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Growing Philanthropy through Giving Circles: collective giving and the logic of charity

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Abstract

Whilst philanthropy has long helped fund private initiatives for public good, governments are becoming more interested in expanding this income source as pressures on public spending increase. One outcome of multiple efforts to enhance philanthropy is the growth of giving circles, which involve individual donors collaborating to support causes of mutual interest. This research examines the degree to which giving circles are a good mechanism for enhancing philanthropy. Our overarching interest is to understand if giving circles in the U.K. and Ireland might serve to grow philanthropy as well as shift the logic of charity to meet the expectations of policy-makers.

Keywords: philanthropy; charitable giving; giving circles; third sector; social policy

Introduction

Philanthropic or charitable funding of public goods such as education, health, and welfare, long pre-dates organised social administration (Owen, 1965; Prochaska, 1990; Mohan and Gorsky, 2001). However, concerns about the inadequacy of the voluntary impulse were a key factor in the development of tax-funded welfare states (Kendall and Knapp, 1996; Cunningham, 2016). The voluntary nature of philanthropy – in contrast to compulsory taxation - is a key part of its attraction to donors (Breeze and Lloyd, 2013) but also makes it problematic for government to intervene to encourage donations, which are viewed as private, often moral decisions, and beyond the purview of politicians (Mohan and Breeze, 2015). As Mohan and Breeze (2015) argue in comparing the logic of government to the logic of charity, the government provides systematic provision to meet diverse and basic needs, is teleological, and obligatory; while charity is idiosyncratic, non-teleological, voluntary, and particularistic. Thus, a different logic is at work behind governmental and charitable activity; however, the nature and implications of these differences are not well understood by policymakers and politicians in their efforts to grow philanthropy. One of the most important consequences is that, while charity can provide many benefits, it does not necessarily “fill the gaps” to address basic needs or less philanthropically-popular areas, and cannot – and rarely purports to – be a plausible replacement for public support and initiatives.

Despite these differences between government support and charity, in the face of perceived “perma-austerity” (Needham and Mangan, 2014), policy-makers are increasingly hopeful that philanthropy will address disparate collective social problems (Pharoah, 2011; Buğra, 2015; Jung and Harrow, 2015), placing the third sector’s role in public policy back in the spotlight (Chaney and Wincott, 2014). A cross-party pro-philanthropy approach has been evident in the UK since the Millennium. Policies to encourage philanthropy were enacted during all three terms of the last Labour government, including extending charity tax breaks in 2000, funding a ‘Giving Campaign’ from 2001-04 and appointing an Ambassador for Philanthropy in 2009; during the same period the

then-opposition Conservative party frequently deployed rhetoric to reinforce an endorsement of the positive and proactive role that voluntary action and philanthropy “could play in promoting improved social inclusion and ‘fixing Britain’s broken society’” (Alcock, 2010: 380). After coming to power in 2010 as part of a Conservative-led coalition, the government published a Giving White Paper in 2011 that identified an increase in giving and philanthropy as part of this thinking (Cabinet Office, 2011). In their successful re-election campaign in 2015, the Conservatives included various proposals to encourage volunteerism (The Conservative Party, 2015). Partnerships with community foundations and the organized philanthropic sector have also been a key aspect of these efforts (Daly, 2012). These have spanned across different party periods in government and included a c.£150 million government-funded matched giving scheme from 2008-11 to encourage giving to higher education institutions (More Partnership 2012) and over £130 million in government-support, first through ‘Grassroots Grants from 2008 and then the ‘Community First’ programme from 2011, to support community foundations in growing endowments (Pavey, Harrow, and Jung, 2012: 76). This position appears unaffected by the change in leadership of the Conservative party in July 2016, resulting in the appointment of new Prime Minister Theresa May, although her early decision to transfer the Office for Civil Society from the Cabinet Office to the Department for Culture, Media and Sport may suggest a partial view of charitable giving and philanthropy with an implicit emphasis on funding of cultural and sporting activities. This latter example reflects the different logics of charity held by government and the donating public, as culture and sport are amongst the least popular causes receiving just 0.3% and 1% respectively (Charities Aid Foundation, 2015: 9).

Recent Irish policymaking in this area demonstrates a similar pattern to that found in the UK, with a cross-party commitment to increase the quantum of charitable giving, and substantially increase the profile of philanthropy in Ireland in the public sphere over the past decade (Donnelly-Cox and Gallo, forthcoming). In 2006, the Irish government established the “Forum on Philanthropy” as a platform bringing together relevant governmental departments with major philanthropic

organisations to increase philanthropic activity (Mulconry, 2012). The Charities Act 2009 provides a regulatory framework for charities in Ireland, with oversight given to the Charities Regulatory Authority that was established in 2014. The National Giving Campaign in Ireland was launched in 2012 (Philanthropy Ireland, 2012) then rebranded as ‘The One Percent Difference Campaign’ a year later to encourage people to give either 1% of their time or money to a cause, and there was a simplification of charity tax reliefs in the 2013 Irish budget. The Fine Gael-led minority government elected in 2016, with Enda Kenny remaining in post as Taoiseach, is committed to building on the previous coalition government’s (2011-16) efforts to grow philanthropy, with Social Innovation Fund Ireland, founded in 2013, remaining as the main vehicle to realise this policy (Partnership Government Programme for Government 2016: 132). While efforts to promote philanthropy in the U.K. and Ireland are different in context and content, they are clearly examples of pro-philanthropic policy environments on both sides of the Irish Sea.

The growth and expansion of giving circles in the U.K. and Ireland has emerged from this environment. Giving circles involve individuals collaborating to voluntarily support (with money and sometimes time) organisations and individuals. They also frequently include social, educational and engagement opportunities for members, connecting them to their communities and to one another. Some have described giving circles as “democratizing” philanthropy because they seem to attract people not typically engaged in philanthropy—such as the less wealthy, women, and young professionals—and also enable learning about community issues and the charities attempting to address these issues. They have also emerged as an alternative to mainstream, professionalized, and bureaucratic philanthropy (Eikenberry, 2009a, 2010). Community foundations and other philanthropic institutions in the U.K. and Ireland increasingly devote staff and resources to start and support giving circles with the assumption that these groups will leverage, improve, and increase giving and its impact. This may be the case for giving circles in the U.S. (Eikenberry and Bearman, 2009), but their breadth and effect in other countries is largely unknown. This article focuses on

examining giving circles in the U.K. and Ireland. Our overarching interest is to begin to understand if giving circles in the U.K. and Ireland might serve to grow philanthropy as well as shift the logic of charity to meet the expectations of policy-makers.

The rest of this article is organized as follows: First, we review the relevant literature on giving circles. Then, after describing the methodology, we present findings that show the extent to which giving circles might help to achieve policy objectives of 'growing philanthropy'. The discussion section draws out the issues for social policy and theory that emerge in relation to these objectives. We conclude that the growth of giving circles could make a positive contribution to enhancing philanthropy in the U.K. and Ireland in terms of both the quantity and quality of giving, as well as bring about member and public benefits; however we also find that organizational structure and operations may run counter to these benefits.

Literature on Giving Circles

Hundreds of giving circles have been identified in the U.S. as well as in places such as Canada, Japan, South Africa, Australia, Ireland, and the U.K. (Rutnik and Bearman, 2005; Bearman, 2007a, 2007b; Eikenberry, 2009; Kelso-Robb, 2009; Rockefeller, 2009; John, Tan, and Ito, 2013; Dean-Olmsted, Benor and Gerstein, 2014; Eikenberry and Breeze, 2015). At least 80 giving circles or networks have been identified in the U.K. and Ireland, more than 80 per cent having started since 2010 (Eikenberry and Breeze, 2015), and new groups continue to be created or discovered.

Eikenberry and Breeze (2015) identified six types of giving circles in the U.K. and Ireland: Mentored, Live Crowd Funding, Hosted, Independent, Brokers, and Hybrid. The archetypical giving circle, consisting of a group of friends meeting regularly to pool small sums is what we call an 'Independent' circle, as exemplified by the Give Inc. group in Belfast whose members give £1 a day (or £365 a year) and meet four times a year to decide on funding. An example of a network of 'Mentored' circles is BeyondMe, which involves teams of young professionals, paired with a senior

colleague, who work at the same company and collectively select a charity or social enterprise to support for one year, donating on average £4,000 and 150 volunteer hours to the chosen beneficiary. An example of a 'Live Crowd Funding' circle is The Funding Network (TFN), which organises events featuring pre-selected charities that pitch projects to the assembled members who then make pledges in an auction-like session. TFN is headquartered in London with paid staff who support more than a dozen groups across the U.K. and elsewhere, often in partnership with regional bodies such as community foundations. As a fourth example, the Hosted Rosa Giving Circle for Suffolk, is a group of about 15 women who pool money and then fund charities serving women and girls in the Suffolk area, in the east of England. Each member commits to giving £500 per year for three years, 50 per cent for grant making and 50 per cent for building an endowment held at the local community foundation, which manages the group's funds, provides administrative support, and helps identify potential funding opportunities. Brokers act as matchmakers, connecting charities with people who collectively commit to offer support, and Hybrids combine several elements of the other groups described above.

In contrast to the recent professionalization of the charity sector, which has involved the importation of businesslike principles and strategies (see, for example, Edwards 2008; Eikenberry, 2009b), giving circles share an ethos of anti-big, anti-bureaucratic and anti-impersonality, favouring experience over expertise while reaffirming the traditions of community, neighborhood, spiritual values, and self-reliance (Eikenberry, 2010). Their express purpose is to give away money (and sometimes time) for community betterment but they also have other, implicit purposes including donor education and sociability. Giving circles are also often less structured than typical voluntary associations, part of an emergence of small groups and loose networks replacing or existing alongside traditional voluntary associations and so-called professional "checkbook" charities (Eikenberry, 2009a). They are indicative of a transformation in the way ordinary people are attempting to address community problems through giving and volunteering by demystifying the

philanthropic process and enabling individuals to do something charitable in their own way and in the context of their busy lives. They are a response to and reflection of larger changes taking place more generally in an individualized, risk society (Beck, 1992; Hustinx, 2010; Hustinx and Lammertyn, 2003).

Eikenberry and Breeze (2015) found that giving circles in the U.K. and Ireland are formed for various reasons, including grassroots initiatives in response to a need, a desire to ‘do philanthropy differently,’ and as a result of encouragement from staff in hosts and federated networks; they found that people join giving circles to make their giving more meaningful and personal, to make better giving decisions, to network and socialise, and to achieve social change. Further, they identify the demographic makeup of participants in the U.K. and Ireland as encompassing a range and mix of social and economic backgrounds with only a minority based on a single ethnicity or gender, unlike in the U.S. where giving circles often convene people sharing these identities.

Research in the U.S. suggests participation in giving circles influences members to give away larger amounts of money, to give more strategically, and to give to a wider array and number of organizations (Eikenberry & Bearman, 2009). Participation also increases members’ learning or knowledge about philanthropy, nonprofits, and the community (Eikenberry and Bearman, 2009; Moody, 2009), deepens social connections (Dean-Olmsted et al., 2014), and enhances women’s empowerment (Eikenberry, 2009a). Eikenberry (2009a) also found giving circles generally provide opportunities for democratic participation within the group—they provide opportunities for agenda setting, decision-making and face-to-face deliberative discourse—and they also build the capacities of members through education about voluntary organizations, community issues and philanthropy. However, they may be limited in addressing larger social outcomes, in part because members are not typically high net worth individuals so the sums given are in no way commensurate with the scale of the problems being tackled.

The potential for giving circles to grow philanthropy makes them attractive to community foundations and other host organizations whose goals include increasing donated income. In the U.S., research suggests most giving circles (68 per cent of 160 groups surveyed) have a host organization that provides at least a basic level of service (Bearman, 2007a). In a survey of 39 host organizations, Bearman (2007a) found that more than half indicated they spent fewer than five hours per week administering their giving circles; most as a fiscal agent. However, some hosts committed much more time to supporting their giving circles, including some that spent more than 40 hours each week on circle administration during busy times. This investment by hosts resulted in benefits including their increased visibility; access to more educated, motivated, more diverse, and new donors; and greater and more diverse grant making.

Despite these documented 'gains', interaction with giving circles is not without challenges. For those receiving donations from giving circles, these can include demanding time commitments, complexity and lack of transparency in relationships, and short-term funding (Eikenberry, 2008; Ray, 2013). For hosts, costs include: staff time, administrative expenses, aligning and communicating with organizational priorities, and addressing the tension that exists between donors' desire for engagement and connection and the limited time that hosts have to spare (Bearman, 2007a). Beeson (2006) found in a case study of a hosted university-based giving circle in the U.S. that tensions also arose for the host and giving circle members around recruitment and a mismatch between expectations and actions. Further, Ho (2008) found that the hosts of Asian-American giving circles experienced difficulty providing sufficient assistance without interfering with the organic growth and development of the giving circle over time.

Might these same benefits and challenges occur in the U.K. and Ireland, which have a very different philanthropic culture as compared to the U.S.? And how does this fit with the prevailing policy context in relation to growing philanthropy? The extant research on giving circles in the U.K. has been focused on describing the composition of circles and their membership, and accounting for

member and host motivations (Eikenberry and Breeze, 2015). This paper explores the extent to which giving circles in the U.K. and Ireland might enhance philanthropic activity.

Methodology

This study is based primarily on interviews with a purposely-selected sample representing a diversity of giving circles. At the time of the study, 80 giving circles had been located in the UK and Ireland. Ultimately, 51 giving circles were represented or discussed by interviewees in the sample (including one network of 22 groups operating in a similar fashion). Giving circles represented in the sample came from various locations and affiliations, using one of four formats of decision-making, and with a range of membership sizes and distinctive demographic makeups. These are characteristics deemed important to consider in previous research on giving circles. See Table 1.

Table 1: Key Characteristics of UK and Ireland Giving Circle Population, Sample and Interviewees

Characteristics	Giving Circles		Interviewees	
	All GCs Found (N = 80)	GCs Represented in Sample (N = 51)	Member (N = 21)	Staff (N = 17)
Location of Giving Circle				
Belfast	2	2	2	2
Birmingham	1	1	1	0
Bristol	1	1	2	0
Dublin	4	2	4	0
Edinburgh	2	1	4	0
Exeter area	2	2	3	0
Ipswich	1	1	1	2
Liverpool	1	1	1	0
London	47 ³	33	2	7
Newcastle	4	4	0	4
Oxford	6	3	1	2
Other locations where no interviews were conducted	9	0	0	0
Format of Giving Circle Decision-Making				
Members select one organization/year	29	28	1	2
Members select more than one organization or individual/year	10	5	11	0

Characteristics	Giving Circles		Interviewees	
	All GCs Found (N = 80)	GCs Represented in Sample (N = 51)	Member (N = 21)	Staff (N = 17)
Members nominate, committee selects several organizations/year	17	6	6	3
Staff recommends to members who select, or staff selects, one or more orgs or projects/year	24	12	3	12
Giving Circle Affiliations				
Hosted	16	8	1	10
Not Hosted	64	43	20	7
In a Network or Federation	48	32	6	5
Not in a Network or Federation	32	19	15	12
Giving Circle Membership Size				
Small (< 11)	36	31	4	2
Medium (11 – 30)	11	11	10	10
Large (> 30)	21	9	7	5
Unknown	13	0	0	0
Distinctive Demographic Make-up of Giving Circle Members				
Young Professionals	33	28	1	2
Women	13	7	7	6
High Net Worth	5	4	5	3
Asian or Black British	4	1	0	1
Christian	1	0	0	0
No Distinctive Demographic Make-up	24	11	8	5
Gender of Interviewees				
Male			7	6
Female			14	11

Twenty-nine interviews were conducted with 38 people between April and September 2013. Interviews lasted an average of 55 minutes. The people interviewed represented the giving circle either as a volunteer member (21 people) or as paid staff person helping administer the giving circle (17 people). Some of the staff (9 people) worked with and spoke about multiple giving circles. Six of the interviews also included more than one person associated with a particular giving circle. About two-thirds of the interviewees were women. We did not ask about race/ethnicity of the interviewees but observations at interviews suggest the large majority were White. We also did not ask specifically about members' occupations or class identity, but many were in professional jobs, some in the charity sector, and almost all would be categorized as 'elite', 'established middle-class'

or ‘technical middle class’, following Savage et al’s (2013) new model of social class in Britain. There also appeared to be two retired professionals, two full-time philanthropists, a professor, and a graduate student amongst the members. The staff included administrators or chief executives at community foundations or similar philanthropic intermediary organizations (10), administrators of particular giving circle networks/federations (5), and charity development directors (2).

Both researchers conducted interviews; four of them conducted together and the rest separately. All but three interviews were conducted in person at a location convenient for the interviewees. The remaining three interviews were conducted on the phone (1 interview) or via Skype (2 interviews). The interview schedule included questions asking about the giving circle’s start; its operations; benefits and challenges; and perceptions of fit with the larger philanthropic, social, and economic environment.⁴

MAX QDA qualitative data analysis software was used to systematically organise, code, and analyse the data. Analysis involved an iterative process of contextualizing and categorizing strategies (Maxwell, 2005). This process included: reading transcripts and other documents completely through to get a sense of the whole, re-reading and inductively coding segments, and re-coding and grouping codes into broad clusters of similar topics or nodes. Coding was guided primarily by the areas of focus described above for the interviews but also allowed for emergent topics. These clusters were then iteratively re-coded into more specific and simplified nodes, creating ‘trees’ that were written up in the findings.

Findings

What is the evidence that giving circles are good mechanisms for enhancing philanthropy? To address this question, the findings presented in this section focus on three areas—impact on giving quantity and quality, member and public benefits, and tensions with organization structure.

Giving Quantity and Quality

Interviewees of all backgrounds and all types of giving circles reported an increase or expansion in giving. For example, a female development director, working with a hosted women's giving circle, through which each member donates £500 per year toward projects working with women and girls in a region outside of London, noted:

We were keen to make sure that we didn't just kind of turn our donors from other things...and that hasn't happened because all of the ladies who have joined have kind of increased their giving. It hasn't really diverted any funds from anywhere else. And we are focusing very much on predominantly on kind of new – getting that kind of new group of female supporters. So it's very much about growing rather than just kind of getting the current supporters to join the circle.

Beyond gifts of money, new volunteers, *pro bono* work, and gaining exposure to new networks and prospects were all value-added benefits for beneficiaries, cited by interviewees in all types of giving circles. One female member of a live crowd funding group located outside of London, who is also a charity professional that pitched for a charity at an event, noted:

... this is more than the money. The profile, the buzz, meeting other people. The publicity They meet new people. I mean...when I presented I got a new trustee out of it. She's one of my best trustees. So all the spin-offs, which people don't necessarily know when they apply.

Staff of giving circle hosts also indicated that giving circles provided a new way for existing supporters to be more involved with their organisation. One female development staff person of a UK-based charity hosting a women's giving circle noted:

We have supporters who have always supported the [organisation] and have been kind of very passionate about the [organisation] for a long time. But I think [the giving circle] just brings it back to the front that there are other things that can be done and new activities and new ways to kind of keep involved with the [organisation].

Giving circles also seem to encourage more engaged and strategic giving among members. Most giving circle members mentioned that they felt more involved with or thoughtful about their giving due to the giving circle. One male member of a young professional mentored group based in London noted:

The [giving circle] has actually encouraged me to think more...about my giving, because I think prior to this I was already giving once a month to a chosen charity, and that was just a standing order. But I think one thing [the giving circle] does is they challenge you to think outside of just donating and giving a bit of money, but actually engaging with that giving as well.

This may be due in part to the learning that seems to go on in all types of giving circles, including learning about the funding area of focus, projects or causes; the needs of others in the community; and how to 'do' philanthropy. Learning happened sometimes through formal education processes, but more often informally through discussion with other members and through the process of giving away resources. As a female member of a small, London-based informal giving circle, who is also a retired charity professional, noted:

...we talk about them [charities] quite often you know say for example it's about a project to help children being abused....there's a teacher who will say yeah you know I have problems with that with my kids in class, they bring problems in from home I help them and stuff...Or somebody else will talk about third world health initiatives and somebody will say well I know a bit about that. So we normally...when we make a collection and you know we think about clean water or good eyesight or famine...we give some thought to all of these issues.

Some interviewees described giving circles as an alternative to standard practices or "reactive" giving (dropping money in a tin or sponsoring a friend), providing an opportunity to be more thoughtful and engaged. Many of the interviewees indicated their giving circle focused on social change, including reducing poverty, bringing about social justice and economic redistribution,

and bringing attention to women's and environmental issues. This came up as a focus in all types of giving circles except among Brokers. For example, one member of a small, independent giving circle in Scotland, made up of high net worth individuals, described the group's view of social change this way:

I think we see a food bank as a symptom of something gone badly wrong in society, and we don't really want to spend our time necessarily funding food banks, we want to be going upstream and saying 'how is it we've got food banks and what can we do about it?'. So that social change kind of thing is what we're trying to do.

Most interviewees were adamant about giving circles NOT supporting "mainstream" and national charities, and in particular non-human focused charities. The Donkey Sanctuary, for example, came up in several interviews as the type of charity a giving circle would not support. Most targeted their giving to smaller organizations where their funds were perceived to have a more tangible benefit. Live crowd funding giving circles in particular were looking for cutting edge/innovative/hard-to-fund projects. As the member of the live crowd funding group cited above noted:

...so what I like about it is the ones where they're young and risky and edgy and not well connected yet and we've done some really good picking up of small projects in the early stages. That's what I think is really good. But of course then, you're appealing to an even smaller group of givers that you want ones that a bit radical, a bit whacky, you know. They're not very well established.

Several less formal, independent giving circles in Ireland and Northern Ireland, gave to individuals for projects that would not be funded elsewhere. Alternatively, some mentoring groups did fund mainstream and larger organizations such as Cancer Research UK, but funding and other support tended to focus on small, discrete projects within the larger organization. At times, some giving circle members, especially in the young professional mentoring groups, had unrealistic expectations

about what their support could do (or buy) in such a large organization. As one male member of a mentor group based in London described:

... they said, okay, so you're giving £7,200. That would pay for two people to fill this one-year program....And I think I remember looking around the room and seeing people, and I think they were like ever so slightly underwhelmed by the fact that our money only stretches to two, which doesn't sound quite as impressive as 15. But you know, I think it's just a case of managing your expectations, and you know, you think that our donation is going to be something really significant but at the end of the day, £7,000 is a very small number for a charity that grosses £50 million in revenue every year.

Member and Public Benefits

Giving circles clearly play a role as a conduit for transfers of personal wealth to serve the public benefit as noted above. As is historically typical, this process also simultaneously creates private benefits including networking opportunities, virtue signaling and reputational enhancement (Vesterlund, 2006). For example, interviewees noted how giving circles enabled members to meet new people and build closer connections with each other. Members frequently noted how giving circles provide an opportunity to be around like-minded people and have purposeful discussions about causes or other shared life issues.

Whilst giving circles may offer a mechanism for creating bonding social capital within classes (Odendahl 1990, Ostrower 1995), they also may in some instances create bridging social capital through members' engagement with beneficiaries (Eikenberry, 2009). For example, a female member of an informal women's giving circle located in Ireland noted the solidarity the members felt with one organization they funded: "And we said that we're here for you. And for her she said just to feel that there's a group of women in solidarity is a huge thing". Nevertheless, a few interviewees also noted that finding and funding beneficiaries that fit the focus of the giving circle

was at times a challenge, in part because people in the group were not necessarily aware of, or connected to, people in need or small grassroots charities.

An additional member benefit identified by several interviewees included individual empowerment through the group process. As one female founding member of a hosted women's giving circle operating outside of London noted:

I mean, some of the women want to do volunteering because eventually they want to go back to work. So this is a – another sort of thing that has kind of come out of it. It's almost getting women back into circulation being involved in this group... And it's sort of very healthy networking internally, because then they are obviously meeting women who are working and one of them has already given another one some work experience. And she's got a job. So it's kind of a self-supporting group as well, in some ways. So I am hoping it will be quite a sort of – a nice you know – a nice sort of group that has a positive kind of social elements to it as well.

The nature of these benefits clearly varies case-by-case, although there are historical reasons why some benefits appear gendered. For example, barriers to accessing paid employment meant voluntary work was a common route for women to find meaningful activity outside the home (Prochaska 1980, 1990). These individual benefits may also turn into larger public benefit by contributing to women's empowerment more generally, as another member of the same informal women's giving circle in Ireland cited above explained:

And I think for me in the long term, to have a group of 30 women who are at some level really thinking about issues that are affecting women and children, it does affect them and us and how we view society and decisions we make in loads of places in our lives. That was part of my thinking as well... it was trying to build up a group of people who would be more interested in having a better place to live for everyone. But that would never be formalized, but in terms of how you vote, how you think about things...

We did not find any men-only circles in the UK and Ireland, but the literature is clear that philanthropic activity by people of any gender generates a combination of public and private benefits (see for example Frumkin 2006: 21; Fleishman 277: 350).

Organization Structure

Most giving circles are volunteer-led, which can make it difficult to have adequate time and capacity to sustain and administer the giving circle. As a male volunteer member, a professor who was on the leadership team of a Broker giving circle located outside of London, noted:

All this has been done on the side really There's a little bit of slippage over time. People would say they would do something one month and it drifted and it took two months to do, you know that sort of slippage – inefficiency if you like. It's not because we didn't know what to do. It was more just about time economy really. We were time poor, all of us for different reasons.

Even if a giving circle is supported by salaried staff, such staff typically have other commitments, so it can be difficult for them to devote adequate time, particularly when resources are allocated on the basis of 'return on investment' within a set time span. As one female staff person of a hosted giving circle noted, the annual financial planning conducted by many charitable organisations is not conducive to investing in a new method of giving that may not realize sufficient return until the medium- to long-term. Adequate funding for administering the giving circle can be a challenge, especially as the group grows in size. Most staff of hosted giving circles reported devoting a substantial amount of time to administering the giving circle. As a female development staff person of a women's giving circle hosted by a charity explained:

I put a huge amount of investment into the [giving] circle set up and to work effectively, and I think you probably need that resource from [the host organization] to help guide and support. A lot of these people are new to the development sector, so they don't really

understand how charities operate, so they needed someone on the inside to coordinate and support.

A frequently-mentioned challenge by staff of hosted groups was the tension that can occur between a host organization and the giving circle trying to maintain informality or control over its own operations. On the one hand, the host must meet legal and accountability obligations and/or need to achieve a high return on investment to justify staff time, and these requirements necessitate some degree of formality and strategic direction in the giving circle. On the other hand, the giving circle is often member-driven and prone to being ad-hoc, informal and at times unaccountable or undependable with unclear governance structures. As a female staff person at an organization that hosts a women's giving circle in Ireland noted:

... we have a financial process. We have to have certain things before we can give out money. We have a responsibility as a funder. Maybe there is more that we can do to make it more flexible and less bureaucratic.

Some hosts experienced something of a power struggle with their giving circles. As one male staff person at an organisation outside of London that hosts several giving circles noted, this seems to be an inevitable part of the process: "It is not uncommon where we've had various kinds of fundraising funds, or thematic funds, or collective funds, for there at some point to be some kind of falling out argument about who's in control". Likewise, some giving circles, with a desire to stay volunteer-led and informal, found it difficult to do so and take advantage of tax incentives or affiliate with a host because of the host's need for a more formal process. A female member of an informal women's giving circle, herself working in a charity enterprise in Northern Ireland, said:

... that's probably five, six years ago now about whether we needed to look at Gift Aid and whether it'd be important to give it more structure and every time we've come back to no - as little structure as possible. We don't want the application process, we don't want anything that's managed, we want it to be as free as possible.

Discussion and Conclusion

Our findings indicate that the growth of giving circles could make a positive contribution to enhancing philanthropy in the U.K. and Ireland, which is a goal of governments in both countries. Specifically, giving circles seem to increase or expand giving as well as create other benefits such as more involvement with hosts and beneficiaries, and encouraging more engaged and strategic giving. Learning about projects, organizations, and community issues is a key aspect of giving circles' influence on members and many giving circles focus on social change and expanding the reach of philanthropy by supporting innovative, new and grassroots efforts with what is perceived to be more leverage and tangible impact. Ultimately, society may benefit from the potential in some cases to create bridges between members and beneficiaries and women's empowerment more generally, which may lead to reducing or leveling class power; however, members also benefit through building bonds with each other and enhancing their own empowerment, which may be seen as reproducing or creating class power. Yet, there are undoubtedly other ways members could choose to spend their time and money to achieve class privilege without reducing their net personal wealth and without creating the societal benefits that follow from redistribution of resources. Organizational structure and operations may influence some of these areas, where member engagement also means less structure than is required by the organized philanthropic infrastructure.

Thus, giving circles in the U.K. and Ireland might help meet policy-makers' desire to increase and enhance giving in an era of perma-austerity; however an unintended consequence might be an exacerbation of the gaps between the logics of government and charity (Mohan and Breeze, 2015). That is, the very aspects of giving circles that make them attractive to members—more engagement, learning, informality, and a focus on small, non-mainstream charities—are also those that may run up against more professionalized, organized, larger-scale efforts to address community issues. Further, the causes chosen by giving circle members are not necessarily in the areas that politicians and policy makers would hope for an increase in philanthropic funding. Donor autonomy is key to

voluntarism, whether conducted alone or collectively, so offering tax reliefs to encourage giving cannot be relied on to benefit any particular cause or type of public good (Reich, 2011).

However, the most common tools used by governments to encourage philanthropy, notably tax reliefs (Kendall and Knapp, 1996), are not necessarily salient to all donors. Many giving circles in the U.K. and Ireland have emerged as an alternative to mainstream, bureaucratic philanthropy, operating outside of the organised philanthropic field altogether by refusing tax breaks and doing all of their own administration rather than seeking the support of a host (Eikenberry and Breeze, 2015). Many of the members of giving circles in our sample, especially those that are small and informal, have experienced some degree of empowerment, perhaps as a direct consequence of 'doing it for themselves.' Similar to self-help or mutual aid groups, the alternative ideologies offered by these giving circles may "promote the democratization of everyday life through demystification of professional authority combined with anti-elitism" (Archibald, 2007: 9).

Giving circles, including those begun or supported with the assistance of government funding, may do this in relation to organised philanthropy by demystifying the philanthropic process and enabling individuals to do something charitable on their own and in their own way. However, this may raise challenges for community foundations and other philanthropic institutions, especially for hosts that are constrained to some degree by legal obligations. Giving circles that must submit to these constraints would possibly go against the grain of donors' desires for more direct, collaborative, and flexible engagement.

This conundrum has clear relevance for a policy environment in which the logic of charity is not well understood, and which favours a certain interpretation of what philanthropy is and what it is for, as exemplified by the recent transfer of philanthropy policy into the UK Department for Media, Culture and Sport. Politicians may hope or believe that philanthropy is an uncomplicated and singular concept that can unproblematically serve the public good in areas worst hit by public funding cuts, but in reality, philanthropy is complex, subjective and multifaceted, and it cannot easily

be hitched to any particular political programme (Breeze, 2012; Mohan and Breeze, 2015). As more political capital is likely to be expended in efforts to promote philanthropy, there will be even greater tension between governmental objectives in theory and how people want to participate in philanthropy in practice.

Endnotes

1. Community Foundation Network (CFN) became a strategic (funded) partner of the Office of the Third Sector in the Cabinet Office in 2006; CFN changed its name to UK Community Foundations in 2013.
2. In the U.K. New Year's honours list (2015/16) a third (7 of 23, or 30 per cent) of the new knighthoods that were announced were awarded to philanthropists and other charity sector leaders.
3. It is important to note that while a large percentage of giving circles in the population and sample are located in London, many of these (28), are teams or sub-groups of two networks of giving circles. If these groups were omitted or only counted as one giving circle, the population and sample of giving circles would be much more evenly distributed across the country.
4. View the research and interview questions in Appendix A online here:
<https://drive.google.com/file/d/0Bz6ekK80ngzIT2FLR3ZmTEtDLXc/view?usp=sharing>.

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