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CGAP Working Paper

# The relationship between volunteering and charitable giving: review of evidence

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**This short report provides a synthesis of research findings into the relationship between volunteering and charitable giving. It resulted from initial ideas and discussions between the Institute of Volunteering Research, the Centre for Charitable Giving and Philanthropy (CGAP) at Cass Business School, NCVO and the Institute of Fundraising, and was funded by CGAP. The report focuses on the weight of evidence around the research questions and gives only a very brief review of the key findings. It is accompanied by an evidence table, which systematically catalogues the literature on volunteering and charitable giving (to access this table please contact [matthew.hill@ivr.org.uk](mailto:matthew.hill@ivr.org.uk)).**

## Aims of the review

The review of evidence aimed to answer three key research questions:

- What is the nature of the relationship between volunteering and charitable giving?
- What are the shared and different drivers of volunteering and charitable giving?
- What are the different forms of activities that combine some element of both volunteering and charitable giving?

## The search strategy

In order to find evidence around these questions a search strategy was developed. This involved identifying key words and sources.

### Key words

Category A: volunteering; participation; 'voluntary action'; 'Civic participation'.

Category B: giving; 'charitable giving'; philanthropy; 'giving circles'.

### Sources

Online databases: Google scholar; Jstor; ISI Web of Knowledge; Institute for Volunteering Research's evidence bank ([www.ivr.org.uk/evidence-bank](http://www.ivr.org.uk/evidence-bank))

Specialist volunteering journals: *Voluntary Action*; *Nonprofit and Voluntary Sector Quarterly*; *Australian Journal on Volunteering*; *Voluntary Sector Review*; *Voluntas*.

Searches including at least one category A AND at least one category B key word were entered in to the sources. Search results were then screened for relevance to the research questions. The reference lists of reviewed reports were also checked for relevant additional sources.

## 1 What is the nature of the relationship?<sup>1</sup> (36 articles were found)

When data exploring volunteering and charitable giving is subject to straightforward bivariate analysis, the evidence for a positive relationship between the two appears very strong. In the UK, both the Citizenship Survey series (Drever 2010) and the National Survey of Volunteering (Low et al, 2007) show that volunteering and charitable giving are both positively associated with each other. For example, data from the Citizenship Survey 2009–10 showed that 83 per cent of those who regularly participated in volunteering had given to charity in the last four weeks compared to 60 per cent of those who had not volunteered in the last 12 months (Drever 2010). Similar findings are detailed in numerous other studies from the UK and internationally (Amato 1985, Brown & Lankford 1992, Farmer & Fedor 2001, Feldman 2007, Independent-Sector 2000, Matsunaga 2006, Reed & Selbee 2001, Schlegelmilch et al 1997b, Gittell & Tebaldi 2006). Recent work in England (Mohan & Bulloch 2012) and older work from Canada (Reed & Selbee 2001) also shows that, in particular, there is a strong correlation between those who give a lot of volunteer hours and large donors. The English data around this 'civic core' shows that 8 per cent of the population are responsible for 49 per cent of all volunteering hours and 40 per cent of charitable giving (see also Schervish & Havens, 1997 for evidence that intensity of volunteering increases the proportion of income given).

However, not all evidence confirms this complementarity, as some evidence suggests that in fact the two forms of giving may be substitutes (ie negatively associated).

Some studies which have found evidence for substitutability include Duncan, 1999 (although the findings were somewhat mixed) and Feldman, 2009. However, two other studies conclude that the evidence for substitutability is rather mixed (Andreoni 2006,

<sup>1</sup> Much credit should be given to Bekkers and Weipking (2007) for their systematic review of charitable giving. This gave a brief discussion of the relationship with volunteering and provided many references for this review.

Apinunmah et al 2009). The later study goes on to argue that any apparent substitution may disappear when we look only at those in paid employment.

Despite evidence on both sides of the substitute/complement debate for each form of giving, the weight of evidence reviewed suggests that overall there is a positive relationship between the two forms of giving. However, bivariate analysis does not tell us the nature or causation of this positive relationship. When the relationship is subject to more sophisticated multivariate analysis (ie exploring the relationships between the two variables and other variables, which may drive trends in both phenomena) the evidence is mixed as to whether this relationship is merely associational, correlative or causal. A range of studies show that the relationship is merely associational (Bekkers 2002, Bekkers 2006a, Wiepking & Maas 2006). Yet a relationship of correlation is found in other studies. For example, a pair of US studies by Van Slyke and Brooks (2005) and Tiehen (2001) and a Korean study carried out by Park and Park (2004) found the association persisted even when age, education, income, religion, tax price of giving and social status were controlled for. Other research found similar evidence for a correlative relationship for certain types of volunteering and charitable giving, such as religious giving in Australia (Lyons & Nivison-Smith 2006); students and alumni (Wunnava & Lauze 2001); and homeless volunteers and street-giving (Lee & Farrell 2003). Interestingly, there is also evidence that those who participate in both forms of giving often volunteer and give with the same organization (Fidelity 2009, Low et al 2007).

## 2 What are the shared and different drivers of volunteering and charitable giving? (38 articles were found)

It was not possible to carry out independent systematic evidence assessments of the motivations and drivers for both charitable giving and volunteering in turn; however, research that compared and contrasted the motivations and drivers of both was reviewed.

As discussed above there is much evidence which explains away the positive association between volunteering and charitable giving as the result of shared determinants rather than a causal relationship. Many of these studies appeal to the 'usual demographic suspects', which are often used to explain differences in behaviour such as gender (Einolf 2010a), income (Drever 2010) and educational attainment (Bekkers 2010). There is also considerable evidence which demonstrates the importance of deeper factors which drive both forms of giving in similar ways, such as the level of human and social resources<sup>2</sup> (Weipking & Maas 2009), associational networks and trust (Brown & Ferris 2007), confidence in federal government in the US (Brooks & Lewis 2001), participation in church groups (Jackson et al 2011), social ties with non-profit organizations (Sokolowski 1996), the distinctive ethos of volunteers and givers (such as valuing communal good, inclusivity and interconnectedness) (Reed & Selbee 2002), moral obligation (Rossi 2001, Einolf 2010b), religion (Monsma 2007), cold rationality (Bekkers 2005a, Bekkers 2006b), and the perception of need for contributions (Bekkers and Wiepking (2011a) discuss how Diamond and Kashyap (1997) and Weerts and Ronca (2007) found this can drive increased charitable giving to one's alma mater and Unger (1991) found it for volunteering). Finally Bekkers and Wiepking (2011b) explore the relationship between parental volunteering and charitable

<sup>2</sup> Human and social resources are explained by greater financial resources, requests for donations, church attendance and pro-social personality characteristics.

giving. They found some evidence for a positive relationship (Feldman 2007, Bekkers 2005b) although this positive relationship was absent in another study (Bryant 2003).

Despite evidence for similar drivers, it is also important to understand some distinctions between the drivers and motivations of the two forms of giving. Jones shows that volunteering is most strongly promoted by community ties, whereas charitable giving is most strongly promoted by personal resources and helping values (Jones 2006). Others have suggested that the two phenomena are differently affected by the expectations of others (Lichang 1999), that the public service motive is a determinant of volunteering but not charitable giving (Houston 2005), or alternatively, that altruism and the desire for self improvement have effects on volunteering but not charitable giving (Sokolowski 1996).

### 3 What are the different forms of activities which combine some element of both volunteering and charitable giving? (7 articles were found)

This review of evidence also sought evidence on giving circles as this relatively new form of philanthropy combines aspects of both charitable giving and volunteering. Giving circles involve a group of individuals pooling their financial resources and deciding collectively which causes to give the money to. As well as this process of education, decision-making and donation being a form of volunteering in its own right, giving circles also often entail the giving of additional volunteering time to the selected causes. Literature on giving circles remains scant despite the efforts of Eikenberry, who has carried out a number of studies into this area and who authored the bulk of reports found in this review. This form of giving introduces democratic principles and characteristics of voluntary association into philanthropy (Eikenberry 2007), perhaps connecting participants and community to a greater degree than other forms of charitable giving (Eikenberry 2006). However, one 2006 study asserted that in fact giving circles offer the greatest value as self-help/mutual aid sources for their largely wealthy members rather than as mechanisms for addressing community problems (Eikenberry 2006a). This raises important implications (especially in an era of government cutbacks) as giving circles highlight the trade-off between democratic grassroots independence on the one hand and the ability of these structures to adequately and comprehensively address community problems (Eikenberry 2007).

#### Further research questions:

*In what ways are volunteering and charitable giving related?*

The evidence for a positive relationship between volunteering and charitable giving is compelling. Yet, the causation of this relationship remains unclear. Does participation in one generally increase participation in the other (and vice versa) or are they simply the result of shared determinants (Bekkers & Weipking 2007)?

*Do different types of charitable giving and volunteering have a different relationship?*

Some differences have been highlighted (for example, the relationship between religious giving and volunteering); however, no evidence was found on the effect of many other variables such as different types of volunteering activity or different forms of volunteer management.

*What can life stories/longitudinal research tell us about the nature of this relationship?*

How and why do people move between these different forms of giving?

*More evidence on the civic core*

What drives it? Do individuals move in and out of it?

*What are the effects of government policy upon the nature of the relationship – past, present and future?*

*What is the relationship between volunteering and charitable giving and wider forms of participation (eg membership, participation in local decision-making)?*

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## About CGAP

The ESRC Centre for Charitable Giving and Philanthropy (CGAP) is the first academic centre in the UK dedicated to research on charitable giving and philanthropy. Three main research strands focus on individual and business giving, social redistribution and charitable activity, and the institutions of giving. CGAP is a consortium comprising Cass Business School, University of Edinburgh Business School, University of Kent, University of Southampton, University of Strathclyde Business School and NCVO. CGAP's coordinating 'hub' is based at Cass Business School. CGAP is funded by the ESRC, the Office for Civil Society, the Scottish Government and Carnegie UK Trust.

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