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Feature

Eight Myths of US Philanthropy

By the Faculty of the Lilly Family School of Philanthropy

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Traditional beliefs about philanthropy—including who gives, how, and with what impact—can lead to misunderstandings. By unpacking and examining the eight common myths of philanthropy, we can better comprehend the breadth and diversity of giving.

8 Myths of US Philanthropy

BY FACULTY OF THE LILLY FAMILY SCHOOL OF PHILANTHROPY

Illustration by Andrew Colin Beck

In their 2008 book, *Understanding Philanthropy: Its Meaning and Mission*, Robert Payton and Michael Moody define philanthropy as "voluntary action for the public good." By this definition, almost everyone has engaged in philanthropy. But one of the biggest myths about philanthropy is that it only refers to the giving of enormous sums of money by wealthy donors—the bigger the better. This myth is somewhat understandable: Large gifts garner the most public attention. But it is also terribly misleading. It misses the significance of all kinds of actions, idolizes individual donors, and fails to recognize collective contributions. It can also blind us to how social change really happens.

For example, Julius Rosenwald, part-owner of Sears, Roebuck & Co., established the Rosenwald Fund in 1917 to assist the development of African American schools in the United States, primarily in the South. It supported the creation of 5,000 institutions intended to close the education gap between black and white students. Rosenwald is frequently singled out as a philanthropic pioneer, but he was not the only, or even the primary, mover in combating the Jim Crow education system. As Clemson University historian Maribel Morey argues in a 2017 article for *HistPhil*, the picture of Rosenwald as a philanthropic hero overshadows others, like Anna Julia Cooper, Ida B. Wells, and Mary Church Terrell, who also fought racial oppression.

If we believe that philanthropy is simply reflected in the donations of large gifts by wealthy individuals, we not only fail to accurately reflect what someone like Rosenwald achieved but we also miss the contributions of a wide range of people, including the individuals and communities who are the intended beneficiaries. Rosenwald had to battle resistance to the schools he funded, but so too did his collaborators and the African American communities that had to raise funds to match his donations, with arguably greater risk and sacrifice. Yet even Rosenwald is still not widely as recognized as Rockefeller or Carnegie, who continue to receive the lion's share of mainstream attention as iconic philanthropists.

Myths that elevate and idolize major gift donors end up guiding practice in ways that can hamper its advance. Efforts to improve understanding and examine assumptions and beliefs through rigorous research can prevent harm and better ensure that philanthropic efforts do good. The faculty at the Indiana University Lilly Family School of Philanthropy (IUPUI) have discovered that the landscape of knowledge about human generosity, while full of inspiring stories, is riddled with fictions.

Think of the missed opportunities in nonprofit fundraising because of the simple belief based on aggregate data that US giving hasn't budged in years. Data from *Giving USA* indicate that American giving has been hovering around 2 percent of GDP for decades. A chart that captures giving to all causes suggests that American giving is permanently immovable. (See "American Giving as a Percentage of GDP" on page 29.) However, this impression rests on two false premises. First, it assumes that giving to fund one activity is interchangeable with giving to fund any other activity. Second,

it assumes that understanding year-to-year giving requires nothing more than tracking the average.

Recognizing and unpacking these fallacies reveals that American giving has been changing dynamically over time. If all giving is divided into two components—for example, giving to charitable organizations that provide basic needs, human services, education, health, and the arts on the one hand, and giving to congregations on the other—one sees that the percentage of GDP given to charitable organizations increases. (Compare the red and gold lines in "American Giving as a Percentage of GDP" on page 29.) Simultaneously, the percentage going to congregations drops—not a surprise, because fewer Americans are claiming a religious affiliation. But even the decline in giving to congregations obscures the fact that many charitable organizations have a religious identity.

Another faulty assumption observers derive from charitable-giving data is that the same people donate year after year. This presumption is understandable, because most annual surveys find that around 50 percent of the population gives, in any specific year, to charitable organizations. However, research shows that over time the same people don't give consistently. For example, over an eight-year period, 87 percent of Americans give to charitable organizations, but 60 percent of these give every other year (or less often) to a specific charitable activity.[1] Although annual surveys make it appear that half of the population consistently donates, there is a lot of movement under the surface.

Such misleading generalizations influence the mental maps of fundraisers in troubling ways. To understand the truths beneath the numbers in US giving, fundraisers should follow at least two guiding principles: First, when reading a philanthropic finding, always ask what type of giving is covered in the research. Second, view American giving as dynamic. Nonprofit fundraisers should move beyond encouraging people to give more dollars and instead toward encouraging them to give more frequently. This shift will lead to greater outreach to different segments of funders in order to connect with a variety of donor profiles that have been overlooked or misunderstood, or that have changed over time.

The misconception about the fixity of American giving is not the only one that affects the sector. There are further myths about ways to give, the benefits of big bets, the motivations of giving, and the demographics which are believed to give the most, among others. In what follows, we review eight prominent myths about US philanthropy. By delving into the nuances that underlie them, we hope to afford all nonprofits a running start at fundraising to advance their missions.

Myth 1: RELIGIOUS GIVING IS DECLINING

Religious affiliation and attendance at houses of worship remain two of the best predictors of giving to religious institutions. The decline in religious affiliation and attendance in recent years has coincided with the decline in the percentage of US households making any charitable donations in the past few decades, according to the Indiana University Lilly Family School of Philanthropy's *Philanthropy Panel Study*. Giving to religious congregations has also declined, falling from 46.5 percent of US households in 2000 to 31 percent in 2017.

However, coauthor David P. King, director of the Lake Institute on Faith & Giving, has shown that these numbers obscure complexities of giving across faith traditions and hide the diversity among religious institutions. The statistics focus on blanket trends affecting houses of worship rather than the broad array of faith-based nonprofits and the particularities of congregations' stories, which paint a very different picture.

Below the surface, patterns of change in religious giving—even within houses of worship—reveal a wide variety of experience, not all of which are about decline. Furthermore, expanding the definition of religious giving beyond houses of worship demonstrates even more diversity and sustained growth that belies the myth that religious giving continues to decline.

First, what qualifies as giving to religion is limited by definition. *Giving USA 2019: The Annual Report on Philanthropy for the Year 2018* follows the most widely utilized definition of giving to religion, which includes congregations, religious media, and missionary organizations. Yet, this categorization does not include the tens of thousands of faith-based nonprofits across the United States that are providing education, social services, or humanitarian aid. If researchers identify religious organizations with only those entities that provide explicit religious services and education, they use a single, restricted perspective of religious giving.

Yet the *National Study on Congregations' Economic Practices* (*NSCEP*), the largest nationally representative study of congregational finances in over a generation, finds that even with a narrow definition of "giving to houses of worship, such as churches, synagogues or mosques," 48 percent of congregations report budget growth over the past three years and, among those with growth, roughly two-thirds report revenue growth of at least 10 percent. Moreover, an additional 17 percent of congregations reported that their revenue held steady over the past three years, leaving only 35 percent who reported a decline. Even if fewer households are giving to houses of worship, not all congregations are experiencing a decline. In fact, many continue to grow. The *NSCEP* finds that giving to congregations may not directly mirror overall declines in religious affiliation and attendance. Even if it may be declining as a

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total percentage of charitable giving, it still remains the largest and one of the most vibrant sectors of philanthropy.

Second, trends in religious giving cannot be painted with a single brushstroke. Diversity within congregations matters as well. Among Christian churches, for instance, the NSCEP finds much more revenue growth among Protestants than Catholics. In addition, budgets of larger congregations grew more than smaller ones—60 percent of congregations of more than 250 members reported growth in revenue over the past three years. We can further dispel the myth of declines in religious giving by noting that houses of worship and their giving patterns are not monolithic. Religious tradition, size and age of congregation, and regional context all are significant factors. At the same time, congregational leaders who develop innovative ways to bring in revenue in response to shifts in religious adherence and attendance may spur growth as well.

Finally, if we expand the definition of religious giving to include both houses of worship and faith-based nonprofits such as World Vision, The Salvation Army, Catholic Charities USA, American Jewish World Service, or Islamic Relief USA, religious giving would make up 73 percent of all charitable giving. A broader view of religious giving demonstrates that far from declining, religious giving may be expanding. Donors may be shifting their giving from houses of worship to other faith-based nonprofits. In fact, David P. King has shown, in his recently published book *God's Internationalists*, that faith-based NGOs are now among the largest and often most professionalized providers of humanitarian aid. The Salvation Army received donations of $1.4 billion in 2017—the second-largest beneficiary of charitable giving out of all American nonprofit organizations. Last year, that organization's cash support increased by 5.7 percent after posting flat revenue for about 15 years. Similarly, another faith-based NGO, Compassion International, received the ninth-largest donation amount in 2017—a dramatic fivefold increase in cash support over the last 17 years, from $130 million in 2000 to almost $820 million in 2017.

Even the faith-based nonprofits on the top-20 list of America's largest charities illustrate that the picture is more complex than simply giving to houses of worship. From multi-billion-dollar organizations to small grassroots nonprofits, faith-based agencies continue to thrive. Faith-based giving may well be shifting—not only within congregations but also from congregations to a diverse set of faith-based nonprofits. Faith remains a major motivator of giving; whether it stems from explicit religious traditions or a broader sense of spirituality or ethical commitment, it continues to define the majority of giving in the United States. And religious nonprofits, defined broadly, are the recipients.

Myth 2: WOMEN ARE LESS PHILANTHROPIC THAN MEN

A growing body of research shows that women play a distinct and powerful role in philanthropy, with shifting economic positions and social roles shaping women's philanthropy over the last 40 years. Statistics reveal, for example, that women today comprise half of all workers on US payrolls, up from just over a generation ago where women made up only a third of the workforce. Mothers today are the primary breadwinners or cobreadwinners of nearly two-thirds of American families. The number of women who are unmarried has skyrocketed: 40 percent of women over age 25 are now unmarried and a record 40 percent of children born in 2007 had an unmarried mother.

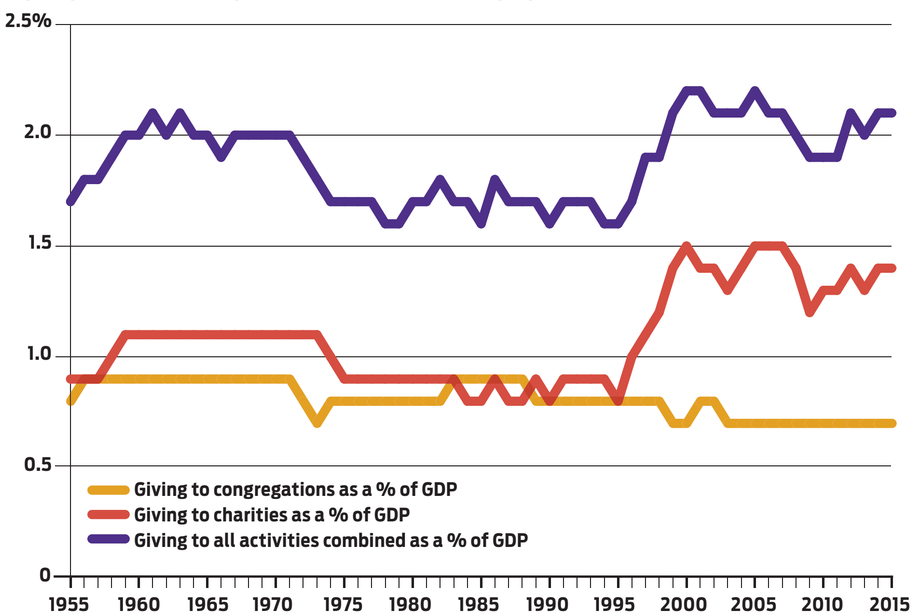
The significant changes in the socioeconomic roles of women have implications for charitable giving. Spouses with higher levels of education, income, or knowledge of household finances tend to have greater control over financial decisions. These factors have resulted in more women-led nonprofit organizations and funding initiatives, which are playing an increasingly larger role in the sector.

Debra Mesch and Andrea Pactor at the Women's Philanthropy Institute (WPI) observe that the most significant predictors of philanthropic giving are education, income, and wealth—more women today have increased access to all of these. Research studies show that when you take into consideration wealth, income, and education, women are more likely to give and also to give more money than men.[2] Differences between men's and women's motivations for giving partly explain these findings. In general, women are more likely than men to engage in prosocial behaviors, which researchers often attribute to women's higher motivations to help others.

Women have a long history of drawing other women into philanthropic collaboration. For example, Swanee Hunt and Helen LaKelly Hunt, the daughters of oil scion H.L. Hunt, decided together to form Women Moving Millions (WMM), an organization purposed

American Giving as a Percentage of GDP

American giving has hovered around 2 percent of GDP since 1955, but has risen for giving to charitable organizations, other than congregations, since 1995.



SOURCE: Mark Ottoni-Wilhelm and Patrick Rooney, IUPUI. Their calculations are based on data from *Giving USA* and the US Bureau of Economic Analysis.

to raise resources to advance causes of women and girls. Since its launch in 2007, WMM has inspired more than 300 members to donate more than $650 million to such causes around the world.

In addition, women, like men, are giving large gifts. According to the Million Dollar List, individual women gave more than 1,686 gifts of $1 million or more from 2000 to 2016—about 31 percent of all gifts made by individuals. Agnes Gund, the president emerita of the Museum of Modern Art,[3] established the Art for Justice Fund in 2017 in partnership with the Ford Foundation, and contributed $100 million to it from the sale of her own Roy Lichtenstein painting. Sheila Johnson, the cofounder of Black Entertainment Television (BET) and founder and CEO of Salamander Hotels and Resorts, has given almost $13 million to higher education and human services since 2003.

MacKenzie Bezos joined the "Giving Pledge" and committed half of her $36 billion Amazon fortune to charity. In her letter announcing her commitment to the pledge, she writes, "My approach to philanthropy will continue to be thoughtful. It will take time and effort and care. But I won't wait. And I will keep at it until the safe is empty."

"Ms. Bezos' view of philanthropy is indicative of the way in which women engage in their giving," Mesch says. "Women are passionate about philanthropy and are highly committed, loyal donors. When nonprofits engage effectively with women as donors and volunteers, they can often foster long-lasting relationships."

Moreover, couples make their day-to-day gifting decisions together—specifically in 75 percent of the general population's households and in 50 percent of high-net-worth households. For nonprofit professionals, it sends an important message to include female spouses by name in family solicitation or cultivation processes. One bank CEO told us a cautionary tale: His wife contributed to a nonprofit, but the nonprofit sent *him* a thank you letter. As his wife continued to give, the nonprofit continued to send thank you letters solely to the CEO. As a result, his wife decided to cease her giving.

Myth 3: IMMIGRANTS TAKE—THEY DON'T GIVE

The imposition of more barriers for legal immigrants to obtain US visas and green cards, coupled with the reduction of the number of refugees allowed entry into the United States and the deployment of US active troops to guard the US border with Mexico, has been fueled by the xenophobic stereotype of immigrants as takers, not givers. But recent research by coauthor Una Osili, dean's fellow at the Mays Family Institute on Diverse Philanthropy, suggests that immigrants to the United States give back in diverse ways and at levels comparable to households born in the United States.

Data from the *Philanthropy Panel Study* (*PPS*), part of the *Panel Study of Income Dynamics* (*PSID*), suggest that immigrant status does not have a statistically significant impact on the likelihood of giving and the amount of charitable giving after controlling for permanent income, education, savings, and other variables. In addition, a longer stay in the United States correlates with an increase in immigrants' charitable giving. Over time, participation and levels of charitable giving converge to patterns exhibited by US-born citizens. Immigrant households are also less likely to receive assistance from governmental and nongovernmental sources. Statistics show that immigrants and their children are less likely to be a burden on US institutions.

As of 2016, 41 percent of immigrants residing in the United States were from Latin American countries. Latinx immigrants sent more than $68 billion to their home countries in 2015, dwarfing in volume other immigrant group remittances. Latinx immigrants also give to their churches and "*mutualistas*," which are groups that provide mutual aid and community for immigrant and Hispanic communities. According to a report from the W.K. Kellogg Foundation, 63 percent of Hispanic households give to charity, compared with a little over half of US households generally. IUPUI doctoral student Jamie Goodwin has found that immigrants support causes and give back in multiple ways, even if they don't donate to nonprofits. For example, Goodwin observed that immigrants share meals, help one another find rides, look for work, and care for children and the sick. This pattern echoes other research.[4]

These data and examples highlight the value of understanding how charitable giving differs among various demographics. Philanthropic Service for Institutions Director Lilya Wagner suggests that conducting prospect research into how immigrants give will aid in the success of multicultural communication, management, and fundraising—uncovering sources either overlooked or untapped. Because the US Census Bureau predicts that the United States will become a minority-majority country by 2044, nonprofits should learn to adapt practices to successfully engage with and fundraise from immigrant communities.

Myth 4: AFRICAN AMERICANS ARE NEW AND EMERGENT DONORS

It has become customary to refer to African Americans as a "new and emerging" demographic in charitable giving. The phrase appears regularly at conferences and in media coverage about philanthropy. It intimates that a large segment of the American population has suddenly started to give as if they never have given before.

Coauthor Tyrone Freeman has shown that African Americans have participated in charitable giving for hundreds of years. Historical donors of African American philanthropy include James Forten, Colonel John McKee, Madam C.J. Walker, and Annie Malone. New Orleans's Thomy Lafon, a free person of color born in 1810, for example, supported the American Anti-Slavery Society and the Underground Railroad, as well as local charities. Today, Oprah Winfrey has donated more than $40 million to build a girl's school in South Africa, and more than $400 million to educational causes overall, according to *Forbes*. Additionally, many of the donors who gave at the highest levels for the Smithsonian's National Museum of African American History and Culture were African American, including Winfrey, Robert F. Smith, Kenneth and Kathryn Chenault, and Franklin D. Raines and Denise Grant.

Over the past decade, African American families have—more than any other racial group—contributed the largest proportion of their wealth to charity, according to the Urban Institute. African American giving goes largely to black Christian churches. Half of the African American donors surveyed for the 2015 Blackbaud report *Diversity in Giving* reported donating to their place of worship more than any other nonprofit category. For generations, black churches have been the primary vehicles that teach the value of philanthropic giving and have most consistently treated and respected African Americans as donors. With the church as a foundation, African Americans have built mechanisms of giving to support both religious life and community activism in their quest for freedom and equality. These mechanisms include collaborative giving through fraternal and communal societies to sororities and giving circles such as the Black Benefactors in Washington, DC, the Sisterhood of Philanthropists Impacting Needs in Denver, Colorado, and the national members of the Divine Nine. Organizations like the Young, Black, and Giving Back Institute, the Community Investment Network, and an array of black family foundations like the Mourning Family Foundation engage black donors at all income levels to support black advancement.

The only "new and emerging" phenomenon is the recent interest of mainstream nonprofit organizations in donors of color. But if nonprofits are serious about cultivating diverse communities, they must commit across their organizations to diversity and inclusion as well as dedicate time, resources, and attention to identify, solicit, and steward black donors on their own terms. It is essential to relate to these donors as individuals within the broader historical and cultural contexts that have and continue to shape their giving.

Myth 5: MILLENNIALS ARE DISENGAGED

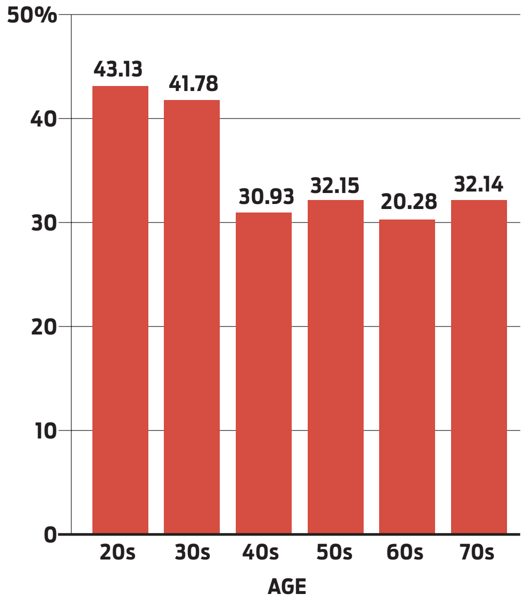
National studies, such as those conducted by the General Social Survey and Bureau of Labor Statistics, have documented declines in youth participation in charitable giving, volunteering, voting, social forms of religious engagement, and other forms of political and civic activity. For example, research by coauthor Patricia Snell Herzog shows significantly higher proportions of non-givers among people in their 20s and 30s than those 40 and older. (See "Percentage of Non-Givers by Age" on this page.)

Yet there are complications in segmenting trends by age over time, as Snell Herzog has pointed out. Examining age over time represents a tangle of two important social characteristics: generation and life stage. Generational cohorts include groups such as the Millennials and the Baby Boomers, which are characterized by their years of birth relative to important social events. For example, Baby Boomers grew up in the age of Vietnam, whereas Millennials grew up post-9/11.

But more than just generational cohort is captured in many of these studies. When comparing cohorts of ages at the same point of time, life stage is also embedded in the age categories. This includes whether the people whose rates are displayed are in later adulthood, young adulthood, or emerging adulthood, defined as the delayed onset of conventional markers of adulthood, such as marriage and home ownership.

Percentage of Non-Givers by Age

Americans in their 20s and 30s are less likely to give to charity than older Americans.



Calculated from the *Science of Generosity Survey.*

When scholars investigate changes in participation rates over time, some research indicates there is a "catch-up effect," whereby younger cohorts reach or even exceed the rate of participation of older generational cohorts once the younger cohort is at a later stage in life. For example, social science scholars Constance Flanagan and Peter Levine find that each younger generational cohort has a lower starting voting rate, but also that voting rates equalize around 70 percent by the eighth election since one first became eligible to vote (i.e., at a later life stage). In other words, the participation gap narrows over time.

Many standard surveys of youth engagement focus on giving to organizations, but organizational focus is less relevant to many young people today. For example, the General Social Survey asks whether respondents have "done any volunteer activities through or for an organization" during the past calendar year, and the Social Capital Index includes 14 factors, of which four explicitly focus on organizations and many others strongly imply an organizational affiliation (e.g., "number of club meetings attended in the last year" and "number of group memberships").

Millennials represent the first generation to transition to adulthood through the relatively newly identified life stage of emerging adulthood. These adults, and the younger generations following them, are motivated less by sustained commitment to particular organizations and more involved in episodic engagement with causes and issues. And this trend for young people is not limited to the United States alone. For example, researcher Anne Quéniart of University of Quebec, Montreal, found that for all the young people studied, the cause was a more important motivation than was affiliation with particular groups or organizations. Researcher Richard Settersten of Oregon State University, along with communications and policy expert Barbara Ray, found that younger people are embracing a new model of activism on new media that enables more rapid and diffuse engagement.

With these behavioral tendencies in mind, charities that are interested in attracting young people may want to rethink their digital presence. It may be time to give their visuals and text a "face-lift"—to provide an immediate sense of engagement with the cause in order to draw visitors deeper into their website and mission.

Myth 6: SMALL GIFTS DON'T MATTER

In an era where philanthropy experts point to the power of funders making bigger gifts over longer time periods to fewer causes to effect large-scale change, it's easy to assume that small gifts don't matter.

But in cases of urgent humanitarian aid and disaster relief, where large-scale change means responding with alacrity to dire needs across entire cities and states, aggregate flows of small gifts become the lifeblood of campaigns to save lives, stem catastrophe, and repair communities. The added benefit of small gifts to nonprofits is that they can be the way a donor gets to know an organization, which can inspire larger future donations. Small gifts develop relationships and can be repeatable, such as effecting systematic support via monthly giving.

After Hurricane Harvey struck the Texas Gulf Coast of the United States in 2017, more than one million donors gave gifts under $100 to the American Red Cross, which contributed $35 million toward those needing immediate shelter, food, and relief items, and basic health and mental health services. These gifts also enabled the Red Cross to provide financial assistance for families and to build long-term recovery efforts for people working to put their lives back together.

Within three weeks of Nepal's 2015 earthquake that left 9,000 dead and 22,000 homeless, humanitarian relief and development agency World Vision US (WVUS) raised more than $7.2 million from 42,000 individual funders who contributed an average donation of $171. Those dollars contributed to the rebuilding of homes, schools, hospitals, and civic infrastructure, and they afforded temporary shelter, schooling, and health care facilities in the interim. "These smaller gifts added up to crucial, flexible funding that gave us the ability to respond immediately to urgent needs of survivors," says Drew Clark, WVUS senior director for foundations and emergencies, who was in Nepal for the recovery effort.

WVUS, the American Red Cross, and other nonprofits have found that donors often start small and scale up funding for social causes. For example, long-time WVUS supporters Dave Dornsife and Dana Dornsife first gave to the agency in the 1980s, via monthly child sponsorship, which at the time was less than $20 a month. Dave later traveled to Africa with WVUS to see the outcomes of sponsorships provided by members of his home church. From 2011-2015, the Dornsifes donated $35 million in matching funds to WVUS funds to expand access to clean water, sanitation, and hygiene (WASH) across 10 African countries, a contribution that catalyzed $256 million in total donations—which brought WASH to 8.6 million people.

The small monthly donations like those the Dornsifes first contributed add up over time: At WVUS in fiscal year 2018, these donations aggregated to $243 million raised, representing about 60 percent of WVUS' total private cash spent to help poor communities improve health, education, and economic empowerment.

Myth 7: ENDOWMENTS JUST TIE UP CASH

Recent legislation enacted in the 2017 US federal budget bill requires colleges and universities with assets greater than $500,000 per full-time student to pay a 1.4 percent excise tax on annual endowment returns. While only 35 colleges and universities fall under the law's guideline, the legislation opens a door to taxing other nonprofits by suggesting new limits to tax exemptions.

This proposal has prompted protests from the wider social sector, which cites the role endowments can play in supporting long-term fixed costs such as research, facilities, HR, IT and financial systems, salaries, and scholarships, subsidies, or grants that give those in need access to social service programs. At issue is the question whether endowments serve to tie up cash that could be used to better effect or function as the lifeblood that allows nonprofits to plan for the long term and advance their missions.

Some say the answer lies in defining how much is too much. Indeed, particular nonprofits are so large—Harvard University's endowment is valued at over $39 billion, and the largest 50 US foundations hold more than $890 billion in combined assets—that they raise questions of whether program-related disbursements can ever keep up with the endowment's growth. Other critics point to endowments that are restricted for arcane and discriminatory uses, such as the trust clause of chocolate bar scion Milton Hershey's eponymous Milton Hershey School, which stated that the school was intended to house only "poor, healthy, white, male orphans" before the stipulation was removed in 1970.

But many endowments provide long-term stability and flexibility when it comes to funding operations. Indeed, when the Ford Foundation hired The Bridgespan Group to assess its grantmaking practices, it found that more than half of Ford's grantees suffered from frequent or chronic budget deficits, while 40 percent had fewer than 3 months of cash reserves in the bank. This left them dependent on Ford's annual program grants, which curbed investments in the very infrastructure that maintains high-quality staff and programs. To rectify this issue, Ford launched a financial-stability initiative: Building Institutions and Networks (BUILD), a $1 billion program that funds the long-term capacity and sustainability of up to 300 social justice organizations.

Lilly Endowment, based in Indianapolis, Indiana, has identified a need to make large grants that will facilitate long-term financial strength and resiliency in nonprofit organizations through establishing endowments. For example, in 2017, the local Indianapolis hunger relief agency Second Helpings received $7.5 million from Lilly Endowment—one of $328 million in grants that Lilly Endowment has made to 49 organizations since 2015. Second Helpings used $6.8 million of that grant to form a restricted endowment and invested the remainder in infrastructure, including fleet, technology, and equipment upgrades. "This grant is specifically tied to [our] sustainability … to ensure that [we] can continue to be a resource for our community," Second Helpings CEO Jennifer Vigran says of the Lilly Endowment funds.

The reliable revenue an endowment produces can help any nonprofit weather policy changes and choppy grant cycles, as well as fund unsexy but essential capabilities like finance and HR.

Myth 8: PEOPLE GIVE BECAUSE THEY ARE ALTRUISTIC

Nonprofits often appeal to donors' compassion to inspire giving—from advertising photos of emaciated dogs or sick children to tailoring email campaigns to tug at the emotional heartstrings. In reality, individuals not only give because they care but also for many other reasons that are self-interested and/or socially motivated, such as giving for tax benefits or because donors admire the social entrepreneur leading a particular organization. Others give to enhance social status—achieving immortality through a name on a building, which has become a booming market at hospitals, universities, libraries, and museums.

Coauthor Sara Konrath has been gathering data on how and why more ego-driven people give.[5] Recent examples of narcissistically motivated giving abound. For example, in the summer of 2014, social media feeds were awash with people pouring buckets of ice water over their head to motivate donations in support of amyotrophic lateral sclerosis (ALS) research. More than 17 million participants posted ice-bucket videos on Facebook, which garnered more than 10 billion views by 440 million people. Donations surged by nearly 35 times, compared with the previous summer, to $115 million.

Konrath and her students surveyed more than 9,000 Americans about their participation in the challenge.[6] The study asked respondents to self-evaluate their individual narcissism on a scale of one to seven, with seven being "very narcissistic." Thirty-four percent of respondents scored themselves higher than four—including 44 percent of Millennials, who had the highest scores for narcissism among the generational cohorts surveyed.

Moreover, the study showed that when narcissistic people participate in campaigns, they may promote awareness-raising, but not necessarily donations. People who rated themselves more narcissistic in the study were more likely to post a video of themselves doing the challenge, but they were actually less likely to follow up with a donation. Meanwhile, less narcissistic people were more likely to donate, but were less likely to post a video showcasing the act.

These findings have implications for nonprofits seeking public support. There may be ways to harness narcissistic people's motivation as part of a broader campaign strategy, especially when social media participation is easy, involves a one-time commitment, and creates media artifacts that can build personal profiles on social media while building awareness for a charity. Likewise, nonprofit professionals may need to strategically frame volunteering opportunities to connect with narcissistic motivations by creating channels of engagement that both satisfy the needs of the nonprofit and create important career connections, social media attention, or other social benefits for volunteers.

Each generation brings unique contexts and life experiences to charitable giving. Fundraisers might regularly survey donors to discover their motivations and tailor requests—from mass appeals to major gifts—in whatever way attracts funders across the motivational spectrum to advance charitable goals.

COMMIT TO MYTH BUSTING

Myths persist because of their cultural usefulness. We use them heuristically to save time in communicating, affirming that we are thinking along the same lines with others. They are not superstitions but tools we use to make sense as we work together. That is why it is so important to examine them and reveal what they are missing and how they may have outlived their usefulness in the ways that we use them. In our myth-busting research and evidence we have gathered, we see better ways to understand generosity that are already proving themselves in practice.

At the same time, we cannot avoid incomplete stories about where philanthropy comes from and what truly motivates it. Beyond financial giving we find other forms of generosity such as volunteering, advocacy, and caring for people, as well as various forms of corporate outreach, community and national service, and more. We still have little data for these compared to the volumes of data we collect on even the most minute commercial decision.

We are in the early stages of mapping the generative power of human generosity and both the intended and unintended consequences that result from its expression and motivation. Think of early maps that embellished the limited amount of information they contained with mythic creatures to infuse the parchment with more meaning. Our maps of philanthropy still contain mythic creatures, and our job as academics, funders, and practitioners is to identify them and to see where the data and evidence lead us, even if they confound established commitments. Being prepared to be proved wrong, to be shown that a second look can open a new perspective, involves embracing an adventurous curiosity that can generate new solutions.

Speaking of long-held myths, we Americans typically embrace a view of our exceptionalism in terms of the breadth and depth of philanthropy. Yet, as coauthor Pamala Wiepking has pointed out, the data do not warrant such certainty about US uniqueness and its assumed world-leading generosity. For example, CAFAmerica and the Gallup Organization have shown, based on their most recent worldwide survey of self-reported behavior, that Indonesia ranks at the top for civic engagement, and Myanmar for the percentage of citizens reporting a donation in the past year.

Most of the high-ranking countries overall on such indices of generosity are English-speaking, such as the United States, the United Kingdom, Canada, Australia, and New Zealand. But this begs the question about whether English-speaking nations are truly more generous in terms of helping, giving, and volunteering, or whether the questions asked and the language used in those questions resonate more with or are better understood by people in such countries. Furthermore, are these the right questions to ask when studying generosity across countries?

This one example indicates that there are more myths of philanthropy than the eight we have highlighted, that they extend globally, and that they are promising targets for further research that will bring more useful knowledge to philanthropy.

More immediately and practically, don't make plans based on easy assumptions or myths in the eight areas that we have outlined in this article. Dispelling false certainties is an important technique in any field that progresses through learning. The future for improved understanding and improved outcomes in philanthropy is bright. ■

Notes

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