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# Donors Who Stop Giving to a Charity Feel Disconnected, Survey Finds

By [Caroline Preston](#)

Wealthy Americans who stop giving to a nonprofit group tend to do so because they no longer feel connected to the organization or believe they are being asked for money too often, according to a survey to be released this week by Bank of America and the Center on Philanthropy at Indiana University.

Of the 38 percent of people in the survey who ended their support to at least one charity last year, nearly 60 percent said they did so because they felt disconnected from the group. Fifty-one percent said they had decided to support other causes, while 42 percent said they were irritated by the group's all-too-frequent requests for money.

"There's this fine line that nonprofits have to straddle," said Cary Grace, a Bank of America executive who advises donors and nonprofit organizations. "How do you strike a balance between helping donors feel connected to an organization throughout a long-term period and not feeling like they're being solicited too often?"

Ms. Grace said that charities need to find meaningful ways to stay in touch with donors, by inviting them to visit programs, helping them interact through the organization's Web site, offering challenging volunteer opportunities, and involving their children in the organization's work.

While the survey was conducted in July and August, just before this fall's Wall Street collapse, Bank of America's philanthropy experts said that, as the economy worsens, donors they work with are increasingly saying they want their dollars to make a difference.

Claire Costello, national philanthropic practice executive, said more donors are considering ways to use their investments to advance the causes they care about and are giving time and other noncash support. They are also increasing their giving in the areas in which they live.

"There's really a shift toward more core support, from specialized earmark projects, and a greater urgency to give to local communities rather than perhaps farther and wider than they had been," she said.

## Financial Experts

The survey was based on interviews with 700 people who earned more than \$200,000 per year or had total assets of more than \$1-million. Some of its questions were similar to a 2006 study, also by Bank of America and the Center on Philanthropy.

The study found that wealthy people are taking a more professional approach to their giving, turning more often to legal and financial experts and less frequently to nonprofit officials and friends.

At the same time, donors today allow flexibility in how charities spend their contributions, with 57 percent of those surveyed citing general support as the main objective of their philanthropy.

Among the other key findings of the study:

- Many wealthy Americans give to charity because they want to set an example for their children, and more and more of those children are starting their own foundations or donor-advised funds.

- Religious charities play a key role in helping to educate young people about giving, and also receive a significant share of support from wealthy donors.
- Many donors (46 percent of those surveyed) believe their giving has a bigger impact on their personal fulfillment than it does on individual charities or causes.

The survey found that while most wealthy donors are motivated to give because they want to improve their cities and towns, and the world, and do not do it for personal recognition, few donors in the survey believe their donations have a big impact.

Less than 20 percent of those surveyed said their contributions had a major impact on the organizations they support, and just 6 percent believe they are having a significant influence on society in general.

## Young People

More than 60 percent of people in the study said they actively educate their children about philanthropy, and nearly 40 percent of those with adult-age children said those children had started their own foundation or donor-advised fund. Such funds operate like charity checking accounts, allowing donors to earmark money for specific causes over a long stretch of time.

Ms. Costello said charities should take advantage of donors' desire to involve their children in giving by offering chances for entire families to volunteer, finding creative ways to use the Internet to stay in touch with young people, and by reaching out to the youngest members of family foundations' boards.

Taking active steps to reach donors may become even more important for charities because, as wealthier donors grow more sophisticated about their giving, they are less likely to seek out charity officials for advice, according to the survey.

In a similar study two years ago, 41 percent of donors said they consulted charity employees about their philanthropy, while 27 percent spoke with accountants and 16 percent with lawyers. In the 2008 study, just 29 percent talked to nonprofit officials and 43 percent turned to accountants.

Initial findings from the 2008 Bank of America Study of High-Net Worth Philanthropy are available at <http://www.philanthropy.iupui.edu>. Complete findings will be available in early 2009.

**SOURCE:** Indiana University Center on Philanthropy and Bank of America

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