

Inside Philanthropy

New Report Finds Giving Circles Are Moving Significant Money, a Hopeful Sign for Civil Society

Dawn Wolfe | April 19, 2024

When Inside Philanthropy [last checked in with Philanthropy Together](#), the PSO for giving circles was in the midst of conducting in-depth research into the collective giving movement. Its new report dropped in early April and the results are pretty eye-opening — both in terms of the sheer numbers involved and because of their implications for nonprofits, philanthropy and civil society as a whole.

The original 2017 research that led to the launch of Philanthropy Together revealed a collective giving movement that had already mobilized more than 150,000 individuals in roughly 1,600 groups to move approximately \$1.29 billion. Since that time, the growth of giving circles has been nothing short of explosive.

According to the new report, titled “[In Abundance: An Analysis of the Thriving Landscape of Collective Giving in the U.S.](#),” more than 370,000 individual philanthropists in nearly 4,000 separate groups moved over \$3.1 billion to nonprofits between 2017 and 2023. The report estimates that these numbers are all primed to double again in the next five years. Overall, Philanthropy Together’s findings are a hopeful touchpoint amid sector anxieties over the disappearing small donor, philanthropy’s increasing top heaviness, and the damage political polarization and social isolation are doing to the health of American democracy.

A joyous force

“My biggest hope with this report is that mainstream philanthropy now views collective giving not as a cute grassroots side movement, but really something



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that needs to be reckoned with. We are a force, and a joyous force,” said Isis Krause, Philanthropy Together’s chief strategy officer.

“In Abundance” was funded by some pretty major players: the [Bill & Melinda Gates Foundation](#), [W.K. Kellogg Foundation](#) and the Lodestar Foundation, along with Fidelity Charitable’s Catalyst Fund. The report also notes the participation of 39 people from 19 organizations that Philanthropy Together calls its “network brain trust,” including The Awesome Foundation, The States Project and Together Women Rise.

A sampling of facts from the report illustrates the multifaceted benefits of collective giving. Sixty percent of collective giving group leaders report that they intentionally embed racial and ethnic equity in their circles, and the vast majority (83%) of respondents said that their groups prioritize giving to marginalized communities. In addition, more than

two-thirds reported that they provide general operating support to nonprofits, and well over half said that they give more than just money to the nonprofits their giving circles support. “In Abundance” refers to this deep level of giving as the “5 T’s”: Time, Treasure, Talent, Time and Testimony.

Meanwhile, on the individual level, close to 80% of respondents reported that their participation in a collective giving group gave them “an increased belief in their social influence and feeling that their voices mattered on social issues,” and 91% said their giving circle participation had a “positive impact” on their sense of belonging in the community.

What the report found about the positive impact of collective giving on civic engagement is also worth noting. More than half of giving circle participants said that being part of a collective giving effort had inspired them to advocate for issues that matter to them, and a quarter said that they had given more often to political parties and campaigns. The report calls collective giving groups “schools of democracy,” in part because more than half of the survey’s respondents said their giving circle participation had a positive impact on their ability to have discussions with people holding opposing views.

“Particularly in a time when people are feeling more disconnected and isolated, whether from political polarization or the sustained shift to remote work, collective giving is showing up as an antidote to loneliness and despair,” said [Jason Franklin, the cofounder of the donor consulting firm Ktisis Capital](#). Franklin, one of the co-leaders of the original 2017 collective giving research, also noted that participants seem to stick with their giving circles, citing the report’s figure that the average member remains in their group for seven and a half years.

People don’t necessarily join collective giving groups looking for friends, “but friendship and human connection is an important part of what they get out of it,” said Michael D. Layton, one of the co-principal investigators and co-authors of the report, along with Adriana Loson-Ceballos. Layton is the W.K. Kellogg Community Philanthropy Chair at the Dorothy A. Johnson Center for Philanthropy, while Loson-Ceballos is the cofounder of Colmena Consulting.

Billionaires aren’t going to save us

Based on this research, what are some things the philanthrosphere can learn from the phenomenon of collective giving?

Perhaps the most important is that in a country where other forms of civic engagement are struggling, the seemingly humble giving circle is acting as a powerful force that brings people together, nurtures collective bonds and acts as an on-ramp to yet more action and connection — while simultaneously moving significant amounts of charitable money. There are several ways that wealthy individuals and institutional funders can pitch in, including by joining giving circles themselves, letting local giving circles and similar groups act as the due-diligence agents for choosing grantees or gift recipients, and funding the movement’s support infrastructure.

Philanthropy’s trend toward top heaviness has been escalating for a while now, a damaging development for a social sector that thrives on diverse, widespread support and participation. Collective giving may well prove to be one of the antidotes. “Billionaires aren’t going to save us,” Loson-Ceballos said. “I love them, I know a couple of them, they’re great. But they’re not gonna save us at all.”

On the other hand, she said, the community engagement that collective giving fomented and sustains, and the rebuilding of social capital it makes possible, is essential. Perhaps funders that want to protect democracy by promoting civic engagement don’t need to reinvent any wheels. The collective giving movement is already well on its way down the road; all it needs is more fuel.