

Men are from Mars, Women are from Venus: Understanding the Role of Gender in Philanthropy?

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Creating a language of change? A wise colleague, active with the Denver Foundation for Women, once talked about the need to create a “*language of change, of hope, of action and possible solutions.*” Julia Fitz-Randolph posed the question about how best to rally and inspire women to make other women and girls a priority – that is, in part, why I am here today – to talk about how best to involve and engage women as donors and volunteers in support of our organizations. Much of what I have to say has just as much relevance for engaging men as donors as well – “engaging” our potential and current donors is the key thought here, as that activity should be our **highest** priority in working as development officers, consultants, executive directors or volunteers and Board members.

Just to provide a reminder of where money comes from in the United States: in 2003, \$240.72 billion was given to a wide variety of nonprofit organizations. The majority of that money, 74.5%, was contributed by individuals, plus gifts by bequest, 9%, bringing the total given by people just like you and me to more than 83% of all of the funds given in this country. 5.6% came from corporations; 10.1% from foundations. And yet we all rush to write corporate and foundation proposals, for only a little more than 16% of all of the money contributed each year. Some VERY large bequests were announced in 2003, including those from Joan Kroc, both to NPR and to the Salvation Army, clearly the beginnings of the massive wealth transfer that I know you have heard Paul Schervish so ably forecast recently.

And what is it given for: 36% for religion (it pays to ask 52+ times a year – people respond!); 16% for health and human services; 13% for education; 10% for arts, culture and public benefit; 9% to new or established foundations; and small amounts for international programs, the environment and unallocated gifts. Total giving in 2003 did continue to grow, though only by just under 3%, but it still did increase. 2002 was the only year in the past more than 50 years when it did decline slightly.

I have been writing and thinking about the subject of women as donors for over 12 years now, actually long before I was asked to serve as the editor of a new publication for the Center on Philanthropy at Indiana University, back in 1992. At that time the whole idea of women as significant donors was only just beginning to be understood. The New York Times magazine stories about the successes of the Wellesley College and Smith College capital campaigns, much more successful than the campaigns of their peer male-only colleges, caused much surprise and even excitement in the philanthropic world, particularly among fundraising staffs around the country. The idea of regarding women as major gift prospects in their own right was a very new one, and one that it has taken the past ten years to really begin to come to reality. Even more unusual for professionals to consider was the idea that women should be cultivated and engaged in different ways, approached for the solicitation of gifts in a different manner from their male colleagues and stewarded in a new fashion. We have all “grown up” as development officers and volunteers with certain notions about how prospects and donors are to be treated, involved with our organizations and thanked and stewarded. Some of those ideas

pertain equally to women as well as to men; some are quite different for women, if you want to develop them as major donors.

I thought it might be helpful to review some of what has been surmised over the past ten years, what many of the authors and researchers who have addressed this issue have speculated.

I have been in development for most of my life and believe that I learned the craft of fundraising both from my parents, who were both very active volunteers in charitable organizations, and then in my first job as a Development officer at Stanford University. While the reality at the time was that I was the first woman development officer hired in the University's Advancement office (and was soon joined by your Executive Director, Pam McDonald), we learned the art of being development officers from some extraordinarily talented men who were our mentors and colleagues. Today, however, young people entering our field have the opportunity to have many experienced men and women professionals as mentors.

It was several years later, when the University formed what was to be the first center for research on women in this country, that I began to think about what differences there might be in how best to approach women for gifts. And how those differences might play out in how our programs were to be organized and implemented. About ten years later, I was invited to edit one of the first handbooks on fundraising to be published by the Center on Philanthropy at Indiana University; they invited me to choose my own topic. When I said I wanted to write about women and philanthropy, they said they could not imagine it as a subject! So I pulled it all together, with the help of a variety of wonderful leaders around this country, and it became a best seller – and subsequently, many new initiatives, conferences and programs have been developed in the US and even abroad.

When I started to think about this, I asked myself and others the question: **Is there a difference between how one solicits a woman vs a man? Should women be engaged and involved differently from the ways in which men have traditionally interacted with an organization? Are there necessary steps which should precede a solicitation of a woman vs an ask of a man?**

Fundraisers have long asserted that, unlike men, women shy away from competing with their peers to make the largest gift, and they do not want their names on buildings.

Compared to men, **women are more likely to volunteer and seek closer contact with the charities they support, before making a significant commitment.** Women want to share their interest and passion with others. And after a major gift from a woman, however a major gift is defined in your organization, women often want to get even more involved. She feels that she has made an investment in you and she wants to help that investment grow – with greater volunteer involvement, perhaps a position on the Board or an Advisory Committee, meetings with your leadership, etc. All of this deeper engagement clearly will lead to even larger gifts in the future and by her estate, assuming you let her know that you will accept bequests.

Men tend to give to enhance their own standing or maintain the status quo, it is believed, while women give to promote social change or help others less fortunate. One of my favorite taglines is that of the Chicago Fdn for Women: “give us the dollars; we’ll make change.”

Even the most recent literature on men's and women's philanthropy is full of assertions that women and men contributors are different. So we should consider the following observations about gender differences in giving.

It has been thought that women make smaller gifts than men.

Lori Stevens, director of the Women and Leadership task force at Harvard University, reflects what many fundraisers have experienced. She recently reported that a matching gift fund helped generate nearly \$19 million from women donors in just 110 business days. Yet, she told a reporter, "we've made a lot of progress with donors in the \$100,000 to \$200,000 range, but we're having a hard time getting to that next level: donors who give around \$1 million."

Several years ago, a comparative study was conducted by a national consulting firm, looking at how women's colleges compared in alumnae gifts per student to other similar colleges, both co-ed and formerly male-only institutions. This data compared the top colleges and universities in terms of total alumni giving divided by total student enrollment, and the results were surprising and contradictory to the national trends, even now. We have to assume that the all female environment in a women's college is a strong influence on their giving patterns and habits.

Wellesley College ranked #1 with \$10,300/student

Bryn Mawr College ranked # 3 with \$8900/student

Smith College was #7 with \$6800/student, followed closely by Scripps College at #8 and Mills College at #9

The "Big Boys" – Princeton, Williams, Amherst, Dartmouth and Yale were ranked at #13, 10, 12 and 14 and 16. The highest alumni gift per student after Wellesley College was Lafayette College in Pennsylvania.

More than a decade ago, UCLA conducted well-publicized focus groups with seventy-six women who had given \$25,000 or more. "Their gifts are smaller than we would like, often made tentatively," wrote Dyan Sublett, then co-director of UCLA's Women and Philanthropy Program. This level of giving, she continued, "belies the fact these women often have significant wealth."

Some researchers have argued that small gifts by women who can easily afford to give more were rooted in insensitive fundraising practices that ignored women's contributions, reflected male rather than female priorities, and excluded women from top leadership positions. UCLA's focus groups, for example, found instances in which married women, even when the woman signed the couple's check to make a gift, were not acknowledged in thank-you notes sent to their husbands. Many alumni associations even today are only just starting to adjust their governing board structures, marketing strategies and program offerings to alumnae.

"Women still have not yet assumed the full financial power of their purse in philanthropy," says Tracy Wayson, director of the Milwaukee Women's Fund. "We know going in for a gift that we're up against women undervaluing their giving ability," adds Christine Grumm of the Women's Funding Network. "Oftentimes when we're asking for \$1,000 and up, women think of giving less than if we were approaching men with similar salaries."

Flimsy anecdotal evidence? Perhaps. But empirical data with large populations, while not controlling for every variable, continue to find a stubborn lag in gift size by women relative to men. In an analysis of gifts to UCLA in 1995-1996 among 34,213

alumni a few years after efforts to increase gifts by alumnae began, the average gift among men (\$1,160) was more than three times as high as the average gift for women (\$339). A similar analysis at Colgate University several years ago found that while more women than men graduates made gifts, their average gift was one-fifth the size of their male counterparts.

A much more recent study by HNQ Digital examined giving patterns of more than two thousand affluent men and women with household incomes of \$150,000 or more and net assets of over \$500,000. Gender differences again emerged. Only 4 percent of women reported that their largest single gift was in the \$10,000 to \$24,000 range, while 16 percent of men made their largest gift in that amount.

The Independent Sector, which conducts biannual surveys of giving, has consistently found that men report giving larger gifts than women, though there have been signs that the giving gap was narrowing. Even the most recent survey, in 2001, again found a gender difference. Among more than 4,000 adults aged twenty-one or over, men reported an average household gift of \$1,778, compared to \$1,525 for women. However, a higher percentage of women actually make gifts to charity each year, 81% of women as compared to 69% of men. Women too are more likely to volunteer: 62% of women and 49% of men volunteered in 2000, according to the Gallup Poll; this is important because volunteers usually make gifts 2 1/2 times larger than those who do not volunteer. And yet still today, women give a lower percentage of their personal income to philanthropy, no more than 3%, while men give over 4% of their income.

It appears to take longer to cultivate significant gifts from women. The Development profession continues to hold that because many women lack financial skills and fear they will outlive their money --the often-cited "bag lady syndrome"-- they take longer to decide to make a sizable gift. They also are more likely to require a closer relationship with the organization than men and ask many more questions before giving, thus making the building of relationships with women donors all the more important.

These observations appear to be corroborated by quantitative research on planned giving. A study of such gifts to eight different capital campaigns held between 1988 and 1998 found that women's bequests accounted for 22 percent of the total in all eight campaigns, more than three times the percentage for male bequests (7 percent). Men were nearly twice as likely as women to make income-producing gifts. Several authors have noted similar findings from analyses of Internal Revenue Service estate tax data, which show that widowed women give more charitable bequests than any other demographic group. I understand that you are developing a Leave A Legacy program here in New Hampshire; women are going to be the logical group to be interested in this program, as usually her estate includes his too. And even a never married school teacher can accumulate a significant estate -- everyone should read not only The Millionaire Next Door, but also the The Millionaire Woman Next Door as well. Getting involved as a volunteer with even a small planned giving program for almost any agency is going to provide the prospective donor(man or woman) with information about wills, estate planning, bequests, which will logically open them up to possible bequests themselves. And volunteers are, after all, 2 1/2 times more likely to make a gift to an organization!

The implication is that women, who live seven years longer on average than men, are concerned about having enough money to live on and therefore wait until death to make their largest gifts. In other words, the bag lady syndrome lives on. One

study found that 58 percent of women say they are worried about their financial future compared with 42 percent of men. “Financial security and independence rank higher on women’s lists of financial objectives,” and investment manager who founded a financial services company for women wrote recently, “Gifting strategies that enable older women to live out their days in comfort, after which all or most of their remaining wealth goes to charity are valid”. Women, it has been widely assumed, are more likely than men to require financial education before they become comfortable about making substantial gifts. That is one reason why many women’s philanthropy programs in a wide variety of organizations, from colleges to hospitals to human service agencies have focused on education for their members about money management, investments, and how to use philanthropy to strategically advance their values.

Unfortunately, too, many of us were raised in a culture of **“it is not polite to talk about money...”** and so we tend not to do it, and many women donors have made very large gifts anonymously. The classic example is the “rich widow,” who gives or, more likely bequeaths, millions to her husband’s alma mater and nothing to her own school or college. And we all know the wonderful story of Osceola McCarty, the laundress from Mississippi who share front page coverage in the New York Times with Ted Turner, who saved and saved her money that she made doing laundry for the neighbors and gave \$155,000 to the university “down the street,” because she had built such relationships with the students who passed by her house every day.

One fundraising officer for feminist causes observed early on, “Often the women I ask agonize over the amount of their contributions; they need time to think about it...or they say they want to discuss it with their husbands. The men usually commit (or refuse) on the spot... No man has ever told me he wants consult his wife”.

I really do believe that this is beginning to change. One sign of serious major gift fundraising among primarily women donors is the current endowment campaign for the MS Foundation in New York City: the campaign goal is \$35MM; as if the beginning of this summer, they had already raised \$17.5MM, and the minimum gift allowed is \$1MM, all from women donors!

Such gender differences may be more pronounced among older female donors. One analysis of college alumnae seeking reunion gifts from their peers found a marked difference among women graduating prior to 1972 and those graduating later, the older alumnae were much less comfortable talking about and asking for money, while younger women were more assertive in asking for and giving money. Other college fundraising staff members have consistently reported more hesitation among older female alumnae, a lack of self-confidence in financial decision-making, and an unwillingness to ask others for donations.

I have tried to follow the trends in women’s philanthropy over the years since the book first came out and do believe that **women are becoming more competitive in giving and are more interested in the perks and public recognition they receive in return.** At UCLA, fundraisers were surprised to learn that an overwhelming majority of their female donors did want perks like free parking and other benefits, just like men do.

Female lawyers at the University of Virginia observed that their contributions on campus were much less visible than those of their male counterparts; so the women collaborated to raise money for a high-traffic lobby with their names on the wall. Lima Weiss, a donor to the New York Public Library, who took the initiative to quadruple the

\$2 million her deceased husband left her, is now “savoring” the paybacks of her philanthropy, putting her name on buildings and going to lunch with Brooke Astor.

Female business owners like those at Vera Bradley Designs in Fort Wayne Indiana are enjoying the profile their company has earned from raising big money for cancer research. The resume enhancing and business-building aspects of charity have not escaped the notice of women ascending the corporate ladder or promoting their own enterprises. “That’s not why I did it,” said another women about the personal attention and networking opportunities she received for giving \$50,000 to the University of Pennsylvania. “But you bet, it’s a benefit.”

I understand that Paul Schervish spoke recently about what he calls “the new physics of philanthropy,” where a donor is more likely to give where their heart is, not necessarily where their obvious interests and/or connections are and that you must really listen and observe to all of the clues in developing a relationship. You might compare “the new physics of philanthropy” to what is called in other areas “new venture philanthropy” or “philanthropy in the new economy,” where the donor feels that he or she is making an investment in the organization and wants much deeper involvement and interaction along with the financial commitment – these new philanthropists demonstrate traits and actions much like women have been trying to tell us for years!

What conclusions about gender-based giving can we draw from the wealth of anecdotal observations and few large-scale studies that exist?

First, women are flexing their philanthropic muscle, demanding more perks and recognition, even competing with other donors for visibility in certain situations. Advanced degrees, business ownership, and wealth are all increasing among women. By 1999, federal data on consumer finances showed that women control more than half (51.3 percent) of the privately held wealth in the United States. In 1998, the IRS reported that 2.5MM (39%) of the top wealth holders in the US were women. These women have a combined net worth of over \$4.2 trillion; this is up significantly from the numbers originally cited in 1995 of 1.6MM women with assets of \$2.2 trillion. American women constitute the largest economic force in the world, spending \$4.9 trillion each year. Women business owners are more likely than men business owners to participate in volunteer activities and to encourage their employees to volunteer, thus expanding the world of philanthropy. The National Foundation for Women Business Owners tells us that over 50% of the high net worth women business owners give away in excess of \$25,000 annually to charity, including 19% who give \$100,000 or more each year. Only 40% of high net worth men give at least \$100,000 annually. NAWBO also tells us that, as of 2002, there were 6.2 million majority owned, privately held, women-owned firms in the US, employing 9.2 million people and generating \$1.15 trillion in sales.

As a result, we will see more and more donors like banker billionaire Darla Moore. For a gift of \$25 million to the University of South Carolina, Moore became the first woman in the United States to have a major business school named after her.

Second, we still do not know conclusively whether women give smaller amounts to charity than men of similar means do, because there has not been yet any large scale study that controls for income levels, number of dependents, and all the variables that could skew results. Nevertheless, several studies have found a significant difference in

giving levels among men and women, and fundraising executives continue to observe a giving gap.

If the size of women's gifts still lags behind that of men, it is with good reason. Despite their advancements in business and earning power, women still make only about 77 cents for every dollar earned by men (U.S. Bureau of Labor Statistics, 2000). Women's net worth is still less than men's. As one researcher noted, the mean net worth of female-headed households in a national survey of consumer finances was \$92,826, compared to \$186,862 for male-headed households. The average net worth among never-married women's households was \$42,804, only 39 percent of the net worth of never-married male households. Another important development that you will hear more about, I know, is the development of giving circles of all sorts: the Baltimore Giving Project and the Boston's Women's Fund all have giving circles active now in a number of areas; the Washington Area Women's Foundation has several levels of giving circles and my own former employer in Columbia, Md, the Enterprise Foundation, has its own Enterprise Women's Network, of which I am the proud "mother." And I know that you have a very active women's fund here in New Hampshire, one which has been very successful already. This type of annual giving by women to support programs for women and children is a new creation since the emphasis on women's philanthropy and has a bright future.

I hope that is general overview has been helpful to all in setting a context for your understanding of gender differences in giving and asking for gifts. I hope and expect that you will have many questions and that I or others in the audience can offer some answers or suggestions of how best to proceed.

To return to another part of the quotation from Julia Fitz-Randolph:

So how do we motivate other women to make women a priority? We begin by asking those who already have done so what motivated them to act. And we listen very carefully. We look for similarities, clues, defining moments that changed their lives and behavior. We are cautious about making assumptions. We respect cultural, generational and class differences. We begin to connect the dots.

Then we ask other women who may not make women their priority what motivates them to support their community, their family, their place of worship. And we listen very carefully again. We look for similarities, clues and shared values. We understand the environments of sexism, racism and homophobia. And we continue to connect the dots... As I mentioned at the beginning of these remarks, we are trying to create a language of change – and hoping that others will "connect the dots," like so many women and men in this country have begun to do already.