

The bad news for nonprofit organisations is that cash giving by the affluent, in general, is low in Australia, the UK and arguably Canada too (Asia-Pacific Centre for Philanthropy and Social Investment 2004, 2005; Blackhurst 2005). For example, just over one third of Australians with \$1 million plus incomes did not claim for *any* tax deductible giving in 2004, suggesting giving by more than 1,200 individuals in this income band was minimal (McGregor-Lowndes and Marsden 2006). Also, the 60% of Australians in the \$500,000 to \$999,999 income bracket who did make and claim charitable gifts gave only 0.7% of their income. If all the affluent in this income band were considered, this percentage would be even lower (McGregor-Lowndes and Marsden 2006). The good news is that this represents an opportunity for the nonprofit sector to encourage more of the affluent to give, and to give generously to community causes. In the US where data is more plentiful, evidence indicates that more than 80% of high net worth households desire to do more financially for the community (Prince 2000). To do so, however, means that community organisations must understand the attitudes and behaviour of affluent individuals regarding giving and, on this basis, cultivate strong relationships with them (The Giving Campaign 2004). The paper now turns to the literature that addresses charitable giving by the affluent, particularly motivations and barriers.

Extant literature

It is somewhat surprising that academic investigation of the topic is relatively underdeveloped, given the financial challenges facing the nonprofit sector, the high levels of professionalism demonstrated by the philanthropic sector in various countries and calls for more research about philanthropy (Everatt, Habib, Maharaj and Nyar 2005; Katz 1999; Supphellen and Nelson 2001). One possible explanation, suggests Everatt et al. (2005: 282), is that philanthropy is associated with:

elitist and class-based connotations of charity for the poor and disadvantaged...a grave misconception [for two reasons]...first...this understanding...is too narrow and precludes an appreciation of the distinctive contribution they make to the life of the society. Second it focuses on the act and ignores the impulse – the private assumption of public responsibilities – thus missing critical questions about the nature and direction of development [that] relate to the role of government versus the socially conscious actions of individuals, communities and the greater society.

Research relating to giving⁴ exists mainly in the fields of marketing, such as marketing tactics in eliciting donations, and sociology and psychology where studies have investigated helping behaviour and altruism (Supphellen and Nelson 2001). Much of this work, however, has concentrated on theory testing rather than being discovery-oriented, thus by-passing basic questions about giving behaviour (Supphellen and Nelson 2001).

In terms of giving by donors generally, scholars have suggested that both *socio-demographic* factors, especially income level, life experience, age, and marital status, and *personal and social behaviours* are influential in giving behaviour (for example, see Lasby and McIver 2004; White 1986). Religious involvement, too, has been shown to be a substantial driving force in ‘inspiring and organising’ giving (Everatt et al. 2005: 290) and is highly relevant to individuals in the US in particular, but also in countries such as South Africa, Canada and Australia (Hall 2006; Hall et al. 2006; Lyons 1994; ACOSS 2005). Apart from explaining why some individuals have a predisposition to give or not, scholars have investigated motivations for giving, with five main categories emerging (Sargeant and Jay 2004: 29-32):

1. *Self-interest* - such as self-esteem, recognition, reciprocation, memorialising loved ones, and tax breaks;
2. *Empathy* - or giving out of distress for the suffering of others;
3. *Sympathy* - or the individual's belief that it is inappropriate for others to suffer in the way they are perceived to be;
4. *Social justice* - whereby giving helps to restore faith in a just/equitable world;
5. *Conformity* - where giving is influenced by beliefs within groups.

In seeking to understand donor motivations generally, researchers have spent much energy debating whether donors ever give for purely altruistic reasons in the face of evidence that utility of various types may be gained from giving (Sargeant and Jay 2004). Also, some types of giving may not be purely voluntary but instead 'conditioned by patterns of obligation' such as giving that occurs within extended families or cultural groups (see for example Everatt et al. 2005: 290). As well as such donor-related factors, a suite of variables *external* to the donor appear to act as triggers for giving. For example, being *asked* to give - especially by someone who is known and trusted by the individual - can prompt giving (American Demographics 1996) as can asking for a smaller rather than larger gift (Clotfelter 1985). The intersection of the individual's *internal* processes and the positioning of the community organisation in the wider community are also relevant. Supphellen and Nelson (2001) highlight the importance of the individual's decision-making process when receiving direct mail from a charitable organisation: the likelihood of giving increases where an individual assesses their recognition of the community organisation and determines consciously or subconsciously their personal level of receptivity to their request for support.

Understanding the *affluent* donor is a less explored area of academic interest than giving generally (Cermak, File and Prince 1994). Moreover, attention largely has been given to understanding the characteristics of donors such as personality, demographics and the role of opinion leaders rather than why some are major givers and others are not (for example, Danko and Stanley 1986; Ryan and Murdock 1986; Yavas, Reiken and Parameswaran 1980). Cermak et al (1994) make a direct contribution, however, by proposing eight main motivations by wealthy US donors:

1. *Family tradition* - where there was a strong sense of personal obligation and expectation resting on a family and/or spiritual foundation;
2. *Being a beneficiary* - either direct or indirect, of the nonprofit organisation's services;
3. *Being needed* – reflecting a belief that the charity needs what the donor can give;
4. *Tax advantages* – where tax mitigation is a key factor;
5. *Orientation of the nonprofit* – reflecting the general worthiness of the cause, its good work, and having goals consistent with the donor;
6. *Humanitarianism* – reflecting concern for assisting many causes helping the poor and needy, and linking the nonprofit work with donor's spiritual reasons;
7. *Communitarians* – reflecting a concern for the community, and linking the nonprofit's activities in the local community and the donor's ties, such as business ties;
8. *Social affiliation* - reflecting the social connections a donor has to a nonprofit organisation or cause through their network of friends or business associates.

Complementing this work, Schervish and Havens (2001, 2002) suggest four cognitive factors that influence the propensity of the affluent to be philanthropic: feeling financially secure (which has a subjective aspect), feeling grateful and wishing to share one's good fortune with others, the desire to help others with whom they can identify, and the desire to find happiness by helping others. Indeed, Stone and McElwee (2004) found that the last factor – the desire for personal satisfaction or adding a new dimension to their lives – was a compelling one for affluent Californian donors. They also found the desire to teach their children about giving, to connect with like-minded others to make a difference to the community and - to a lesser degree - tax benefits, all to be important reasons for engaging in philanthropy.

An additional dimension that has been identified in recent studies is the desire for an entrepreneurial challenge in giving. Rather than mere cheque-writing, these affluent individuals seek fresh fields in which to apply their pragmatic, creative orientation (Johnson 2005). This (and indeed much of the literature above) addresses the very

wealthy in our community. The UK's Giving Campaign (2004) sought to broaden definitions of the 'wealthy', arguing that high income individuals as well as the super wealthy warrant the attention of the nonprofit sector and policy-makers. It suggests that the following factors either directly or indirectly influence the level of donations by those who are affluent compared to the rest of the community but not necessarily extremely rich (The Giving Campaign 2004):⁵

1. They perceive the level of gift to be comfortable;
2. They perceive a personal capacity to donate (at that specific point in time, and taking into account their financial situation overall);
3. They desire to do good and/or to make a difference;
4. They identify with a cause/organisation;
5. They have confidence that a charity/organisation is concentrating on their core mission, that funds are being spent appropriately, and that a cause/organisation can make a positive difference;
6. They have available to them external guidance and support in suggesting an appropriate level of giving;
7. They are asked to give (with donors assuming that a charity asks for what it needs, that is, if the charity asks for an amount per month, that is an appropriate gift).

While the literature is limited on barriers to giving by the affluent, four primary barriers have been identified. One is a concern that they may *jeopardise* their own financial wellbeing and lifestyle, or that of their children, if they make substantial donations (for example, see Prince 2000; Stone and McElwee 2004). Another barrier, which is closely related to this, is a belief that they *cannot afford* to make major gifts (Stone and McElwee 2004). Murphy (2001) confirms that the capacity to be philanthropic depends on the relationship between one's income and (current and anticipated) expenses: a perceived gap must exist. Finally, not knowing *how to donate* well, and simply lacking a connection with, or knowledge about, any charity can create obstacles to giving for individuals (Stone and McElwee 2004).

Overall, scholars have emphasised the complexity of the reasons that the affluent give or do not (for example, see Boris 1987; Johnson 2005) and wide variation in the nature and extent of support by the affluent (for example, see Prince and File 1994

and Schervish 2005). However, the literature shows evidence for personal and family factors, participation in a religion and acceptance of social norms as all playing an influencing role in giving behaviour of affluent people (Cicirelli 1998; Lyons 1994; Murphy 2001; Warburton and Terry 2000).

The aim of this research is to explore why affluent individuals in Australia give - or not - as well as other issues that are not the subject of this article. The two main research questions addressed in this paper are: What are the key reasons that affluent individuals give to community causes, and what constrains or limits their giving? In brief, why do these individuals give, or not? Investigating these basic issues can assist fundraisers and policy-makers in identifying strategies to encourage philanthropy in Australia, complementing survey findings that formed part of the Giving Australia research.

Methodology

A qualitative approach was chosen as the optimal method to obtain deep, real and personal information from participants (see Patton 2002). Qualitative methodology offered the advantage of potentially gaining a rich sense of the context for respondent attitudes and behaviours (Yin 1994) as well as providing the opportunity for unexpected data and interrelationships that exist within a complex context to emerge (Stake 1995). Both focus groups and in-depth interviews were chosen to answer the research questions for two main reasons. Firstly, using more than one type of qualitative data improves the data's overall robustness (Yin 1994). Moreover, both focus groups and interviews have particular advantages and disadvantages which can complement each other. Focus group method was highly desired for this research because group interaction and interplay between participants encourages alternative points of view and meanings to be articulated, adding depth to the data (Madriz 2000). Face-to-face open-ended individual interviews allowed personal rapport to be developed between researcher and interviewee, and for the interviewer to extensively probe an individual's answers to explore meanings and contradictions; in brief, in-depth interviews provided the opportunity for a comprehensive perspective (Fontana and Frey 2000). Secondly, the use of focus groups alone limits participants to those who can attend focus group sessions. The use of individual interviews offered the

researchers greater flexibility regarding participant meeting time and place, which in turn allowed the perspectives of busy participants to be included.

A purposive sampling method – based on affluent individuals’ location in both metropolitan and regional areas, and across Victoria, New South Wales, Queensland, South Australia, Western Australia – was employed with the aim of capturing a diversity of perspectives towards giving. As well, some participants with private foundations were deliberately included. While relatively few of the affluent do have private foundations, they are one of the main ways that affluent individuals can engage in philanthropy and interest in them has increased substantially since the introduction of Prescribed Private Funds (a new type of private foundation) in 2001 (McGregor-Lowndes and Marsden 2006). Potential participants were drawn from three main sources: the client lists of metropolitan and regional legal, accounting and financial advisory firms that were invited to co-operate with this research; through personal contacts of partners at these firms; and through the alumni and donor lists of two educational development offices, a large private school and an Australian university. These sources were chosen as they represented ways to access affluent individuals in different parts of Australia, in urban and non-urban settings. Within lists generated, potential participants were randomly selected and asked to participate in the study. For privacy reasons, potential participants were first approached by those they knew for permission for the researchers to make direct contact and explain the purpose and approach of the research. This multi-source approach was taken because it was likely to generate a mix of perspectives: Table 1 shows the diversity of location and the inclusion of participants who had a private foundation and those who did not that was achieved. For this study, affluent individuals were defined as those with assets of more than \$1.5 million excluding the family home or those with annual incomes of more than \$150,000.⁶ For practical reasons, participants themselves confirmed their fit with this definition. In all, this study’s sample comprised eight focus groups with approximately seven participants in each, and eight face-to-face, in-depth interviews as shown in Table 1.

INSERT TABLE 1 AROUND HERE

Two semi-structured interview formats were developed and used, one each for the focus groups and the individual interviews. These were similarly structured to explore a range of issues relating to their giving such as how each individual supported community organisations or causes, if at all, their rationale and feelings about what they did or did not do, how individual decisions were taken, their experiences, desires, likely future behaviour, and current and potential barriers to giving at a high level. They were also asked about others they knew who were affluent and barriers that existed for the affluent (that is, to act as key informants about others in the circles in which they moved). Both group and individual interviews generally lasted a similar length of time, approximately one hour and 20 minutes, with the shortest being 45 minutes and the longest just over two hours. Questions were open-ended in order to minimise researcher bias in the type of answers provided. Using Lee, Mitchell, and Sablynski's (1999) facilitation approach, participants were asked to elaborate and clarify major and ambiguous responses. All interviews were audio-taped, transcribed in summary form with quotes drawn, and subjected to a content analysis to identify common ideas, attitudes, beliefs, behaviours and experiences in relation to the research questions. To minimise potential researcher bias in the analysis, a second experienced researcher acted as an official observer and note-taker in focus groups and debriefed with the facilitator following each group interview. For individual interviews, a second researcher reviewed summaries against audio tapes. Further, coding of data was reviewed by a second experienced researcher and major initial differences in coding were discussed and rationalized between the raters in order to reach agreement. If agreement could not be reached the narratives in question were excluded from the analysis; however, differences in coding were minimal. The two principal researchers involved in this research took turns to conduct group interviews and observe, to conduct individual interviews, and do initial and follow-up reviews of the data.

Findings

This section presents the themes that emerged in relation to the two main research questions: why the affluent give, or do not, to community organisations. To arrive at these themes, the data were analysed using a multi-stage content analysis approach (Berelson, 1952; Holsti, 1969). Responses to questions about why participants gave to community organisations to the extent they did, and why they believed others gave to

community organisations to the extent they did, were reviewed. This was followed by a review of responses to questions relating to why they did not give to community organisations or did not give more to these organisations. Single complete thoughts represented the unit of analysis in this study. Summaries were inspected and thoughts (sentences and phrases) identified and grouped, using a cut-and-paste method, according to categories that emerged from the data. That is, data was coded by the emergent and similar concepts/themes (Miles & Huberman, 1984). Direct quotations from participants are included to illustrate findings.

Reasons for giving. The data suggests five primary reasons for the affluent to give:

1. Sense of responsibility arising from one's position or capacity to give

Individuals reported making donations to a worthy cause because they had been personally asked and they felt it only appropriate, by dint of their position and capacity relative to others, to lend their support. They give because they feel they can.

If you have an opportunity to give something back, you would. That's one of the main motivations [to give].

I feel I've been very privileged and very fortunate, and I don't want anything back in return.

*I've been relatively blessed by family and good health and state of mind...
What money does give you is economic independence. Wealth gives you the opportunity to be generous.*

Legitimacy of the organisation is important: the beneficiary of their giving tended to be well known, such as a large and respectable hospital or school capital fund or, where the cause was relatively unknown, donors infer it from peers they respected and who asked them for support or who sat on the organisation's board. It was taken for granted that the use of donations would be appropriate, given the people involved in supporting the organisation.

Some individuals who reported being motivated by a sense of responsibility arising from their success commonly wrote a cheque for relatively small amounts. Some of these low-level donors said they had agreed to join others to support a worthwhile cause and some did not wish to opt out of a joint effort. Benefits accruing from giving through the group include recognition by others, having ‘fun’ together, and feeling part of a group. Thus social affiliations and networks appeared to be a key ingredient for some donors.

If we all just put in what we could afford, it would make a huge difference.

You want to pull your weight.

2. Logical need

This type of giving was motivated by a desire to be practical about meeting a pressing community need. While emotional involvement may be experienced, it was not necessary to be motivated to give. This is illustrated by the following quotes:

We have to feed homeless people.

We can't just turn a blind eye [to this problem].

Instead, individuals believed there was a compelling, logical reason for the individual to give, a clear outcome was sought, results were tangible, and the individual could afford it. The attitude was, ‘Something is needed: here’s the case for it. We can do it’.

As we see it [we give to] a group of hardy, educated people who will give back to the country.

This motivation was different from the first (see above) because of their focus on the solution rather than the general worthiness of the group effort. Some individuals acted alone rather than in a group, for example, those who set up a foundation to create specific opportunities.

Some individuals wanted their contribution to make a difference to the community in order to directly improve a situation in specific, focused ways. Thus they employed essentially a pragmatic response to a genuine need. For example:

I think you have to see that something is happening and I think you have to see that there are going to be benefits – immediate benefits and I think that’s the good part about setting [a foundation] up early.

3. Compassion

Other participants reported being motivated by a strong sense of caring and concern for those disadvantaged in the community. This was commonly expressed as a belief that there were people in dire straits in their lives, and as they were fortunate in life, they wanted to lend a hand financially to organisations helping those people. That is, this type of giving was underpinned by emotional caring or compassion for others and the plight they were in, as well as a moral imperative to help based on their ability to do so.

If not me, who will give?’

If I can help, I should do it.

Individuals commonly reported that they gave because there were many deserving of help and they could afford to assist. This motivation was different to the first due to the added emotional connection to those needing helping. For them, making a connection was enough.

I feel I’ve been very privileged and very fortunate, and I don’t want anything back in return.

There’s a deeper psychological thing there that goes on... It impacts so strongly on both sides, both the giver and the receiver.

4. Moral/family values

Other participants reported giving that is motivated by personal values, especially the meaning of money and how it should be spent.

At the end of the day, I guess I see money doesn't necessarily bring happiness...

Spend more time on giving money away and you'll be happy.

Such individuals value happiness and personal satisfaction, feeling they are living as they wish to, on their own terms, in a materialistic society. This is illustrated by the following quotes:

We've often discussed whether [spending more money] would make us happier...and we've come to the conclusion that no, it wouldn't. It's a lifestyle decision we've made.

As well as giving as an expression of one's personal values, giving may be tied to family values. For example, giving was underpinned by family tradition for some.

My father started it all [private foundation]...and if [the project I have developed] works, then I'll add more money to it.

For others, giving related to the family generally. Some participants expressed the wish to encourage their children to care about others and to learn about giving. In particular, they sought to instil moral values in their children by demonstrating giving behaviour, acting as role models. In this way giving to community causes provided some individuals with a strategy to teach their children and influence what kind of adults they turned out to be. For example:

I want to be involved in the redistribution of my assets to my children... Part of my message will be 'You're not getting it all'. I want them to have the same work ethic that I've had.

You...think that if it helps to make your sons and daughters and grandchildren better citizens, [it's worth giving]... It's partly a selfish reason, I suppose.

5. Passion

This type of giving was underpinned by the desire by some individuals to give to specific causes or organisations about which they felt most strongly and with which they were highly involved. For some reason, they had developed an intensely emotional connection with a principle or value, a cause, an organisation or an outcome and they commonly reported giving 'from the heart' or 'out of passion'.

If you have truly been touched by a need, you do feel passionate about it.

Some participants report being inspired or hopeful about the work of the beneficiary organisation/s. Further, their passion is commonly focused in one direction, for example, they may be devoted to art or excellence in a field, or they may be passionate about improving the plight of children or animals in distress.

Having passion for a cause appears to be the motivation for much structured and substantial giving such as family foundations and trusts including Prescribed Private Funds, planned giving and pledges, and large single donations. Individuals who are passionate about a cause commonly reported being vitally interested in prevention of social problems through structural change rather than giving attention to alleviating the symptoms of social problems. Some with a family foundation supported causes that were both highly worthy but did not attract mainstream funding. There was concern expressed by such individuals for organisations that fell 'between the cracks' and missed out on support elsewhere.

Overall, it was more common for individuals to describe a *mix* of reasons for their giving behaviour. For example, a wealthy individual may give mainly because he believes there is a genuine, unfilled need in the community but also because he is approached and asked to contribute. Also, there appeared to be *enabling* factors that underpinned or linked to these reasons to give. These were identified as perceived capacity to give, identification with a giving 'orientation', belonging to a network that

encouraged giving, being involved with a community organisation, and situational factors.

Enabling factor 1: Perceived capacity to give. Participants commonly reported giving to community causes when they perceived they were able to give, that is, that they were in a position to give. For example:

I think financial ability in the first instance motivates people to give. After that comes a whole range of influences.

If you have an opportunity to give something back, you would.

This perceived capacity to give may relate to discretionary funds after the individual's needs or commitments are addressed but it was the perception of it that appears to influence the extent of their giving rather than any level of wealth held (such as might be assumed by the research team). For example, in this study, some wealthy individuals claimed a low capacity to give while others with apparently similar wealth claimed a high capacity to give. That is, the data suggest that one's capacity to give can be a highly subjective state, separate from any objective measures of income or wealth.

Enabling factor 2: Whether one has a giving 'orientation'. A common theme in the group and individual interviews was the notion of having a giving 'orientation' or valuing giving as a result of one's experiences, particularly in childhood and one's family. It was also seen by some as a type of personality, as in having a 'giving personality'. They explained generosity as being part of their approach to life, part of their way of being in the world, thus giving to community causes was perceived as part of their identity:

It's who I am.

In turn, some of those who never had this exposure to family role models for giving also referred to what they learned in childhood. These participants tended to see themselves as 'not big givers' rather than non-givers (all participants saw themselves

as giving to others to some degree). They said their parents or others close to them were like this, too, and they had learned to see themselves similarly. Generally, participants emphasised the importance of what they had learned when young:

I've always been a bit suspicious of charities because my parents were.

My mother became really sceptical and taught me to be careful about what they said.

Overall, some of those who reported donating at a high level perceived themselves as holding deep values that were highly congruent to giving. They perceived themselves as having an orientation towards giving – or not – that was fostered within them by their parents or others close to them when they were children. Indeed, the notion of having a predisposition towards giving was supported by participants generally.

Enabling factor 3: Belonging to a network that encouraged giving. Being a member of a group that engaged in support of community causes was a third factor that appears to influence giving behaviour. Being part of a formal group such as a church, or an informal one such as a business or professional network, was perceived by participants as connecting them to causes to which they might not otherwise be exposed. If others are giving, this makes it easier for them to do so.

'It makes it easier to get involved.'

As well as raising awareness of a cause, groups legitimised, and otherwise lent credibility to specific community causes for some individuals, particularly those who were low to medium givers. As one participant said:

'You know they are worthwhile causes.'

'They were doing it (long distance bike ride to raise funds for a charity) and they thought I would like to do it, too...it turned out to be excellent, a good time, and it was for a good cause, too.'

Some participants who were members of close-knit groups that shared strong values and beliefs (such as religious groups) perceived these groups to have a strong influence on their individual giving behaviour.

'I support a range of causes through my Church.'

Enabling factor 4: Being involved with a community organisation. A final primary factor that seems to influence an individual's level of giving appeared to be whether or not they were personally involved with a community organisation or cause. The type of involvement is important in what is known about that organisation's work and whether it deserves financial support.

'I have been volunteering there for years.'

'I know the work that they do.'

In contrast, some participants reported being less likely to give to nonprofits unknown to them.

'I don't like to give if there is no emotional connection there.'

'I'm not involved with any particular charity and am not sure where to start.'

Feeling close to an organisation was commonly based upon past positive exposure to the organisation. Indeed, school experiences appeared to stay with individuals over the years:

'I give to the RSPCA because we did a lot of fundraising for them at high school and really got to know them...I remember the people who came in with their dogs and spoke with us.'

Enabling factor 5: situational influences. Finally, perhaps not surprisingly, situational factors also appeared to influence the giving behaviour of participants: being asked to give in ways that made them feel comfortable, or uncomfortable, was

important to how they responded. For example, some participants reported situations where they felt pressured to give and this had turned them off giving to that organisation or cause – sometimes permanently. Thus, individuals' perceptions of the request for support can shape giving responses, temporarily as well as over time. For example, although telemarketing was not the usual way that the affluent were asked for large donations, they did receive telemarketing calls at home from community organisations seeking donations and they generally reported detesting such calls. Such requests were widely perceived by participants in this study as intrusive. Also, some felt under pressure to make an immediate decision without adequate time to peruse information about the organisation involved and consider the request.

The data suggest that the converse also seems to occur, where some participants have developed confidence in community organisations, their support has grown over the years.

Why the affluent *do not* give

Participants also discussed at length their own attitudes and experiences relating to when they did not give to community causes, or gave at a low level to them. In addition, all knew others in their business, professional or social circles who did not give and they discussed what they knew of reasons for others' not doing so. Using the method previously explained, all data were analysed, coded and categorised and four main obstacles were identified.

1. Not something they would spend their money on

Some participants simply did not consider personally engaging in philanthropy (or commonly described others who gave little or nothing to community causes in this way). Such individuals chose to spend their money in other ways and did not see themselves as having unused financial capacity.

Right now, I am not in position to help.

Some did not see the benefits that accrue from giving, either from the community or personal perspective and did not spend time considering it. Instead, they did not have giving to community causes 'on their radar'. While donors in the study described

affluent others who do not give as ‘mean’ and ‘selfish’, those who prioritised their spending in other ways did not view their own behaviour this way. They perceived that they had personal responsibilities which they must meet. They just did not assume social responsibilities beyond paying taxes and giving in small amounts.

You can't give to everything...so many people are asking for support.

I give enough through my taxes.

The data also suggests that some individuals feel under financial pressure and uncertain about their financial circumstances despite their affluence, and they restrain their giving at these times. There was general consensus that a level of financial security is needed to be a substantial donor. Several participants believed that those relatively new to wealth were anxious to keep it.

They don't feel comfortable giving it away...sometimes you have to have money for a couple of generations to feel secure.

Overall, as noted, the affluent individuals in this study generally perceived themselves having limited funds available to support community causes, given their other needs.

2. No need for support

Some participants were puzzled as to why a social problem existed to the extent it did and some suggested that their peers can be unaware of community problems that exist.

To me, it's how you get people to understand the need. When they do understand it, that's when they'll give... I mean, I don't understand, for example, why we get homeless people... Somehow they slip through the cracks.

Some believed that non-givers had not been personally exposed to hard times themselves nor seen others in genuine need. One reason, said a number of participants, was that affluent people can be insulated from what is happening in their community.

They've never been touched by a real social problem themselves.

They don't see what's there.

Also, there was a view expressed by some that peers may not give because they themselves did not see the need to do so but that if someone in their circle flagged that something was a worthwhile cause and they were personally asked, some would give.

I think there are a whole range of people out there who won't give unless you talk to them and knock on their door.

3. Need for privacy

Participants commonly reported being personally approached to support causes, to such an extent that they could be reluctant to say yes for fear of potentially attracting many more requests for support. Indeed, there was a concern expressed by some that they may be 'inundated' by personal requests for support if they gave more often, or at higher levels. This would cause them discomfort as they perceived that they could not support all worthy causes.

There are just so many causes and they want you to give more and more.

Moreover, there was a strong dislike by some participants of 'intrusive' requests for support and some reported backing away from giving for this reason.

They are becoming more 'in your face' than before.

Wealthier participants in particular valued privacy and guarded it carefully. Many did not want to 'stand out' from others, preferring a low profile and not 'making a fuss' about assets they had accumulated.

We've always lived a very careful life, you know, never going overboard... We are still living in our same house...that is the value judgment we made. We don't want our friends to know the amount of money we have...most of them

are nice, practical, ordinary Australians who have raised their children and done their best.

For these reasons, some did not give large amounts to nonprofit organisations: they did not want to be ‘targeted’ by them or for their giving to attract attention.

4. Concerns about community organisations

A final obstacle to giving related to misgivings participants themselves held about community organisations or saw that their affluent peers held. A common concern, particularly by those who were not large donors, was that many charitable organisations overspent on administration.

One of the things that concerns me with charities is the percentage of the money that goes towards administration.

The professional money raisers... basically dig out some poor little charity... offer them the world and then go out and collect the money and rip people off... I've just got a feeling that 50, 60, 70% of the money goes into pockets of [professional fundraisers].

Some also wanted more transparency. There was concern that money was being wasted and they did not want to be party to this.

I'm very sceptical about charities... I'm never going to give to that middle rung because I don't know how they're set up.

The last thing I ever want to see is waste. I don't mind paying \$200 for a bottle of champagne. What I do mind is paying \$20 for a bottle of champagne and having one glass drunk and the rest of it poured down the sink.

One of the most common frustrations they experienced was that of perceived duplication of effort by many similar nonprofits hoping to alleviate the same community problem such as drug use or finding a cure for specific cancers.

Why don't they work together on [this problem]? They would be able to achieve so much more...

I asked about the work of this other [medical research] team...they had never heard of them. How come I had?

Also, an issue for some participants was a perceived expectation by others that they would give to a charitable cause without sufficient explanation of how donations would be used and what impact their programs were having. Some participants appeared concerned that some social problems may be too big to fix, at least at a reasonable cost, and they did not want to throw their money away. Indeed, such a notion was repellent to some, who explained their wealth as coming from their 'good sense' in how to invest their funds.

Why is this something I should support?

[Medical research] is a bottomless pit.

In turn, some major donors suggested that these concerns would be allayed if critics visited nonprofit organisations and observed first hand the work they are doing, especially the results they were achieving

If [they] had someone come and take [them] through [the work of the charity], hands-on... it would be a very positive [experience].

Discussion

First some general observations are given, then motivations and barriers will be discussed in relation to the literature.

This study suggests the affluent are generally willing to support community causes to some degree if personally asked and if they perceive the cause is worthwhile. However, it seems there is an extremely wide variation in what is an acceptable level of giving by this group. Even so, all participants in this study reported knowing affluent others who give negligible amounts to charity. This awareness of others' non-

giving is interesting because participants also reported that philanthropy is a topic they rarely discussed openly with each other. Despite the highly personal and social nature of much giving by the affluent, most did not know how much others gave, even close friends and relatives. It appears that only non-giving is noticed and criticised. As one high giver said:

Corporate[s]... may decide not to give because they have shareholders' interests to consider... but when wealthy individuals don't give, that really gets to me!

At the same time, the mantle of giving was seen to fall on all Australians. Participants generally wanted all people, regardless of income, to be giving to the extent that they could, as many perceived themselves to be doing. A common concern was that contributing to the common good should not be left to them completely.

All Australians need to do what they can. They can't leave it up to others.

It's a cultural thing, not just for the wealthy. I think 'philanthropy' has got to be a happy, nice word. It's got to be out there... It's almost like it's a closed word... I mean, even the average family can make small donations.

In covering the topic of giving broadly, this study suggests that the highest givers amongst the affluent may be those who have become passionate about specific causes. The data indicate that substantial givers had strong relationships with those in the community sector and gave out of deep engagement with a cause or organisation. In contrast, those who gave at relatively low levels appeared largely disconnected from the sector and to give for external reasons such as because others gave. This is not to suggest these individuals do not have personal values congruent to social justice, compassion etc but it does suggest that social networks played a key role in facilitating support for causes. Incidentally, wherever they could, affluent donors in this study said they always claimed tax deductions on their giving but they left such details to be handled by their accountant or adviser who, in turn, was aware of their gifts. While tax deductibility did not determine if they gave or what they gave to, tax was regarded as a positive incentive for those wishing to give and it encouraged them to give more than they otherwise might. Finally, even major givers in this sample

were reluctant to describe themselves as ‘philanthropists’, saying the term belonged to large US donors.

Regarding motivations for giving, these qualitative findings can be compared to Giving Australia’s (GA) household survey findings.⁷ Out of a suggested list of reasons for giving to community causes, one third (33.8%) said they wished to support ‘a good cause or charity’; another main reason given was ‘I respect the work it does’ (27.4%). Other motivations were supported to a far lesser degree. For example, only 12.7% reported being motivated by ‘sympathy for those it helps’, knowing someone who ‘has directly benefited from its services’ (12.6%) and knowing someone who ‘has or had an illness or condition it tries to cure’ (11.6%), with all other potential motivations including those not identified by the researcher attracting fewer than 10% of respondents. On the surface, it is difficult to place the survey’s two main motivations into the categories suggested by this study’s qualitative findings except to note that they both relate to the credibility and quality of the work done by the nonprofit organisation. The qualitative findings emphasise these aspects in the motivation to give out of one’s responsibility as a successful person. They arguably also play a role in the other motivations that have been identified.

The quantitative survey findings also correspond with one motivation previously identified for the affluent, *orientation of the nonprofit* (Cermak et al 1994; Prince and File 1995). The qualitative findings provide evidence for additional motivations, particularly: *communitarianism* (reflecting a concern for the community, and linking the nonprofit’s activities in the local community and the donor’s ties such as business ties); *social affiliation* (reflecting the social connections a donor has to a nonprofit organisation or cause through their network of friends or business associates); *humanitarianism* (reflecting concern for assisting many causes helping the poor and needy, and linking the nonprofit work with donor’s spiritual reasons); and *being needed* (reflecting a belief that the charity needs what the donor can give).

Similarly, GA’s quantitative findings align with three motivations identified by The Giving Campaign (2004) that relate to the worthiness of the cause/organisation, while the qualitative findings confirm support for additional factors that are relevant to the decision by affluent individuals to donate or not, and at what level. In terms of major

donors, too, this study's findings offer evidence in support of Stone and McElwee's (2004) findings that primary motivations revolve around personal satisfaction, connecting with like-minded others to make a difference to the community and engaging and teaching their children about giving.

On this basis, then, it is suggested that these findings add depth to what is known about giving by the affluent in Australia. They emphasise that individuals need to feel able to afford a substantial gift in the light of their other spending, as well as the importance of having sufficient knowledge of, and connection to, a community organisation. These last two factors support Stone and McElwee's (2004) suggested barriers to giving by the affluent. The findings also add to what is known about barriers to giving, at least in Australia, by identifying a concern for one's privacy as well as trust-related concerns such as not being convinced about the need or having concerns about community organisations' efficiency or effectiveness.

Also, while findings indicate that some affluent Australians do not give at high levels because they do not perceive a capacity to do so in the light of other priorities, the research team *did not* find that a fear existed amongst individuals that giving might jeopardise their financial wellbeing and lifestyle (for example, Prince 2000; Stone and McElwee 2004). Instead, this result echoes a similar finding in a new study of the wealthiest 1% of Americans (U.S. Trust 2006). There was also less support for their suggested barrier that people did not know how to donate well. Finally, the findings show strong support for self interest as a motivation for giving by donors generally, which is reflected in a range of studies (Sargeant and Jay 2004).

In general, these qualitative findings indicate that giving by Australia's affluent relates closely to the giver's sense of identity and expression of themselves with others, and their motivations may not be too different from less affluent Australians. Giving behaviour appears to be underpinned by strong social networks, and at the higher level, by an entrepreneurial spirit wherein individuals looked for ways to prevent community problems or create opportunities where few exist otherwise. Indeed, this study provides evidence that substantial donors give to shape the community rather than merely support charitable causes (supporting Schervish 1995, 2005). While the credibility of the cause is a vital ingredient at all levels of giving by

the affluent, this does not necessarily mean ‘mainstream’; indeed the ‘gap’ is what challenges many affluent givers at higher levels.

Conclusion

Understanding why the affluent give to community causes and what might constrain them from doing so will be essential if nonprofit organisations and policy makers are to work constructively to nurture giving in Australia. This study provides some insight into the dynamics driving giving behaviour by this growing segment of the population and indicates the kind of triggers that will be needed to increase giving by the affluent in this country. However, this is one study and much is still unknown about philanthropy – planned, committed and substantial giving - rather than tokenistic giving. Much more research is needed to understand this behaviour, and the historical and cultural framework supporting the current levels of philanthropy in Australia, so different from the U.S. in particular. Notions of private versus public responsibilities are relevant to teasing out the resistances that Australians may have to philanthropy, as well as Australian perceptions of why social problems exist and how they can be addressed. Mapping Australian attitudes to these basic issues, how they are changing and the historical, economic, social, and political context underpinning them, are needed in future studies by researchers from a variety of disciplines. It is essential that the individual Australian mindset, and larger collective landscape, is ‘unpacked’ for its unique characteristics and for calls for increased philanthropy to also take into account collective ‘barriers’. This is beyond the scope of any one study and represents a challenge to the broad research community.

At a practical level, this study reminds researchers that access to the affluent is a challenge. A personal approach was chosen to find participants and, even though this made the fieldwork more time-consuming and expensive, the research team found that this strategy facilitated candid and comprehensive responses by participants. It allowed rapport and trust to be developed, two factors that may prove critical to the richness of data in future studies. Further, targeting the mass affluent – the top 20% of the population – may be preferred over those targeting the top 1%, for example, who may be clustered in a limited number of postcodes and thus irrelevant to the broad sweep of the community sector in Australia. Moreover, the extent of one’s lifestyle is also important: it is not just the level of assets that permits philanthropy but the cost of

one's lifestyle. Researchers are wise to not make assumptions based purely on level of wealth.

In sum, this study provides further evidence that reasons for giving, or not, are complex and researchers, policy makers and those in the nonprofit sector are urged to tread carefully in categorising Australia's affluent. However, findings also highlight the potential for giving if nonprofits can engage affluent individuals and relationships are developed. The findings also indicate that strategies that involve peers and groups such as giving circles and affinity groups, as well as linkages between networks to which they belong and nonprofit activities may be worth further investigation by those interested in growing philanthropy. Community organisations also will be wise to consider sector-wide responses to publicly held myths held about administration. A belief that administration costs are a waste of money appears likely to be constraining the sector's ability to fundraise. If organisations are to become more transparent and to clearly communicate social outcomes achieved, investing in quality internal processes is paramount. Finally, growing relationships with the affluent to spark commitment and passion for a cause is likely to take time and good practice by those in the fundraising fraternity. This study's findings suggest that if individuals can become involved in giving when young, especially with their parents or other close relatives, it will be easier to nurture these individuals' long-term support of the sector.

Table 1: Spread of participants

	Without private foundation	With private foundation	Mixed – with and without private foundation	<i>Total</i>
<i>Focus groups</i>				
Melbourne		1		
Sydney	2	1		
Brisbane	1		1	
Perth	1			
Hobart		1	1	
<i>Total focus groups</i>	4	2	2	8
<i>Individual interviews</i>				
Melbourne	2	1		
Sydney		1		
Perth		1		
Adelaide	1			
Dubbo	1			
Bendigo	1			
<i>Total interviews</i>	5	3		8

References

- ABS (2005) '6523.0 – Household Income and Income Distribution, 2003-04', 2003-04 *Survey of Income and Housing (SIH)*, Canberra, Australian Bureau of Statistics.
- ACOSS (2005) *Giving Australia: Research on Philanthropy in Australia*, Department of Family and Community Services, Canberra, Australian Government, October.
- American Demographics (1996) 'Why Donors Give.' *American Demographics*, 18 June, 4.
- AMP (2003) 'Wealth and Inheritance', *AMP.NATSEM Income and Wealth Report* Issue 5, AMP Limited, June.
- Asia-Pacific Centre for Philanthropy and Social Investment (2004) *How the Wealthy Give: Comparisons between Australian and Comparable Countries (USA, Britain and Canada)*, Swinburne University of Technology, Melbourne, October. http://www.msnsw.org.au/Version4_2002/docs/publications/pdf/Wealthy_Aussies.pdf, accessed 13 January 2006.
- Asia-Pacific Centre for Philanthropy and Social Investment (2005) *Encouraging Wealthy Australians to be more Philanthropic: A Report for the Petrie Foundation*. Swinburne University of Technology, Melbourne, February. <http://www.partnerships.gov.au/pdf/PetreSecondProject.pdf>, accessed 13 January 2006.
- Benapudi, N. Singh, S. and Benapudi, V. (1996) 'Enhancing Helping Behaviour: An Integrative Framework for Promotion Planning', *Journal of Marketing*, July, 60 (3), 33-49.
- Blackhurst, C. (2005) 'God and the money men', *The Tablet* http://www.thetablet.com.uk/cgi-bin/archieve_db.cgi/tablet-01060, accessed 13 January 2006.
- Boris, E. (1987) 'The Values of the Wealthy: Philanthropic Attitudes as a Reflection of Political Philosophy in American Culture,' *Independent Sector Spring Research Forum Working Paper*, New York, Independent Sector.
- Cermak, DSP, File, KM, and Prince, RA. (1994) 'A Benefit Segmentation of the Major Donor Market', *Journal of Business Research* 29 (2), 121-130.
- Cicirelli, V.G. (1998) 'Views of Elderly People Concerning End of Life Decisions', *The Journal of Applied Gerontology*, 17 (2), 186-203.
- Clotfelter, C.T. (1985) *Federal Tax Policy and Charitable Giving*, Chicago, Chicago University Press.
- Danko, W.D. and Stanley, T. J. (1986) 'Identifying and Reaching the Donation Prone Individual: A Nationwide Assessment,' *Journal of Professional Services Marketing*, 2 (Fall/Winter), 117-122.

- Everatt, D, Habib, A, Maharaj, B, & Nyar, A. (2005) 'Patterns of Giving in South Africa.' *Voluntas: International Journal of Voluntary and Nonprofit Organisations*, 16 (3), 275-291.
- Fisher, J.L. (1986) 'The Growth of Heartlessness: The need for studies on philanthropy', *Educational Record*, 67 (1), 25-28.
- Fitzgerald, R. (2003) 'Nonprofit sector under the spotlight: Critical challenges and vital choices for nonprofit organisations in a contested environment.' *Speech at the Alumni Anniversary Dinner 2003*. Centre of Philanthropy and Nonprofit Studies, Queensland University of Technology, Brisbane, November.
- Fontana, A. and Frey, J. (2000) 'The Interview: From Structured Questions to Negotiated Text', In N.K. Denzin and Y.S. Lincoln (eds) *Handbook of Qualitative Research*, 2nd edition, Thousand Oaks, Sage.
- Gerloff, P. (2003) 'Wealth Transfer in an Age of Affluence: An interview with Paul Schervish', *More than Money Journal*, April, 5-9.
- Hall, H. (2006) *Coming on Strong: Gifts in 2005 nearly matched all-time high of 2000*, Chronicle of Philanthropy, 1-6, <http://philanthropy.com> accessed 15 August 2006.
- Hall, M, Lasby, D, Gumulka, G, & Tryon, C. (2006) *Caring Canadians, Involved Canadians: Highlights from the 2004 Canada Survey of Giving, Volunteering and Participating*, Minister of Industry, Statistics Canada, 2006.
- Havens, J.J. and Schervish, P.G. (2003) *Why the \$41 Trillion Wealth Transfer Estimate is Still Valid: A Review of Challenges and Questions*, Social Welfare Research Institute, Boston College, Boston.
- Johnson, S.P (2005) 'Involving Advisors in Philanthropic Planning: Recommendations from Research', *Journal of Gift Planning*. January 1, 58.
- Katz, S.N. (1999) 'Where did the serious study of Philanthropy come from, anyway?' *Nonprofit and Voluntary Sector Quarterly* 28 (1), 74-82.
- Lasby, D. and McIver, D. (2004). 'Where Canadians Donate: Donating by type of organisation.' *National Survey of Giving, Volunteering and Participating (NSGVP)* Canadian Centre for Philanthropy.
- Lee, T. W., Mitchell, T. R., and Sablynski, C. J. (1999). Qualitative Research in Organizational and Vocational Psychology, 1979-1999, *Journal of Vocational Behavior*, 55 (2), 161-187.
- Leonard, R. (2002) 'A Qualitative Exploration of Women's Volunteering in Human Services', *Third Sector Review*, 8 (2) 31-50.

Lyons, M. (1994) 'The Institutionalisation of Philanthropy in Australia and Prospects for Change', *Working Paper No. 21*, Centre for Australian Community Organisations and Management (CACOM), University of Technology Sydney. December.

Lyons, M. and Hocking, S. (2000) *Dimensions of Australia's Third Sector*. Centre for Australian Community Organisations and Management (CACOM), University of Technology Sydney.

Madriz, E. (2000) 'Focus Groups in Feminist Research', In N. Denzin & Y. S. Lincoln (eds) *Handbook of Qualitative Research*, 2nd edition, Thousand Oaks, Sage.

McGregor-Lowndes, M. and Marsden, S. (2006) *An Examination of Tax-Deductible Donations Made by Individual Australian Taxpayers in 2003-04* Working Paper No. CPNS 33, Centre of Philanthropy and Nonprofit Studies, Queensland University of Technology, Brisbane.

Merrill Lynch and Capgemini (2005) 'The World Wealth Report', 9th Annual Report by Merrill Lynch & Co, Inc. and Capgemini Global Financial Services, <http://www.us.capgemini.com/DownloadLibrary/DownloadPDF.asp>, accessed 9 January 2006.

Miles, M.B. and A.M. Huberman. (1994). *Qualitative Data Analysis: An Expanded Sourcebook*, Thousand Oaks, CA, Sage.

Murphy, T. (2001) 'Financial and Psychological Determinants of Donor's Capacity to Give', In E.R. Tempel and D.F. Burlingame (eds) *New Directions in Philanthropic Fundraising: Understanding the Needs of Donors: The Supply-Side of Charitable Giving*, 28, 33-49.

Patton, M.Q. (2002) *Qualitative evaluation and research methods*, 2nd Ed, Newbury Park, Sage.

Prince, R.. and File, K. (1994) *The Seven Faces of Philanthropy: A New Approach to Cultivating Major Donors*, San Francisco, Jossey-Bass.

Prince, R. (1995) 'Recognizing the Seven faces of the Affluent Charitable Market', *National Underwriter*, April 17, 25.

Prince, R. (2000) 'Wealthy Primed for Charitable Giving', *National Underwriter/Life & Health Financial Services*, 104 (10), 20-21.

Ryan, D. and Murdock, R. (1986) 'Identifying and Nurturing Core Donors'. *Fund Raising Management*. 16 (12), 20-32.

Sargeant, A. and Jay, E. (2004) *Building Donor Loyalty: The Fundraiser's Guide to Increasing Lifetime Value*, San Francisco, Jossey-Bass.

Schervish, P. (1995) 'Passing it on: The Transmission of Wealth and Financial Care', in P.G. Schervish, V.A. Hodgkinson, M. Gates and Associates (eds) *Care and*

Community in Modern Society: Passing on the Tradition of Service to Future Generations, San Francisco, Jossey-Bass.

Schervish, P. (2005) 'Major Donors, Major Motives: The people and purposes behind major gifts', *New Directions of Philanthropic Fundraising*, 47, 59-87.

Schervish, P, and Havens, J. (2001) 'The New Physics of Philanthropy: the Supply Side Vectors of Charitable Giving – Part 1: The Material Side of the Supply Side', *The CASE International Journal of Educational Advancement*, 2 (2), 95-113.

Schervish, P, and Havens, J. (2002) 'The New Physics of Philanthropy: the Supply Side Vectors of Charitable Giving – Part 2: The Spiritual Side of the Supply Side', *The CASE International Journal of Educational Advancement*, 2 (3), 221-241.

Stake, RE. (1995) *The Art of the Case Stud.*. Thousand Oaks, Sage.

Stone, D. and McElwee, J. (2004) *What California Donors Want In Their Own Voices*, Washington D.C, National Centre for Family Philanthropy.

Supphellen, M. and Nelson, M.. (2001) 'Developing, exploring, and validating a typology of private philanthropic decision-making' *Journal of Economic Psychology*, 22 (5), 573-603.

The Economist (2004) *Doing Well and Doing Good*, <http://www.economist.com>, accessed 2 August, 2004.

The Giving Campaign (2004) *A Wealth of Opportunity: How the Affluent Decide the Level of their Donations to Charity*, London, The Giving Campaign, March.

U.S. Trust (2006) *U.S. Trust Survey of Affluent Americans XXV*, United States Trust Company, June.

Warburton, J. and Terry, D.J. (2000) 'Volunteer Decision Making by Older People: A Test of a Revised Theory of Planned Behavior', *Basic and Applied Social Psychology*, 22 (3), 245-257.

White, A. (1986) 'The Charitable Behavior of Americans: Management Summary' *Working Papers*, Washington DC, Independent Sector and the United Way Institute.

Yavas, U., Reiken, G. and Parameswaran, R. (1981) 'Personality, Organization-Specific Attitude and Socioeconomic Correlates of Charity Giving Behavior'. *Journal of the Academy of Marketing Science*, 9 (1/2), 52-64.

Yin, R. K. (1994) *Case study research: Design and methods*, Thousand Oaks, Sage.

¹ The terms 'nonprofit' and 'community' organisation are used interchangeably in this study. While many participants preferred the terms 'charity' and 'charitable' organisations, such terms are not used by a range of organisations in the nonprofit sector; as well, such terms have a narrow legal meaning.

² Definitions of affluence vary but those with at least US \$1 million in financial assets are generally regarded as ‘an elite group’: while only accounting for 0.2% of the world’s adult population, they hold nearly 25% of its wealth (Merrill Lynch/ Capgemini, 2005, p.14).

³ Caution should be exercised because taxable income does not represent all personal income and only giving to Deductible Gift Recipient (DGR) organisations are tax-deductible. There are also indications that low income donors are less likely than those on high incomes to claim donations as taxable deductions (ACOSS 2005).

⁴ In this paper, the term ‘giving’ is used interchangeably with ‘charitable giving’ and ‘philanthropy’. and refers to financial support for nonprofit or community causes. It is noted that giving by individuals may also take the form of non-cash donations and volunteering but this is not the focus of this paper.

⁵ Defined for the purpose of this study as those in the higher income segment, i.e.those in the top 20% of the population for household income (see The Giving Campaign 2004).

⁶ As there is little consensus in the literature for what constitutes an ‘affluent’ individual, for the purpose of this study, the definition used in this study draws upon Merrill Lynch/ Capgemini (2005, p.14) and the Australian Taxation Office for its highest taxable income band (www.ato.gov.au, accessed August 2006). Two alternative measures allowed the inclusion of both the asset-rich/cash-poor as well as cash-rich/asset-poor.

⁷ A comparison is made here between this study’s qualitative findings and the findings for affluent Australians in the 2004 Giving Australia (GA) household survey. Statistics were drawn for those respondents reporting annual household incomes of \$104,000 or higher (see PMCBP 2005 dataset).